



Union High School District

**BOARD OF TRUSTEES
REGULAR BOARD MEETING**

Board of Trustees
Joyce Dalessandro
Beth Hergesheimer
Amy Herman
Maureen "Mo" Muir
John Salazar

Superintendent
Eric R. Dill

**THURSDAY, JANUARY 18, 2018
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 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.

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 discussion or 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 / ELECTRONIC DEVICES

As a courtesy to all meeting attendees, please set cell phones and electronic devices 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 18, 2018
6:30 PM**

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

PRELIMINARY FUNCTIONS (ITEMS 1 – 7)

- 1. CALL TO ORDER 5:00 PM
 - A. PUBLIC COMMENTS REGARDING CLOSED SESSION ITEMS (2A-C)
- 2. **CLOSED SESSION** **5:01 PM**
 - A. STUDENT DISCIPLINE / EXPULSIONS/SUSPENDED EXPULSIONS/READMITS
To consider and/or deliberate on student discipline matters. (Case #2018-064SD)
 - B. STUDENT RECORDS
To consider Student Records Challenge pursuant to Board Policy 5125.3, Education Code section 49070, and California Administrative Code, Title 5, Section 436. (Case # 2018-066RC)
 - C. PUBLIC EMPLOYEE APPOINTMENT, EMPLOYMENT, PERFORMANCE EVALUATION, DISCIPLINE/DISMISSAL/RELEASE
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.*

REGULAR MEETING / OPEN SESSION 6:30 PM

- 3. RECONVENE REGULAR BOARD MEETING / CALL TO ORDER BOARD PRESIDENT
 - A. WELCOME / MEETING PROTOCOL REMARKS
 - B. PLEDGE OF ALLEGIANCE
- 4. REPORT OUT OF CLOSED SESSION / ACTION
 - A. REPORT OUT OF CLOSED SESSION
 - B. STUDENT DISCIPLINE / EXPULSIONS/SUSPENDED EXPULSIONS/READMITS ACTION
Consideration/action of student discipline of the following: Case #2018-064SD.
 - Roll Call / Board Members only
- 5. APPROVAL OF AGENDA
Motion by _____, second by _____, to approve the agenda of January 18, 2018, Regular Board Meeting of the San Dieguito Union High School District, as presented.
- 6. APPROVAL OF MINUTES / DECEMBER 14, 2017 REGULAR MEETING
Motion by _____, second by _____, to approve the minutes of the December 14, 2017 Regular Meeting, as shown in the attached supplement.
- 7. APPOINTMENT OF BOARD REPRESENTATIVES TO COMMITTEES, 2018
Motion by _____, second by _____, to appoint Board Representatives to the following committees for 2018, as follows:
 - Career Technical Education (2) _____
 - Encinitas City/School District Liaison (2) _____

- Legislative Action Network, Local/Regional (2)
- North Coastal Consortium for Special Education (1)
- Solana Beach City/School District Liaison (2)

**IMMEDIATELY FOLLOWING ACTION ON THIS ITEM, THE BOARD WILL TEMPORARILY ADJOURN AND SUMMON A MEETING OF THE SAN DIEGUITO SCHOOL FACILITIES FINANCING AUTHORITY, THEN RECONVENE THE REGULAR MEETING.*

NON-ACTION ITEMS..... (ITEMS 8 - 10)

- 8. REPORTS AND UPDATESSTUDENT BOARD / BOARD OF TRUSTEES / SUPERINTENDENT
 - A. STUDENT UPDATES / RECOGNITION OF OUTGOING SDA STUDENT BOARD REPRESENTATIVE
 - B. BOARD OF TRUSTEES
 - C. SUPERINTENDENT
- 9. LCAP PRIORITY UPDATE / CREDIT RECOVERY/SCHOOL CONNECTEDNESS
 RICK AYALA, PRINCIPAL/SUNSET HS
- 10. PUBLIC COMMENTS

In accordance with the Brown Act, unless placed on the published agenda, no discussion or action may be taken by the Board of Trustees on non-agenda items; however, the Board may 1) acknowledge receipt of the information; 2) refer the matter to staff for further study; or 3) refer the matter to a future agenda. (See *Board Agenda Cover Sheet for further information on public comments.*)

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 the Consent Item number.

11. SUPERINTENDENT

- A. GIFTS AND DONATIONS
 Accept the gifts and donations, as shown in the attached supplements.
- B. FIELD TRIP REQUESTS
 Accept the field trips, as shown in the attached supplements.

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 supplements.
- B. APPROVAL/RATIFICATION OF AGREEMENTS
 (None Submitted)

13. EDUCATIONAL SERVICES

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

- B. APPROVAL/RATIFICATION OF AMENDMENT TO AGREEMENTS
(None Submitted)

14. ADMINISTRATIVE SERVICES

- A. APPROVAL/RATIFICATION OF AGREEMENTS

Approve/ratify entering into the following agreements and authorize Douglas B. Gilbert, Tina Douglas or Eric R. Dill to execute the agreements:

1. Boys and Girls Club of San Dieguito, lease of facilities for the Torrey Pines High School Girls' water polo team practice, on January 2, 2018, in the amount of \$250.00, to be expended from the General Fund/Unrestricted 01-00.

- B. APPROVAL/RATIFICATION OF AMENDMENT TO AGREEMENTS
(None Submitted)

SPECIAL EDUCATION

- C. 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 Douglas B. Gilbert, Tina Douglas or Eric R. Dill to execute all pertinent documents:

1. Center for Autism (CARD) (NPA), to provide one-to-one educationally & behavior related services and consultation for students with autism, during the period July 1, 2017 through June 30, 2018, at the rate of \$110.00 per hour (supervision) and \$45.00 per hour (therapy/BII), to be expended from the General Fund/Restricted 01-00.

- D. APPROVAL/RATIFICATION OF AMENDMENT TO AGREEMENTS
(None Submitted)

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

PUPIL SERVICES

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

- G. APPROVAL/RATIFICATION OF AMENDMENTS TO AGREEMENTS
(None Submitted)

15. BUSINESS SERVICES

BUSINESS

- A. APPROVAL/RATIFICATION OF AGREEMENTS

Approve/ratify entering into the following agreements and authorize Douglas B. Gilbert, Tina Douglas or Eric R. Dill to execute the agreements:

1. C&D Towing Services, Inc., to provide towing/container relocation services, during the period January 19, 2018 through June 30, 2018, in an amount not to exceed \$20,000.00, to be expended from the General Fund/Unrestricted 01-00.
2. Tyler Durman, Inc., to speak at a school assembly and parent evening event at Earl Warren Middle School, on February 5, 2018, in an amount not to exceed \$3,000.00, to be paid for by the Earl Warren Middle School PTSA, Title I and ASB.

B. APPROVAL/RATIFICATION OF AMENDMENT TO AGREEMENTS

Approve/ratify amending the following agreements and authorize Douglas B. Gilbert, Tina Douglas or Eric R. Dill to execute the agreements:

1. Currier & Hudson, a professional corporation, to amend the term of the contract to allow for automatic monthly extensions after June 30, 2018, until terminated in writing by either party, with no other changes to the contract.
2. Naumann Hobbs Material Handling Corp II, Inc., dba Hawthorne Lift Systems, to provide preventative maintenance and repairs to lifts (forklifts, articulating lifts, scissor lifts) throughout the District, increasing the amount by \$10,000.00 for a new total not to exceed \$20,000.00, with no other changes to the contract, to be expended from the General Fund/Unrestricted 01-00.

C. AWARD/RATIFICATION OF CONTRACTS

(None Submitted)

D. APPROVAL OF CHANGE ORDERS

(None Submitted)

E. ACCEPTANCE OF CONSTRUCTION PROJECTS

(None Submitted)

F. APPROVAL OF BUSINESS REPORTS

Approve the following business reports:

1. Purchase Orders
2. Change Orders
3. Purchase Order Increase/Decrease
4. Membership Listings (None Submitted)
5. Warrants
6. Revolving Cash Fund

FACILITIES PLANNING & CONSTRUCTION**G. APPROVAL/RATIFICATION OF AGREEMENTS**

(None Submitted)

H. APPROVAL/RATIFICATION OF AMENDMENT TO AGREEMENTS

Approve/ratify amending the following agreements and authorize Douglas B. Gilbert, Tina Douglas or Eric R. Dill to execute the agreements:

1. McCarthy Building Companies, Inc., to amend contract CA2015-58, extending the Lease/Leaseback Agreement through September 30, 2018 and splitting the scope of work into Phase I and Phase II scopes with no increase in cost, to be expended from Building Fund Prop 39 – Fund 21-39.
2. Solana Beach School District, to amend contract CA2017-58, to lease portions of Interim Housing at Earl Warren Middle School, in an amount not to exceed \$1 per year and allowing for an increase in the amount of reimbursable expenses and building preparation expenses due from Solana Beach School District, at no cost impact to District.
3. Roesling Nakamura Terada Architects, Inc., to amend contract CA2017-45, for architectural/engineering services for miscellaneous small projects, increasing the amount by \$18,700.00 for a new total of \$43,700.00, and extending the term through April 6, 2019, to be expended from the fund to which the project is charged.
4. SVA Architects, Inc., to amend contract CA2018-13 for architectural/engineering services at Sunset High School, increasing the amount by \$33,000.00 for a new total of \$1,002,430.00, plus reimbursable expenses, to be expended from Building Fund Prop 39 – Fund 21-39.

I. AWARD/RATIFICATION OF CONTRACTS

Approve/ratify the following contracts and authorize Douglas B. Gilbert, Tina Douglas or Eric R. Dill to execute all the pertinent documents:

1. SWCS, Inc., dba Southwest Construction Services, Inc., Bid Package #1 Temporary Facilities & Controls, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in the amount of \$978,075.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
2. Rocky Coast Builders, Inc., Bid Package #4 Concrete Paving, Masonry & Metal Framing, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in the amount of \$4,137,507.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
3. Fredricks Electric, Inc., Bid Package #10 Electrical, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in the amount of \$1,950,000.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
4. Western Rim Constructors, Inc., Bid Package #11 Landscaping & Irrigation, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in the amount of \$769,983.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
5. Interpipe Contracting, Inc., Bid Package #12 Site Utilities, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in the amount of \$737,000.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
6. SWCS, Inc., dba Southwest Construction Services, Inc., Bid Package #13 Doors, Frames & Hardware, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in the amount of \$1,475,938.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
7. SWCS, Inc., dba Southwest Construction Services, Inc., Bid Package #14 Metal Studs, Drywall, Plaster, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in the amount of \$2,638,762.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
8. SWCS, Inc., dba Southwest Construction Services, Inc., Bid Package #15 Elevator/Finishes, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in the amount of \$2,317,018.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.

J. APPROVAL OF CHANGE ORDERS

Approve Change Orders to the following projects, and authorize Douglas B. Gilbert, Tina Douglas or Eric R. Dill to execute the change orders:

1. SWCS, Inc., Bid Package #1 Temporary Facilities & Controls, San Dieguito High School Academy Math & Science Building Phase 1 CB2016-04, decreasing the amount by \$56,006.00 for a new total of \$872,689.00, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.
2. RND Contractors, Inc., Bid Package #3 Structural Steel, San Dieguito High School Academy Math & Science Building Phase 1 CB2016-04, decreasing the amount by \$297,740.00 for a new total of \$1,527,794.00, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.

3. Precision Concrete Construction, Bid Package #4 Concrete Masonry & Asphalt, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, increasing the amount by \$3,783.00 for a new total of \$1,750,376.00, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.
4. SWCS, Inc., Bid Package #5 General Construction, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, decreasing the amount by \$552.50 for a new total of \$4,312,729.50, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.
5. Sylvester Roofing Co., Inc., Bid Package #6 Roofing & Sheet Metal, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, decreasing the amount by \$15,723.00 for a new total of \$354,276.00, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.
6. JG Tate Fire Protection Systems, Inc., Bid Package #7 Fire Protection, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, decreasing the amount by \$29,476.00 for a new total of \$105,091.00, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.
7. Interpipe Contracting, Inc., Bid Package #8 Plumbing & Utilities, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, decreasing the amount by \$24,078.37 for a new total of \$1,309,211.00, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.
8. Chapman Air Systems, Inc., dba W.R. Robbins Company, Bid Package #9 HVAC & Controls, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, decreasing the amount by \$88,560.00 for a new total of \$1,140,440.00, to be expended from Building Fund Prop 39 – Fund 21-39.
9. Fredricks Electric, Inc., Bid Package #10 Electric, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, decreasing the amount by \$67,499.00 for a new total of \$1,216,501.00, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.
10. Western Rim Constructors, Inc., Bid Package #11 Landscaping & Irrigation, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, decreasing the amount by \$419.00 for a new total of \$434,063.32, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.

K. ACCEPTANCE OF CONSTRUCTION PROJECTS

Accept the following construction projects as complete, and authorize the administration to file a Notice of Completion with the County Recorders' Office administration to release final retention:

1. San Dieguito High School Academy Math & Science Building Phase 1 CB2016-04, Bid Package #1 Temporary Facilities & Controls, contract entered into with SWCS, Inc.
2. San Dieguito High School Academy Math & Science Building Phase 1 CB2016-04, Bid Package #3 Structural Steel, contract entered into with RND Contractors, Inc.
3. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #4 Concrete Masonry & Asphalt, contract entered into with Precision Concrete Construction.
4. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #5 General Construction, contract entered into with SWCS, Inc.
5. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #6 Roofing & Sheet Metal, contract entered into with Sylvester Roofing Co., Inc.
6. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #7 Fire Protection, contract entered into with JG Tate Fire Protection Systems, Inc.
7. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #8 Plumbing & Utilities, contract entered into with Interpipe Contracting, Inc.

- 8. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #9 HVAC & Controls, contract entered into Chapman Air Systems, Inc., dba W.R. Robbins Company.
- 9. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #10 Electric, contract entered into with Fredricks Electric, Inc.
- 10. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #11 Landscaping & Irrigation, contract entered into with Western Rim Constructors, Inc.

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

- Motion by _____, second by _____, to approve Consent Agenda Items 11-15, as shown in the attached supplements.
- Roll Call:

Joyce Dalessandro	Jack Hargis, Canyon Crest Academy
Beth Hergesheimer	Scott Geier, La Costa Canyon High School
Amy Herman	Cole Gonzales, San Dieguito High School Academy
Maureen "Mo" Muir	Sarah Trigg, Sunset High School
John Salazar	Isaac Gelman, Torrey Pines High School

DISCUSSION / ACTION ITEMS.....(ITEM 16 - 24)

- 16. ADOPTION OF PROPOSED NEW / REVISED BOARD POLICIES (3) / BUSINESS SERVICES

Motion by _____, second by _____, to adopt the proposed new/revised Board Policies, as shown in the attached supplements and as follows:

 - A. BP #3554, OTHER FOOD SALES (REVISED)
 - B. BP #7212, MELLO-ROOS DISTRICTS (NEW)
 - C. BP #7214, GENERAL OBLIGATION BONDS (REVISED)
- 17. ADOPTION OF PROPOSED NEW / REVISED BOARD POLICIES (3) / EDUCATIONAL SERVICES

Motion by _____, second by _____, to adopt the proposed new/revised Board Policies, as shown in the attached supplements and as follows:

 - A. BP# 5127, GRADUATION CEREMONY AND ACTIVITIES (REVISED)
 - B. BP# 6146.1, HIGH SCHOOL GRADUATION REQUIREMENTS (REVISED)
 - C. BP# 6146.11, ALTERNATIVE CREDITS TOWARD GRADUATION (REVISED)
- 18. ADOPTION OF RESOLUTION / 2016/2017 REPORT ON STATUTORY SCHOOL FEES AND FINDINGS

Motion by _____, second by _____, to adopt the resolution regarding statutory school fees and report for fiscal year 2016-2017, and findings in compliance with Government Code sections 66006 and 66001, as shown in the attached supplements.

 - Roll Call
- 19. ACCEPTANCE OF 2016-17 ANNUAL AUDIT

Motion by _____, second by _____, to accept the 2016-17 annual audit of the San Dieguito Union High School District, as prepared by Wilkinson, Hadley, King & Co. LLP, as shown in the attached supplement.
- 20. ADOPTION OF RESOLUTION / US BANCORP GOVERNMENT LEASING & FINANCE, INC. / FINANCING OF LEASE PURCHASE OF SIX (6) SCHOOL BUSES

Motion by _____, second by _____, to adopt the Resolution authorizing a master tax-exempt lease purchase agreement with US Bancorp Government Leasing and Finance, Inc., for financing the lease-purchase of six school buses, to be expended from the General Fund/Unrestricted 01-00, as shown in the attached supplement.

 - Roll Call

- 21. ADOPTION OF RESOLUTION / SOUTH COUNTY SUPPORT SERVICES AGENCY / AUTHORIZING PURCHASE OF SCHOOL BUSES
 Motion by _____, second by _____, to adopt the Resolution authorizing purchasing, pursuant to bid and award documents from South County Support Services Agency for the purchase of school buses from Creative Bus Sales, Inc., per the pricing structure, terms, and conditions stated in the bid documents, to be expended from the fund to which the purchases are charged, as shown in the attached supplement.
 - Roll Call

- 22. PUBLIC HEARING & ADOPTION OF RESOLUTION / COMMUNITY FACILITIES DISTRICT 95-2 / ANNEXATION NO. 21 / ANNEXATION OF PROPERTY / AZURE / AN 8-UNIT SINGLE FAMILY SUBDIVISION AT HYMETTUS AVE. IN ENCINITAS / CITIMARK HYMETTUS, LLC
 - A. PUBLIC HEARING
 The Governing Board will convene a public hearing to receive public testimony concerning the annexation of an 8-unit single family subdivision at Hymettus Ave. in Encinitas / Citimark Hymettus, LLC
 - Open Hearing
 - Call For Public Comments
 - Close Hearing
 - B. ADOPTION OF RESOLUTION OF ANNEXATION
 Motion by _____, second by _____, to adopt the Resolution of the Board of Trustees of the San Dieguito Union High School District Acting as the Legislative Body of the San Dieguito Union High School District Community Facilities District No. 95-2, as shown in the attached supplement.
 - Roll Call

- 23. APPROVAL OF AMENDMENT TO EMPLOYMENT CONTRACTS (2) / ASSOCIATE SUPERINTENDENTS OF EDUCATIONAL SERVICES & ADMINISTRATIVE SERVICES
 - A. APPROVAL OF AMENDMENT TO EMPLOYMENT CONTRACT / ASSOCIATE SUPERINTENDENT OF EDUCATIONAL SERVICES
 Motion by _____, second by _____, to approve the amendment to the employment contract entered into with Michael Grove, Associate Superintendents of Educational Services, extending the term of the contract to the period January 1, 2018 through June 30, 2021, with no other changes to the contract, as shown in the attached supplement.
 - B. APPROVAL OF AMENDMENT TO EMPLOYMENT CONTRACT / ASSOCIATE SUPERINTENDENT OF ADMINISTRATIVE SERVICES
 Motion by _____, second by _____, to approve the amendment to the employment contract entered into with Mark Miller, Associate Superintendents of Administrative Services, extending the term of the contract to the period January 1, 2018 through June 30, 2021, with no other changes to the contract, as shown in the attached supplement.

- 24. ADOPTION OF REVISED BOARD POLICY #4341.1 ATTACHMENT A, "MANAGEMENT SALARY SCHEDULE" / REESTABLISH DIRECTOR OF PURCHASING CLASSIFICATION/SALARY ALLOCATION
 Motion by _____, second by _____, to adopt the revised Board Policy #4341.1 Attachment A, "Management Salary Schedule," as shown in the attached supplement.

INFORMATION ITEMS..... (ITEMS 25 - 35)

- 25. PROPOSED REVISED BOARD POLICIES (4) / ADMINISTRATIVE SERVICES
 - A. BP #5111, ADMISSION REQUIREMENTS (REVISED)
 - B. BP #5111.1, DISTRICT RESIDENCY (REVISED)

C. BP #5123, PROMOTION / ACCELERATION / RETENTION (REVISED)

D. BP #6179, SUPPLEMENTAL INSTRUCTION (REVISED)

This item is being submitted for first read and will be resubmitted for action on February 8, 2018.

26. UNIFORM COMPLAINT QUARTERLY REPORT, 2ND QUARTER, 2017-18 (OCTOBER - DECEMBER)

This item is being submitted for review and as information only for the 2nd Quarter, 2017-18 (October-December).

27. VIDEO BROADCASTING OF BOARD MEETINGS

This item is being submitted as information only.

28. BUSINESS SERVICES UPDATETINA DOUGLAS, ASSOCIATE SUPERINTENDENT

29. EDUCATIONAL SERVICES UPDATEMIKE GROVE, ED.D, ASSOCIATE SUPERINTENDENT

30. HUMAN RESOURCES UPDATECINDY FRAZEE, ASSOCIATE SUPERINTENDENT

31. ADMINISTRATIVE SERVICES UPDATE MARK MILLER, ASSOCIATE SUPERINTENDENT

32. FUTURE AGENDA ITEMS

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

A. STUDENT DISCIPLINE / EXPULSIONS/SUSPENDED EXPULSIONS/READMITS

To consider and/or deliberate on student discipline matters. (Case #2018-064SD)

B. STUDENT RECORDS

To consider Student Records Challenge pursuant to Board Policy 5125.3, Education Code section 49070, and California Administrative Code, Title 5, Section 436. (Case #2018-066RC)

C. PUBLIC EMPLOYEE APPOINTMENT, EMPLOYMENT, PERFORMANCE EVALUATION, DISCIPLINE/DISMISSAL/RELEASE

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.*

34. REPORT FROM CLOSED SESSION (AS NECESSARY)

35. ADJOURNMENT

The next regularly scheduled Board Meeting is scheduled on [Thursday, February 8, 2018, at 6:30 PM](#) in the SDUHSD District Office Board Room 101. The District Office is located at 710 Encinitas Blvd., Encinitas, CA, 92024.

Board of Trustees
Joyce Dalessandro
Beth Hergesheimer
Amy Herman
Maureen "Mo" Muir
John Salazar

Superintendent
Eric R. Dill



Union High School District

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

DECEMBER 14, 2017

THURSDAY, DECEMBER 14, 2017
6:30 PM

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

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

- 1. CALL TO ORDER..... 6:00 PM
President Herman called the meeting to order at 6:00 PM.
 - A. PUBLIC COMMENTS REGARDING CLOSED SESSION ITEMS (#2A-C)
No public comments were presented.
- 2. CLOSED SESSION 6:01 PM
Board Members convened to Closed Session at 6:01 pm to discuss the following:
 - A. PUBLIC EMPLOYEE APPOINTMENT, EMPLOYMENT, PERFORMANCE EVALUATION, DISCIPLINE/DISMISSAL/RELEASE
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.*
 - B. NEGOTIATIONS / EMPLOYEE ORGANIZATIONS
To conference with Labor Negotiators, pursuant to Government Code Section 54957.8.
Agency Negotiators: Superintendent and Associate Superintendents (4)
Employee Organizations: San Dieguito Faculty Association / California School Employees Association
 - C. CURRENT AND/OR POTENTIAL LITIGATION
To conference with legal counsel to discuss current and/or potential significant exposure to litigation, pursuant to Government Code sections 54956.9(d)(1), (1 case): C.E. v San Dieguito Union High School District (case #37-2017-46020-CU-PO-CTL), and pursuant to Government Code section 54956.9(d)(2), (1 issue).

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

ATTENDANCE

BOARD OF TRUSTEES AND STUDENT BOARD REPRESENTATIVES

Joyce Dalessandro	Jack Hargis, Canyon Crest Academy
Beth Hergesheimer	Scott Geier, La Costa Canyon High School (Absent)
Amy Herman	Cole Gonzales, San Dieguito High School Academy
Maureen "Mo" Muir	Sarah Trigg, Sunset High School
John Salazar	Isaac Gelman, Torrey Pines High School

DISTRICT ADMINISTRATORS / STAFF

Eric Dill, Superintendent
Tina Douglas, Associate Superintendent, Business Services
Cindy Frazee, Associate Superintendent, Human Resources

Mike Grove, Ed.D., Associate Superintendent, Educational Services
Mark Miller, Associate Superintendent, Administrative Services
Dan Love, Director of Maintenance, Operations & Transportation
Delores Perley, Chief Finance Officer
Joann Schultz, Executive Assistant to the Superintendent / Recording Secretary

- 3. RECONVENE REGULAR MEETING / CALL TO ORDER (ITEM 3)
 - A. The regular meeting of the Board of Trustees was called to order at 6:31 p.m. by President Amy Herman. Ms. Schultz read the meeting protocol instructions.
 - B. President Herman led the Pledge of Allegiance.
- 4. REPORT OUT OF CLOSED SESSION (ITEM 4)
The Board unanimously ratified the voluntary resignation agreement of certificated Employee ID Number 227462.
- 5. APPROVAL OF AGENDA..... (ITEM 5)
Motion by Mr. Salazar, seconded by Ms. Hergesheimer, to approve the agenda of December 14, 2017, Regular Board meeting of the San Dieguito Union High School District, as presented. ADVISORY VOTE Ayes: Gelman, Gonzales, Hargis, Trigg; Noes: None; Abstain: None, Absent: Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir, Salazar; Noes: None; Abstain: None.
Motion unanimously carried.
- 6. APPROVAL OF MINUTES (3) / NOVEMBER 2, 2017 REGULAR MEETING & NOVEMBER 16 & 28, 2017 SPECIAL MEETINGS
Motion by Ms. Dalessandro, seconded by Ms. Hergesheimer, to approve the minutes (3) of the November 2, 2017 Regular Meeting, and the November 16 and 28, 2017 Special Meetings, as presented. ADVISORY VOTE Ayes: Gelman, Gonzales, Hargis, Trigg; Noes: None; Abstain: None, Absent: Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir, Salazar; Noes: None; Abstain: None.
Motion unanimously carried.

ORGANIZATION OF THE BOARD(ITEM 7)

7a. NOMINATION / ELECTION OF BOARD PRESIDENT

PUBLIC COMMENTS:

Wendy Gumb made comments suggesting rotation of Board President and believes that Ms. Muir or Mr. Salazar should have a turn, and read out loud portions of Board Bylaw 9271, Code of Ethics.

A discussion was held by the Board.

Motion by Mr. Salazar, seconded by Isaac Gelman, that nominations be closed and that Ms. Muir be elected President of the Board for 2018. ADVISORY VOTE Ayes: Gelman; Noes: Gonzales, Hargis, Trigg; Abstain: None, Absent: Geier. BOARD Ayes: Muir, Salazar; Noes: Dalessandro, Hergesheimer, Herman; Abstain: None.

Motion failed to pass.

Motion by Ms. Dalessandro, seconded by Ms. Herman, that nominations be closed and that Ms. Hergesheimer, be elected President of the Board for 2018. ADVISORY VOTE Ayes: Gelman, Gonzales, Hargis, Trigg; Noes: None; Abstain: None, Absent: Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir; Noes: Salazar; Abstain: None.

Motion carried.

7b. PASSING OF THE GAVEL TO THE NEWLY ELECTED PRESIDENT OF THE BOARD

Ms. Herman passed the gavel to Ms. Hergesheimer.

7c. RECOGNITION OF OUTGOING PRESIDENT

Superintendent Dill acknowledged Ms. Amy Herman by presenting her with a gift and a bouquet of flowers.

7d. NOMINATION / ELECTION OF VICE PRESIDENT

Motion by Mr. Salazar, seconded by Ms. Muir, that nominations be closed and that Ms. Muir be elected as Vice-President of the Board for 2018. ADVISORY VOTE Ayes: Gelman, Hargis, Trigg; Noes: Gonzales; Abstain: None, Absent: Geier. BOARD Ayes: Hergesheimer, Herman, Muir, Salazar; Noes: Dalessandro; Abstain: None.

Motion carried.

7e. NOMINATION / ELECTION OF CLERK

Motion by Ms. Herman, seconded by Ms. Hergesheimer, that nominations be closed and that Ms. Dalessandro be elected as Clerk of the Board for 2018. ADVISORY VOTE Ayes: Gelman, Gonzales, Hargis, Trigg; Noes: None; Abstain: None, Absent: Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir, Salazar; Noes: None; Abstain: None.

Motion unanimously carried.

7f. APPOINTMENT OF BOARD REPRESENTATIVE / NORTH CITY WEST SCHOOL FACILITIES FINANCING AUTHORITY

Motion by Mr. Salazar, seconded by Ms. Dalessandro, that Eric R. Dill, Superintendent, be appointed to serve as Board Representative to the North City West School Facilities Financing Authority, for 2018. ADVISORY VOTE Ayes: Gelman, Gonzales, Hargis, Trigg; Noes: None; Abstain: None, Absent: Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir, Salazar; Noes: None; Abstain: None.

Motion unanimously carried.

7g. APPOINTMENT OF ALTERNATE BOARD REPRESENTATIVE / NORTH CITY WEST SCHOOL FACILITIES FINANCING AUTHORITY

Motion by Ms. Dalessandro, seconded by Mr. Salazar, that Tina Douglas, Associate Superintendent of Business Services, be appointed to serve as Alternate Board Representative to the North City West School Facilities Financing Authority, for 2018. ADVISORY VOTE Ayes: Gelman, Gonzales, Hargis, Trigg; Noes: None; Abstain: None, Absent: Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir, Salazar; Noes: None; Abstain: None.

Motion unanimously carried.

7h. ESTABLISH DATE, TIME AND PLACE OF REGULAR MEETINGS OF THE BOARD FOR 2018

Motion by Ms. Dalessandro, seconded by Ms. Muir, to approve the San Dieguito Union High School District Board of Trustees Meeting Schedule for 2018, as presented. ADVISORY VOTE Ayes: Gelman, Gonzales, Hargis, Trigg; Noes: None; Abstain: None, Absent: Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir, Salazar; Noes: None; Abstain: None.

Motion unanimously carried.

7i. APPOINTMENT OF BOARD SECRETARY AND RE-ADOPTION OF BOARD POLICIES

Motion by Ms. Herman, seconded by Ms. Dalessandro, that the Board re-adopt all Board Policies and appoint the Superintendent to serve as Board Secretary, as specified in Bylaw #9320. ADVISORY VOTE Ayes: Gelman, Gonzales, Hargis, Trigg; Noes: None; Abstain: None, Absent: Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir, Salazar; Noes: None; Abstain: None.

Motion unanimously carried.

**Immediately following action on Item 7i, at 6:54 pm, the Board temporarily adjourned and summoned meetings of the San Dieguito Public Facilities Authority and the San Dieguito School Facilities Financing Authority; then reconvened the regular meeting at 7:02 pm.*

NON-ACTION ITEMS(ITEMS 8 - 10)

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

A. STUDENT UPDATES

All students gave an update on the highlights and events at their schools. Cole Gonzales read out loud the La Costa Canyon High School report submitted by Scott Geier.

B. BOARD OF TRUSTEES

All Board members attended the November 16 and 28, 2017 Special meetings except for Mr. Salazar, and all board members attended the CSBA Annual Conference held in San Diego November 30 – December 2, 2017.

Ms. Muir shared information regarding the Explorer program, reported that the Torrey Pines HS (TPHS) football team defeated La Costa Canyon HS (LCC), grant dollars are still available from Supervisor Gaspar, participated in the Encinitas Turkey Trot, attended the Encinitas Prayer Breakfast and the San Dieguito Alliance Networking luncheon, and is supporting the anti-marijuana effort in the City of Encinitas.

Ms. Herman attended the TPHS Performing Arts Center (PAC) groundbreaking ceremony, the Solana Pacific Elementary ribbon cutting ceremony, the regional Legislative Action Network (LAN) meeting, the Parent Site Council Representative meeting, and the Solana Beach School Relations Committee meeting.

Mr. Salazar reported on the sessions he attended at CSBA conference.

Ms. Dalessandro attended the TPHS PAC groundbreaking ceremony, the California Voting Rights Act (CVRA) community meeting held at TPHS, the Special Education Task Force meeting at Canyon Crest Academy (CCA), the Parent Site Council Representative meeting, the Solana Beach School Liaison Committee meeting, the LCC International Baccalaureate team visitation meeting, the Encinitas School District Liaison meeting, and the SDA Foundation “Tast” fundraiser.

Ms. Hergesheimer attended the TPHS PAC groundbreaking ceremony, the Solana Pacific Elementary ribbon cutting ceremony, SDA Foundation “Tast” fundraiser, the CVRA community meeting at SDA, the County Office of Education superintendent’s meeting regarding legislative priorities, the regional LAN meeting, Delegate Assembly meetings held prior to the CSBA conference, and visited San Dieguito Academy to return student art work on loan to CSBA for display at the conference.

C. SUPERINTENDENT’S REPORTS, BRIEFINGS, LEGISLATIVE UPDATES..... ERIC DILL, SUPERINTENDENT

Mr. Dill reported on the recent Lilac fire in Fallbrook related to the communication and cooperation between the County Office of Education, the feeder elementary districts, and the City of Carlsbad, and reported on the workshops he attended at the CSBA conference.

9. SPECIAL EDUCATION TASK FORCE UPDATE MARK MILLER

Mr. Miller gave an update on the Special Education Task Force including the committee makeup, and background information of the facilitator Maureen O’Leary-Burness. The committee is charged with identifying a long-term plan for special education. The committee has established their goals, group working norms, and created a mission and vision. At the first three meetings, they were provided data and research, to help recommend an actual strategic plan. Talking points are prepared after each meeting and are posted on the district website as well as numerous resources. The meetings are open to the public and the public can made comments. Parent engagement is encouraged with a Special Education Advisory Group and a recently formed Adult Transition Advisory Group. Professional development is continuing to be provided to special education teachers.

10. PUBLIC COMMENTS

Elaine Kooima made comments directed at the student representatives thanking them for their support of special education students and for standing up to adultism, and commented on the problems with the data related to the California Healthy Survey.

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

Motion by Ms. Herman, seconded by Ms. Dalessandro, to approve Consent Agenda Items #11-15, as presented. ADVISORY VOTE Ayes: Gelman, Gonzales, Hargis, Trigg; Noes: None; Abstain: None, Absent: Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir, Salazar; Noes: None; Abstain: None.

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.

B. APPROVAL/RATIFICATION OF AGREEMENTS

Approve/ratify entering into the following agreement and authorize Douglas B. Gilbert, Tina Douglas, or Eric R. Dill to execute the agreements:

1. San Diego County Superintendent of Schools (SDCSS), to provide an articulation pathway for Preliminary Administrative Services Credential Program (PASC) candidates and Clear Administrative Services Credential Program (CASC), to pursue authentic leadership development field experiences and to participate in leadership professional learning and support as sponsored by SDCSS, during the period July 1, 2017 through June 30, 2022 unless terminated by either party, at no cost to the District.

13. EDUCATIONAL SERVICES

A. APPROVAL/RATIFICATION OF AGREEMENTS

Approve/ratify entering into the following agreement and authorize Douglas B. Gilbert, Tina Douglas, or Eric R. Dill to execute the agreement:

1. San Diego County Superintendent of Schools (SDCSS), to provide support to the District site and District administrators with the development of an instructional framework, during the period July 1, 2017 through June 30, 2018 unless cancelled by mutual written agreement, in the amount of \$7,000.00, to be expended from the General/Unrestricted Fund 01-00.

B. APPROVAL/RATIFICATION OF AMENDMENT TO AGREEMENTS

Approve/ratify amending the following agreements and authorize Douglas B. Gilbert, Tina Douglas, or Eric R. Dill to execute the agreements:

1. Rosetta Stone, Ltd., amending the agreement to include 30 additional licenses, increasing the annual amount by \$2,362.50 for a new annual amount of \$10,102.50, with no other changes to the contract, to be expended from Title III General Fund/Restricted 01-00.

14. ADMINISTRATIVE SERVICES

A. APPROVAL/RATIFICATION OF AGREEMENTS

Approve/ratify entering into the following agreements and authorize Douglas B. Gilbert, Tina Douglas or Eric R. Dill to execute the agreements:

ITEM 6

1. Assistance League of Rancho San Dieguito, to provide an organized shopping opportunity (Operation School Bell) designed to provide clothing and shoes to District identified students, to take place on an annual date agreed upon by both parties, during the period July 1, 2017 through June 30, 2018, then automatically renewing unless either party gives 30 day advance termination notice, at no cost to the District.
2. The Regents of the University of California, for the lease of facilities at the University of California, San Diego, for the Torrey Pines High School Girl's Water Polo, practices and games, during the period November 13, 2017 through February 28, 2018, in an estimated amount not to exceed \$24,650.00, to be expended from the General Fund/Unrestricted 01-00.

B. APPROVAL/RATIFICATION OF AMENDMENT TO AGREEMENTS

(None Submitted)

SPECIAL EDUCATION**C. 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 Douglas B. Gilbert, Tina Douglas or Eric R. Dill to execute all pertinent documents:

1. EduCLIME, LLC. (ICA), to provide brain injury therapy, assessments, and IEP support in an educational setting, during the period July 1, 2017 through June 30, 2018, at the rate of \$180.00 per hour, to be expended from the General Fund/Restricted 01-00.
2. Fred Finch (NPA), to provide alternative education and day treatment for diploma bound students with high functioning autism, moderate to severe learning disabilities, and/or social, emotional, and/or mental health issues, during the period July 1, 2017 through June 30, 2018, at the rates shown on the attachment, to be expended from the General Fund/Restricted 01-00.
3. Grossmont Unified High School District, Inter-SELPA MOU, to provide transportation for one SDUHSD student from a residential home to a non-public school, during the period July 1, 2017 through June 30, 2018, in the amount of \$5,250.00, to be expended from the General Fund/Restricted 01-00.
4. Innovative Therapy 4 Kids (ICA), to provide speech and language pathology assessments, related therapy sessions, and IEP support as necessary, in an educational setting, during the period December 1, 2017 through June 30, 2018, in an amount not to exceed \$1,320.00, to be expended from the General Fund/Restricted 01-00.
5. Legoland California, to provide a group tour for Diegueño Middle School Workability students, on February 5, 2018, in the amount of \$1,150.00, to be expended from the General Fund/Restricted 01-00.
6. Legoland California, to provide a group tour for Carmel Valley Middle School Workability students, on March 16, 2018, in the amount of \$230.00, to be expended from the General Fund/Restricted 01-00.
7. Oak Grove Institute Foundation (RTC), to provide twenty-four hour residential treatment for diploma bound students with severe social, emotional, and mental health issues, during the period November 7, 2017 through June 30, 2018, at the rates shown in the attachment, to be expended from the General Fund/Restricted 01-00.
8. San Diego Zoo Safari Park, to provide a group tour for Earl Warren Middle School Workability students, on March 7, 2018, in the amount of \$380.00, to be expended from the General Fund/Restricted 01-00.
9. San Diego Zoo Safari Park, to provide a group tour for Oak Crest Middle School Workability students, on February 22, 2018, in the amount of \$800.00, to be expended from the General Fund/Restricted 01-00.

D. APPROVAL/RATIFICATION OF AMENDMENT TO AGREEMENTS
(None Submitted)

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

PUPIL SERVICES

F. APPROVAL/RATIFICATION OF AGREEMENTS
(None Submitted)

G. APPROVAL/RATIFICATION OF AMENDMENTS TO AGREEMENTS
(None Submitted)

15. BUSINESS SERVICES

BUSINESS

A. APPROVAL/RATIFICATION OF AGREEMENTS

Approve/ratify entering into the following agreements and authorize Douglas B. Gilbert, Tina Douglas or Eric R. Dill to execute the agreements:

1. Del Mar Highlands Town Center, to provide a venue for the Torrey Pines High School dance team to perform for the highlands holiday show, on December 6, 2017, at no cost to the District.
2. Mission Linen Supply, dba Mission Linen and Uniform Service, to provide work shirts, work pants, work shorts, shop towels, glass towels, laundry bags, and laundry service for the San Dieguito Union High School District Transportation Department, during the period January 6, 2018 through January 5, 2019 and then automatically renewing unless either party gives 30 day advance termination notice, in an annual amount not to exceed \$10,000.00, to be expended from the General Fund/Unrestricted 01-00.
3. 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, 2018 through December 31, 2018, in an amount not to exceed \$4,575.00 plus expenses, to be expended from the General Fund/Unrestricted 01-00.

B. APPROVAL/RATIFICATION OF AMENDMENT TO AGREEMENTS

Approve/ratify amending the following agreements and authorize Douglas B. Gilbert, Tina Douglas or Eric R. Dill to execute the agreements:

1. Cable Pipe and Leak Detection, amending the contract for District wide location and detection services, increasing the rate by \$2,000.00 for a new total of \$3,000.00, with no other changes to the contract, to be expended from the General Fund/Unrestricted 01-00.
2. EDCO Waste & Recycling Services for district wide recycling and waste disposal services, extending the contract period from January 1, 2018 through December 31, 2018 with a 3.3% increase in pricing as allowed in the contract, to be expended from the General Fund/Unrestricted 01-00.
3. Siemens Industry, Inc., amending the Proposition 39 Energy Conservation Program agreement in order to begin the Phase 2 project replacement of interior and exterior lighting at La Costa Canyon High School, Torrey Pines High School, Canyon Crest Academy, and San Dieguito High School Academy, Carmel Valley Middle School, and Diegueño Middle School with LED equivalent lamps and drivers/ballasts, during the period December 13, 2017 through completion, in the amount of \$1,238,876.00, to be expended from the district's pre-approved Proposition 39 funding.

ITEM 6

4. Staff Pros, amending the contract for security guards, officers, and patrol services, increasing the hourly rates effective January 1, 2018 to \$23.00 per hour for security guard/crew, \$25.00 per hour for supervisory personnel, and \$27.00 per hour for management staff, unless terminated with 30 day advance written notice by either party, with no other changes to the contract, to be expended from the program fund requesting the service.

C. AWARD/RATIFICATION OF CONTRACTS

Award/ratify the following contracts and authorize Douglas B. Gilbert, Tina Douglas, or Eric R. Dill to execute all pertinent documents:

1. Stix Holdings, LLC, doing business as Pick Up Stix, for Branded Asian Chicken Rice Bowl, B2018-01, during the period January 2, 2018 through December 31, 2018, at the unit prices listed on the attachments, to be expended from the Cafeteria Fund 13-00.

D. APPROVAL OF CHANGE ORDERS

(None Submitted)

E. ACCEPTANCE OF CONSTRUCTION PROJECTS

(None Submitted)

F. APPROVAL OF BUSINESS REPORTS

Approve the following business reports:

1. Purchase Orders
2. Change Orders
3. Purchase Order Increase/Decrease
4. Membership Listing (None Submitted)
5. Warrants
6. Revolving Cash Fund

FACILITIES PLANNING & CONSTRUCTION

G. APPROVAL/RATIFICATION OF AGREEMENTS

Approve/ratify entering into the following agreements and authorize Douglas B. Gilbert, Tina Douglas or Eric R. Dill, to execute the agreements:

1. The Hartford, for builder's risk insurance coverage for the San Dieguito Academy Arts & Social Sciences Classroom Building, during the period January 8, 2018 through August 31, 2019, in an amount not to exceed \$59,005.00, to be expended from Building Fund Prop 39 – Fund 21-39.
2. Sowards & Brown, Inc., to prepare annexation maps for Community Facilities District 95-2, during the period December 15, 2017 through completion, in an amount not to exceed \$4,900.00, to be expended from Mello-Roos Funds and reimbursed by the project developer.
3. Davis Demographics, to host and update annually, a web based Community Facilities District (CFD) area map, during the period December 15, 2017 until terminated in writing by either party, in an amount not to exceed \$1,195 annually, to be expended from Mello-Roos Funds.
4. Corovan, to provide crews to move furniture and boxes at San Dieguito High School Academy in preparation for construction, during the period December 15, 2017 through completion, in an amount not to exceed \$3,660.00, to be expended from Building Fund Prop 39 – Fund 21-39.

H. APPROVAL/RATIFICATION OF AMENDMENT TO AGREEMENTS

Approve/ratify amending the following agreements and authorize Douglas B. Gilbert, Tina Douglas or Eric R. Dill to execute the agreements:

ITEM 6

1. OpTerra Energy Services, to amend contract CB2017-02 for energy related improvements at Canyon Crest Academy and La Costa Canyon High School, increasing the amount by \$96,300.00 for a new total of \$3,308,673.00, plus the estimated annual cost of operations and maintenance of \$317,778.00 over ten years, to be expended from 2016 Special Tax Revenue Bonds and General Fund/Unrestricted 01-00.
2. SVA Architects, Inc., to amend contract A2013-166 for architectural/engineering services at San Dieguito High School Academy, increasing the amount by \$14,040.00 for a new total of \$3,511,070.00, to be expended from Building Fund Prop 39 – Fund 21-39.

I. AWARD/RATIFICATION OF CONTRACTS

Approve/ratify the following contracts and authorize Douglas B. Gilbert, Tina Douglas or Eric R. Dill to execute all the pertinent documents:

1. A&A Flooring, Inc., dba A&S Flooring, Bid Package #12 Flooring, Pacific Trails Middle School 2nd Classroom Building CB2017-18, during the period December 15, 2017 through August 17, 2018, in the amount of \$189,979.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos Funds and State School Building Funds.
2. VSC Inc., dba Vulcan Steel Company, Bid Package #3 Structural Steel, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period January 2, 2018 through August 12, 2019, in the amount of \$2,459,200.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
3. Chambers, Inc., dba Roof Construction, Bid Package #6 Roofing & Sheet Metal, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period January 2, 2018 through August 12, 2019, in the amount of \$675,035.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
4. JG Tate Fire Protection Systems, Inc., Bid Package #7 Fire Suppression, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period January 2, 2018 through August 12, 2019, in the amount of \$234,567.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
5. Interpipe Contracting, Inc., Bid Package #8 Building Plumbing, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period January 2, 2018 through August 12, 2019, in the amount of \$719,970.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
6. ACH Mechanical Contractors, Inc., Bid Package #9 Mechanical (HVAC), San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period January 2, 2018 through August 12, 2019, in the amount of \$1,585,000.00, to be expended from Building Fund Prop 39 -- Fund 21-39, Mello-Roos and State School Building Funds.
7. LVH Electric, Inc., dba LVH Entertainment Systems, Bid Package #14 Theatrical Equipment, Torrey Pines High School Phase 3 New Performing Arts Center CB2018-01, during the period January 8, 2017 through March 17, 2018, in the amount of \$667,189.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos Funds and State School Building Funds.

J. APPROVAL OF CHANGE ORDERS

Approve Change Orders to the following projects, and authorize Douglas B. Gilbert, Tina Douglas or Eric R. Dill to execute the change orders:

1. Brady SoCal Inc., to amend Combination Bid Package #4 General Construction and #5 Finishes, Carmel Valley Middle School Music Classroom Building and Site Improvements Project CB2017-10, increasing the amount by \$20,722.00 for a new total of \$1,090,064.00, to be expended from Building Fund Prop 39 – Fund 21-39 and reimbursed by Carmel Valley Middle School PTSA.

ITEM 6

- 2. Canyon Crest Academy B Building Project, CA2016-06, contract entered into with Balfour Beatty Construction, LLC, decreasing the amount by \$954,648.00 for a new total of \$10,379,806.00 and extending the contract by 137 days, to be expended from Building Fund Prop 39 – Fund 21-39 and Mello-Roos Funds.
- 3. La Costa Canyon High School Learning Commons Landscape Project, CB2017-09, contract entered into with Blue Pacific Engineering & Construction, decreasing the amount by \$6,330.00 for a new total of \$111,670.00 and extending the contract by 119 days, to be expended from Building Fund Prop 39 – Fund 21-39.

K. ACCEPTANCE OF CONSTRUCTION PROJECTS

Accept the following construction projects as complete, and authorize the administration to file a Notice of Completion with the County Records’ Office administration to release final retention:

- 1. Canyon Crest Academy B Building Project, CA2016-06, contract entered into with Balfour Beatty Construction, LLC.
- 2. La Costa Canyon High School Learning Commons Landscape Project, CB2017-09, contract entered into with Blue Pacific Engineering & Construction.

DISCUSSION / ACTION ITEMS(ITEM 16 - 23)

16. PUBLIC HEARING & ADOPTION OF RESOLUTION APPROVING & ADOPTING A FINAL TRUSTEE AREA PLAN FOR THE DISTRICT’S TRANSITION TO A BY-TRUSTEE AREA ELECTION SYSTEM; A PLAN OF ELECTION FROM THOSE AREAS; AND RECOMMENDING THAT THE SAN DIEGO COUNTY COMMITTEE ON SCHOOL DISTRICT ORGANIZATION APPROVE THE DISTRICT’S ESTABLISHMENT OF A BY-TRUSTEE AREA ELECTION SYSTEM AND ADOPTED VOTING AREA PLAN / CVRA

A. PUBLIC HEARING

Mr. Jonathan Salt, Fagan Friedman Fulfroost, and Justin Levitt, National Demographic Corporation, made a presentation and were available to answer questions from the Board.

Mr. Dill gave provided an update and summary of the comments received through the CVRA email address, as presented.

President Hergesheimer opened the hearing at 8:04 p.m.

PUBLIC COMMENTS:

Wendy Gumb shared her preference of the Purple Map and made comments about the support of Tan Map and the objective to get new blood on the Board by conducting a recall of the 2020 trustee seats. Steve Young thanked the Board for including his previous requested revisions into the new maps, and supports the Cranberry 1 Map. Rhea Stewart prefers the Cardiff School District be included into one trustee area, dislikes the Orange Map, and supports the new Cranberry 1 Map.

President Hergesheimer closed the hearing at 8:10 p.m.

B. ADOPTION OF RESOLUTION APPROVING AND ADOPTING A FINAL TRUSTEE AREA PLAN FOR THE DISTRICT’S TRANSITION TO A BY-TRUSTEE AREA ELECTION SYSTEM; A PLAN OF ELECTION FROM THOSE AREAS; AND RECOMMENDING THAT THE SAN DIEGO COUNTY COMMITTEE ON SCHOOL DISTRICT ORGANIZATION APPROVE THE DISTRICT’S ESTABLISHMENT OF A BY-TRUSTEE AREA ELECTION SYSTEM AND ADOPTED VOTING AREA PLAN

The Board held a discussion about the map options.

Motion by Mr. Gelman, seconded by Ms. Muir, to adopt the resolution authorizing the selection and adoption of a final trustee area plan as part of the District’s transition to a “By-Trustee Area” election system and submission of the final trustee area plan to San Diego County Committee on School District Organization for approval, and select the Cranberry 1 map with Election Sequence Areas 1, 3 & 5 in 2018 and Areas 2 & 4 in 2020, as presented. ADVISORY VOTE

ITEM 6

Ayes: Gelman, Gonzales, Hargis, Trigg; Noes: None; Abstain: None, Absent: Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir, Salazar; Noes: None; Abstain: None.

Motion unanimously carried.

17. PUBLIC HEARING & ADOPTION OF RESOLUTION FOR SUBMISSION OF WAIVER REQUEST FOR APPROVAL BY THE STATE BOARD OF EDUCATION / CVRA

A. PUBLIC HEARING

President Hergesheimer opened the hearing at 8:18 p.m. There being no public comment, the hearing was closed at 8:19 pm.

B. ADOPTION OF RESOLUTION FOR SUBMISSION OF WAIVER RESOLUTION FOR SUBMISSION OF WAIVER REQUEST FOR APPROVAL BY THE STATE BOARD OF EDUCATION / CVRA

Motion by Ms. Herman, seconded by Ms. Muir, to adopt the Resolution authorizing the submission of a general waiver request to be approved by the State Board of Education concerning the District's transition to a by-trustee area election system following the opening and closing of a public hearing, as presented. ADVISORY VOTE Ayes: Gelman, Gonzales, Hargis, Trigg; Noes: None; Abstain: None, Absent: Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir, Salazar; Noes: None; Abstain: None.

Motion unanimously carried.

**The student representatives left the meeting at 8:45 pm.*

18. ADOPTION OF 2017-18 DISTRICT GENERAL FUND / FIRST INTERIM BUDGET

PUBLIC COMMENTS:

Wendy Gumb made comments about the utility/solar costs in the CCA and TPHS site budgets, and had questions about the extra-curricular activities and athletics budget (*handout is available in the Superintendent's Office upon request*). Steven McDowell made comments about the Multi-Year Projection not including future salary expenditures, and had questions about the special reserve and savings from retirements.

Ms. Douglas and Ms. Perley reported on the 1st interim budget, as presented, and shared a handout (*available in the Superintendent's Office upon request*) of a sample 2nd Interim General Fund Revenue & Expenditures summary to be presented to the Board in the Spring.

The Board asked questions of staff and held a discussion.

Motion by Ms. Herman, seconded by Ms. Dalessandro, to adopt the 2017-18 District General Fund, First Interim Budget and Certification, as presented. ADVISORY VOTE Ayes: None; Noes: None; Abstain: None; Absent: Gelman, Gonzales, Hargis, Trigg, Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir; Noes: Salazar; Abstain: None.

Motion carried.

19. APPROVAL OF TENTATIVE AGREEMENT / SAN DIEGUITO FACULTY ASSOCIATION (SDFA) AND REVISED BP #4141 ATTACHMENT AND APPENDIX A, "CERTIFICATED SALARY SCHEDULE"

The Board held a discussion.

Motion by Ms. Herman, seconded by Ms. Dalessandro, to approve the Tentative Agreement with the San Dieguito Faculty Association for the 2017-18 school year, effective July 1, 2017, and revised Board Policy #4141 Attachment and Appendix A, "Certificated Salary Schedule", as presented. ADVISORY VOTE Ayes: None; Noes: None; Abstain: None; Absent: Gelman, Gonzales, Hargis, Trigg, Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir; Noes: Salazar; Abstain: None.

Motion carried.

ITEM 6

20. ADOPTION OF RESOLUTION / COMMUNITY FACILITIES DISTRICT 95-2 / ANNEXATION NO. 21 / ANNEXATION OF PROPERTY / AZURE / A 9-UNIT SINGLE FAMILY SUBDIVISION IN ENCINITAS / CITYMARK HYMETTUS LLC
Motion by Mr. Salazar, seconded by Ms. Dalessandro, to adopt the Resolution of Intention to Annex Territory to the San Dieguito Union High School District Community Facilities District No. 95-2, authorizing the Levy of a Special Tax and Calling for an Election, as presented. ADVISORY VOTE Ayes: None; Noes: None; Abstain: None, Absent: Gelman, Gonzales, Hargis, Trigg, Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir, Salazar; Noes: None; Abstain: None.

Motion unanimously carried.

21. ADOPTION OF RESOLUTION / BEST VALUE PROCEDURES AND GUIDELINES / LEASE-LEASEBACK
Motion by Ms. Dalessandro, seconded by Ms. Herman, to adopt the resolution to adopt Best Value Procedures and Guidelines in compliance with Education Code section 17406 to undertake lease-leaseback projects, as presented. ADVISORY VOTE Ayes: None; Noes: None; Abstain: None, Absent: Gelman, Gonzales, Hargis, Trigg, Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir, Salazar; Noes: None; Abstain: None.

Motion unanimously carried.

22. APPOINTMENT OF PERSONNEL COMMISSIONER
Motion by Ms. Herman, seconded by Ms. Dalessandro, to appoint Mr. Kamran Azimzadeh to serve as the Board appointed Commissioner for the San Dieguito Union High School District Personnel Commission, effective December 14, 2017, for a three-year term to end on December 1, 2020. ADVISORY VOTE Ayes: None; Noes: None; Abstain: None, Absent: Gelman, Gonzales, Hargis, Trigg, Geier. BOARD Ayes: Dalessandro, Hergesheimer, Herman, Muir, Salazar; Noes: None; Abstain: None.

Motion unanimously carried.

23. CSBA DELEGATE ASSEMBLY NOMINATIONS, 2018
None submitted.

INFORMATION ITEMS.....(ITEMS 24 - 36)

24. TRANSPORTATION UPDATE DAN LOVE, DIRECTOR OF MOT/TINA DOUGLAS, ASSOC SUPT
Mr. Dan Love and Ms. Tina Douglas gave an update on the home-to-school transportation services being provided to students, as made in a presentation at the meeting. (A *handout is available in the Superintendent's Office upon request*). This item was submitted as information only.

25. PROPOSED NEW/REVISED BOARD POLICIES (3) / BUSINESS SERVICES

PUBLIC COMMENTS:

Elaine Kooima requested that the district have an anti-bullying policy and procedure and that the district follow the same guidelines for parents and students as teachers and staff.

Mr. Dill reported that the Board adopted the policy on December 8, 2016 and has previously given this information to Ms. Kooima.

- A. BP #3554, OTHER FOOD SALES (REVISED)
- B. BP #7212, MELLO-ROOS DISTRICTS (NEW)
- C. BP #7214, GENERAL OBLIGATION BONDS (REVISED)

This item was submitted for first read and will be resubmitted for action on January 18, 2018.

26. PROPOSED NEW / REVISED/ BOARD POLICIES (3) / EDUCATIONAL SERVICES

- A. BP# 5127, GRADUATION CEREMONY AND ACTIVITIES (REVISED)
- B. BP# 6146.1, HIGH SCHOOL GRADUATION REQUIREMENTS (REVISED)
- C. BP# 6146.11, ALTERNATIVE CREDITS TOWARD GRADUATION (REVISED)

This item was submitted for first read and will be resubmitted for action on January 18, 2018.

27. PUBLIC NOTICE / 2016-17 REPORT ON STATUTORY SCHOOL FEES AND FINDINGS

This item was submitted for first read and will be resubmitted for action on January 18, 2018.

28. COMMUNITY FACILITIES DISTRICTS UPDATE

Ms. Douglas gave a brief update on the Community Facilities Districts, as presented. This item was submitted as information only.

29. BUSINESS SERVICES UPDATE TINA DOUGLAS, ASSOCIATE SUPERINTENDENT

Ms. Douglas had nothing further to report.

30. EDUCATIONAL SERVICES UPDATEMIKE GROVE, ED.D., ASSOCIATE SUPERINTENDENT

Dr. Grove gave an update on a recent visit by the International Baccalaureate (IB) Visitation Team and that the District is moving toward authorization of the IB program at La Costa Canyon HS.

31. HUMAN RESOURCES UPDATECINDY FRAZEE, ASSOCIATE SUPERINTENDENT

Ms. Frazee had nothing further to report.

32. ADMINISTRATIVE SERVICES UPDATE MARK MILLER, ASSOCIATE SUPERINTENDENT

Mr. Miller reported on the recent Adapted PE event held at La Costa Canyon HS.

33. FUTURE AGENDA ITEMS – None submitted.

34. ADJOURNMENT TO CLOSED SESSION – No closed session was necessary.

35. REPORT FROM CLOSED SESSION – Nothing further to report.

36. ADJOURNMENT OF MEETING – The meeting adjourned at 9:48 p.m.

Joyce Dalessandro, Board Clerk

Date

Eric R. Dill, Superintendent

Date

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 11, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED AND SUBMITTED BY: Eric R. Dill, Superintendent

SUBJECT: ACCEPTANCE OF GIFTS AND DONATIONS

EXECUTIVE SUMMARY

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

RECOMMENDATION:

It is recommended that the Board accept the gifts and donations to the district, as shown on the attached report.

FUNDING SOURCE:

Not applicable

GIFTS AND DONATIONS
SDUHSD BOARD MEETING
January 18, 2018

ITEM 11A

Item #	Donation	Description	Donor	Department	School Site
1	\$271.46	Supplemental Support Costs	Diegueño Middle School PTSA	Administration	DMS
2	\$1,000.00	Supplemental Support Costs	Albertsons	Administration	EWMS
3	\$10,783.14	Supplemental Support Costs	Earl Warren Middle School PTSA	Administration	EWMS
4	\$500.00	Art Support Costs	Pacific Trails Middle School Foundation	Art	PTMS
5	\$1,554.87	Music Support Costs	Carmel Valley Middle School Band Boosters	Music	CVMS
6	\$748.63	Music Support Costs	Pacific Trails Middle School Foundation	Music	PTMS
7	\$1,370.55	Music Support Costs	San Dieguito Academy Music Boosters	Music	SDHSA
8	\$126.55	Supplemental Support Costs	San Dieguito Academy Foundation	Administration	SDHSA
9	\$366.46	Supplemental Support Costs	San Dieguito Academy Foundation	Administration	SDHSA
10	\$274.36	Supplemental Support Costs	San Dieguito Academy Foundation	Administration	SDHSA
11	\$1,799.92	Athletic Support Costs	La Costa Canyon High School Foundation	Athletics	LCCHS
12	\$20,191.61	Supplemental Support Costs	Canyon Crest Academy Foundation	Administration	CCA
13	\$328.87	Music Support Costs	Diegueño Middle School Band Boosters	Music	DMS
14	\$658.14	Supplemental Support Costs	San Dieguito Adacemy Foundation	Administration	SDHSA
15	\$2,699.77	Music Support Costs	San Dieguito Academy Music Boosters	Music	SDHSA
16	\$2,733.63	Music Support Costs	La Costa Canyon High School Foundation	Music	LCCHS
17	\$2,479.00	Wood Shop Support Costs	San Dieguito Adacemy Foundation	Wood Shop	SDHSA
		*Donated Items:			
	\$100.00	Trombone and Accessories	Jim McFarland	Music	SDHSA
	\$47,886.96	Monetary Donations			
	\$100.00	*Value of Donated Items			
	\$47,986.96	TOTAL VALUE			

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: December 15, 2017

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Michael Grove, Ed.D.
Associate Superintendent of
Educational Services

SUBMITTED BY: Eric R. Dill, Superintendent

SUBJECT: Approval / Ratification of Field Trip
Requests

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 attached reports.

RECOMMENDATION:

It is recommended that the Board approve / ratify the field trips, as shown on the attached supplement.

FUNDING SOURCE:

As listed on the attached supplement.

FIELD TRIP REQUESTS
SDUHSD BOARD MEETING
January 18, 2018

ITEM 11B

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	Funding
1	02-23-18 - 02-25-18	Jarrell	Nathan	CCA Music	12	2	San Francisco Conservatory Trip	San Francisco	CA	1 Day	CCA Foundation / Parent Donations
2	04-05-18 - 04-06-18	Tator	Jon	TPHS Robotics	15	4	Aerospace Valley Regional Robotics Competition	Lancaster	CA	2 Days	TPHS Foundation / Parent Donations
3	04-18-18 - 04-20-18	Tator	Jon	TPHS Robotics	10	3	FIRST National Robotics Competition	Houston	TX	3 Days	TPHS Foundation / Parent Donations
4	04-27-18 - 04-29-18	Villanova	Amy	CCA Jazz Band	20	2	Reno Jazz Festival	Reno	NV	1 Day	CCA ASB Donation
5	03-28-18 - 03-31-18	Mauro	Anthony	CCA Robotics	24	6	Robotics Regional Competition	Boise	ID	2 Days	CCA Foundation / Parent Donations
6	04-18-18 - 04-21-18	Mauro	Anthony	CCA Robotics	24	6	Robotics Regional Competition	Houston	TX	2 Days	CCA Foundation / Parent Donations
7	02-16-18 - 02-19-18	Martin	Cameron	LCC Speech & Debate	16	2	Berkeley Invitational Speech & Debate Tournament	Berkeley	CA	None	LCC Foundation / Parent Donations
8	02-09-18 - 02-12-19	Martin	Cameron	LCC Speech & Debate	11	2	Stanford Invitational Speech & Debate Tournament	Santa Clara	CA	2 Days	LCC Foundation / Parent Donations
9	03-23-18 - 03-24-18	Kaye	Sarah	TPHS Dance	33	8	National Dance Competition	Long Beach	CA	1 Day	TPHS Foundation / Parent Donations

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 9, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Cindy Frazee
Associate Superintendent/Human Resources

SUBMITTED BY: Eric R. Dill
Superintendent

SUBJECT: APPROVAL OF CERTIFICATED and
CLASSIFIED PERSONNEL

EXECUTIVE SUMMARY

Please find the following Personnel actions attached for Board approval:

Certificated

Employment
Termination

Classified

Employment
Change in Assignment
Resignation

RECOMMENDATION:

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

FUNDING SOURCE:

General Fund

PERSONNEL LIST

CERTIFICATED PERSONNEL

Employment

1. **Certificated Substitute Teachers**, request to approve employment for the 2017-18 school year, effective 12/01/2017 through 6/30/2018, per attached supplement.

Terminations

1. **Kristen Fink**, Temporary School Nurse, termination from employment, effective at the end of Semester I, 1/26/2018.
2. **Gary Roehl**, 20% Temporary Teacher (Video/Film) at Sunset High School, termination from employment, effective 12/22/2017.

ITEM 12A

PERSONNEL LIST

Substitute Teachers

Bogich, John, effective 12/07/2017
Broderick, Michael, effective 12/01/2017
Chappell, Anna, effective 12/15/2017
Furgerson, Erin, effective 1/10/2018
Grosz, Jacob, effective 1/10/2018
Hagen, Jack, effective 12/01/2017
Sills, Taylor, effective 1/9/2018
Tam, Tobey, effective 12/12/2017
Zambruski, Nicole, effective 12/12/2017

PERSONNEL LIST**CLASSIFIED PERSONNEL****Employment**

1. **Classified Substitutes**, employment for the 2017-18 school year, effective 12/01/17 through 06/30/18, per attached supplement.
2. **Coaches**, employment for the 2017-18 school year, effective 12/01/17 through 06/30/18, per attached supplement.
3. **Stolar, Steven**, Custodian, SR32, 100.00% FTE, Torrey Pines High School, effective 01/02/18.
4. **Von Borstel, Veronica**, Instructional Assistant-Bilingual, SR31, 48.75% FTE, La Costa Canyon High School, effective 01/09/18.

Change in Assignment

1. **Jenkins, Kristin**, from Receptionist, SR32, 100.00% FTE, La Costa Canyon High School to Administrative Secretary, SR40, 100.00% FTE, effective 01/08/18.
2. **Librado Jr., Andres**, from Custodian, SR32, 100.00% FTE, Canyon Crest Academy to School Plant Supervisor-HS, SR 41, 100.00% FTE, effective 12/18/17.
3. **Rose, Sara**, from Health Technician, SR35, 75.00% FTE, Earl Warren Middle School to 100.00% FTE, Canyon Crest Academy, effective 01/16/18.
4. **Santander, Maritza**, from Information Systems Support Analyst, SR52, 100.00% FTE, District Office-Student Information Services to Information Systems Support Supervisor, Supervisory SR7, 100.00% FTE, effective 12/18/17.
5. **Vieira, Susan**, from Receptionist, SR32, 48.75% FTE, Carmel Valley Middle School to Health Technician, SR35, 75.00% FTE, effective 01/08/18.

Resignation

1. **Day, Joanne**, Secretary, SR36, 100.00% FTE, Oak Crest Middle School, resignation for the purpose of retirement, effective 01/31/18.
2. **Dubs, Debra**, Administrative Secretary, SR40, 100.00% FTE, La Costa Canyon High School, resignation for the purpose of retirement, effective 02/28/18.
3. **Gomez, Daniel**, Custodian, SR32, 100.00% FTE, Canyon Crest Academy, resignation for the purpose of retirement, effective 02/20/18.
4. **Morales, Laura**, Instructional Assistant-SpEd (NS), SR34, 48.75% FTE, Earl Warren Middle School, effective 12/22/17.

ITEM 12A

Classified Personnel Supplement, January 18, 2018

Classified Substitutes

Ritchie, Atsuko, effective 12/22/2017

Robinson, Mildretta, effective 12/18/2017

Coach

LCC – Walk-on Coach

Zambruski, Nicole, Water Polo, Junior Varsity Head, La Costa Canyon High School,
Winter, effective 12/14/2017

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 8, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Mark Miller, Associate Superintendent
Administrative Services

SUBMITTED BY: Eric R. Dill
Superintendent

SUBJECT: APPROVAL/RATIFICATION OF
PROFESSIONAL SERVICES CONTRACTS/
ADMINISTRATIVE SERVICES

EXECUTIVE SUMMARY

The attached Professional Services Report/Administrative Services summarizes one contract.

RECOMMENDATION:

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

FUNDING SOURCE:

As noted on attached report.

ITEM 14A

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

ADMINISTRATIVE SERVICES - PROFESSIONAL SERVICES REPORT**Board Meeting Date: 01-18-18**

<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>
01/02/18	Boys and Girls Club of San Dieguito	To provide lease of facilities for the Torrey Pines High School Girls' water polo team practice.	General Fund/Unrestricted 01-00	\$250.00

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 8, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Meredith Wadley, Director of School & Student Services
Mark Miller, Associate Superintendent, Administrative Services

SUBMITTED BY: Eric Dill, Superintendent

SUBJECT: APPROVAL / RATIFICATION OF AGREEMENTS

EXECUTIVE SUMMARY

The attached Special Education Agreements Report summarizes one contract.

RECOMMENDATION:

The administration recommends that the Board approve and/or ratify the contract as shown on the attached Special Education Agreements report.

FUNDING SOURCE:

As noted on the attached report.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT BOARD MEETING

ITEM 14C

SPECIAL EDUCATION AGREEMENTS

Board Meeting Date: 01/18/18

<u>Contract Effective Dates</u>	<u>Contract/Vendor</u>	<u>Description of Services</u>	<u>Department Budget</u>	<u>Current # of Students</u>	<u>Fee Not to Exceed</u>
07/01/17 – 06/30/18	Center for Autism (CARD) (NPA)	To provide one-to-one educationally & behavior related services and consultation for students with autism.	General Fund / Restricted 01-00	4	\$110.00 hr. / Supervision \$45.00 hr. / Therapy (BII)

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 10, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Douglas B. Gilbert, Director of Purchasing/Risk Mgt.
Tina Douglas, Associate Superintendent of Business

SUBMITTED BY: Eric R. Dill, Superintendent

SUBJECT: APPROVAL / RATIFICATION OF
PROFESSIONAL SERVICES CONTRACTS/
BUSINESS

EXECUTIVE SUMMARY

The attached Professional Services Report/Business summarizes two 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 the attached report.

ITEM 15A

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT**BUSINESS - PROFESSIONAL SERVICES REPORT****Board Meeting Date: 01/18/18**

<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>
01/19/18 – 06/30/18	C&D Towing Services, Inc.	To provide towing/container relocation services.	General Fund/ Unrestricted 01-00	\$20,000.00
02/05/18	Tyler Durman, Inc.	To speak at a school assembly and parent evening event at Earl Warren Middle School.	Earl Warren Middle School PTSA, Title I & ASB	\$3,000.00

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 10, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Douglas B. Gilbert, Director of Purchasing/Risk Mgt.
Tina Douglas, Associate Superintendent of Business

SUBMITTED BY: Eric R. Dill, Superintendent

SUBJECT: APPROVAL / RATIFICATION OF
AMENDMENTS TO AGREEMENTS

EXECUTIVE SUMMARY

The attached Amendment to Agreements Report summarizes two amendments to agreements.

RECOMMENDATION:

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

FUNDING SOURCE:

As noted on the attached list.

ITEM 15B

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

BUSINESS SERVICES - AMENDMENT TO AGREEMENTS REPORT**Board Meeting Date: 01-18-18**

<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>
08/1/17 – 06/30/18 and continuing month to month unless terminated in writing by either party	Currier & Hudson	Amending the contract to allow for automatic monthly extensions after June 30, 2018, with no other changes to the contract.	General Fund/ Unrestricted 01-00	At the hourly rate of \$195.00 plus reasonable costs and expenses
07/01/17 – 06/30/18	Naumann Hobbs Material Handling Corp II, Inc., dba Hawthorne Lift Systems	To provide preventative maintenance and repairs to lifts (forklifts, articulating lifts, scissor lifts) throughout the District, increasing the amount by \$10,000.00 for a new not to exceed amount of \$20,000.00 with no other changes to the contract.	General Fund/ Unrestricted 01-00	\$20,000.00

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 10, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Tina Douglas, Assoc. Supt. of Business Services

SUBMITTED BY: Eric R. Dill, Superintendent

SUBJECT: APPROVAL OF BUSINESS REPORTS

EXECUTIVE SUMMARY

Please find the following business reports submitted for your approval:

1. Purchase Orders
2. Change Orders
3. Purchase Order Increase/Decrease
4. Membership Listings (None Submitted)
5. Warrants
6. Revolving Cash Fund

RECOMMENDATION:

It is recommended that the Board approve the following business reports: 1) Purchase Orders, 2) Change Orders, 3) Purchase Order Increase/Decrease, 4) Membership Listings (None Submitted), 5) Warrants, and 6) Revolving Cash Fund.

FUNDING SOURCE:

Not applicable.

ITEM 15F

PO REPORT DECEMBER 5, 2017 THROUGH JANUARY 9,2018

PO NBR	DATE	FUND	VENDOR	LOC	DESCRIPTION	AMOUNT
PO No.	PO Date	Fund	Supplier2	Site	Object	Total
000008853	12/5/2017	0100	CSPCA	016	CONFERENCE,WORKSHOP,S	650
000008854	12/5/2017	0100	ALLHEART.COM	003	MATERIALS AND SUPPLIES	491.48
000008855	12/5/2017	0100	STAPLES ADVANTAGE	600	MATERIALS AND SUPPLIES	71.89
000008856	12/5/2017	0100	TCR SERVICES	500	MATERIALS AND SUPPLIES	187.32
000008857	12/5/2017	0100	PROTECTION DESIGN AND CONSULTING	012	OTHER SERV.& OPER.EXP.	965
000008858	12/5/2017	0100	DANIEL & DAVIS OPTOMETRY INC.	002	PROF/CONSULT./OPER EXP	2500
000008859	12/5/2017	0100	LIFELOC TECHNOLOGIES INC	600	MATERIALS AND SUPPLIES	79.45
000008860	12/6/2017	0100	AMERICAN EXPRESS	015	CONFERENCE,WORKSHOP,S	946.45
000008861	12/6/2017	0100	HAMEL SCHOOL OUTFITTERS INC	500	MATERIALS AND SUPPLIES	305.27
000008862	12/6/2017	0100	ABSOLUTE FENCING GEAR INC.	600	MATERIALS AND SUPPLIES	638.39
000008863	12/6/2017	0100	SKILLPATH INC	500	CONFERENCE,WORKSHOP,S	199
000008864	12/6/2017	0100	LAB AIDS	001	MATERIALS AND SUPPLIES	108.07
000008865	12/6/2017	0100	Daily Journal Corporation	013	ADVERTISING	101.4
000008866	12/6/2017	0100	HOTSY PRESSURE WASHING EQUIP OF SAN DIEG	013	REPAIRS BY VENDORS	205.53
000008867	12/6/2017	2139	ULINE SHIPPING SUPPLIES	007	EQUIPMENT	5557.81
000008868	12/6/2017	0100	WAYNE GOSSETT FORD INC	013	REPAIRS-VEHICLES	9376.8
000008869	12/6/2017	2139	DIGITAL NETWORKS GROUP, INC.	007	EQUIPMENT	85072.12
000008870	12/6/2017	0100	OCEANSIDE TRANSMISSION	013	REPAIRS-VEHICLES	3053.21
000008871	12/6/2017	0100	OCEANSIDE TRANSMISSION	013	REPAIRS-VEHICLES	3073.22
000008872	12/7/2017	0100	OCEANSIDE TRANSMISSION	013	REPAIRS-VEHICLES	3592.57
000008873	12/7/2017	0100	ROMAN'S TRUCK BODY & PAINT	013	REPAIRS-VEHICLES	6205.5
000008874	12/7/2017	2139	GEOCON INCORPORATED	007	NEW CONSTRUCTION	14500
000008875	12/7/2017	2139	MOBILE MODULAR MANAGEMENT CORP	007	NEW CONSTRUCTION	2542.4
000008876	12/7/2017	0100	FREE FORM CLAY & SUPPLY	600	MATERIALS AND SUPPLIES	350
000008877	12/7/2017	0100	APPERSON	500	MATERIALS AND SUPPLIES	53.77
000008878	12/7/2017	0100	APPERSON	600	MATERIALS AND SUPPLIES	242.38
000008879	12/7/2017	0100	SIERRA ACADEMY	002	SUB/OTHER CONTR-NPS	7917.44
					OTHER CONTR-N.P.S.	25000
000008880	12/7/2017	0100	AMAZON.COM	500	MATERIALS AND SUPPLIES	114.58
000008881	12/7/2017	0100	BLICK, DICK (DICK BLICK)	600	MATERIALS AND SUPPLIES	375
000008882	12/8/2017	0100	MISSION FEDERAL CREDIT UNION	500	MATERIALS AND SUPPLIES	562.44
000008883	12/8/2017	0100	SD VECTOR CONTROL PROGRAM	012	FEES - ADMISSIONS, TOURN	174.99
000008884	12/8/2017	0100	NATIONAL SCHOOL FORMS	500	MATERIALS AND SUPPLIES	193.34
000008885	12/8/2017	0100	DEPENDABLE NURSING, LLC	002	SUB/OTHER CONTR-NPA	20362
					OTHER CONTR-N.P.A.	25000
000008886	12/8/2017	0100	CITY OF SOLANA BEACH	012	SEWER CHARGES	8553.47
000008887	12/8/2017	0100	GRAINGER	012	EQUIPMENT REPLACEMENT	7325.8
000008888	12/8/2017	0100	AUTISM SPECTRUM	002	OTHER CONTR-N.P.A.	2968.75
000008889	12/8/2017	0100	AUTISM SPECTRUM	002	SUB/OTHER CONTR-NPA	48455.9
					OTHER CONTR-N.P.A.	25000
000008890	12/11/2017	0100	FAGEN FRIEDMAN & FULFROST, LLP	004	CONFERENCE,WORKSHOP,S	180
000008891	12/11/2017	0100	AMAZON.COM	500	MATERIALS AND SUPPLIES	113.77
000008892	12/11/2017	0100	AMAZON.COM	600	MATERIALS AND SUPPLIES	153.17
000008893	12/11/2017	0100	AREY JONES ED SOLUTIONS	500	REPAIRS BY VENDORS	108.84
000008894	12/11/2017	0100	VISTA HIGHER LEARNING	500	MATERIALS AND SUPPLIES	3221.72
000008895	12/11/2017	0100	ROBOTSHOP INC	003	MATERIALS AND SUPPLIES	107.71
000008896	12/11/2017	0100	CART MART INC	500	REPAIRS BY VENDORS	274.68
000008897	12/11/2017	0100	EAGLE SOFTWARE	004	COMPUTER LICENSING	51804
000008898	12/12/2017	0100	WINSTON SCHOOL OF SAN DIEGO	002	OTHER CONTR-N.P.S.	474.18
000008899	12/12/2017	0100	NEW BRIDGE SCHOOL	002	OTHER CONTR-N.P.S.	3725
000008900	12/13/2017	0100	MISSION FEDERAL CREDIT UNION	500	OFFICE SUPPLIES	182.21
000008901	12/13/2017	0100	VALENCIA'S	013	REPAIRS-VEHICLES	1500
000008902	12/13/2017	0100	STAPLES ADVANTAGE	500	MATERIALS AND SUPPLIES	75
000008903	12/13/2017	0100	STAPLES ADVANTAGE	600	MATERIALS AND SUPPLIES	499.28
000008904	12/13/2017	0100	AMAZON.COM	003	MATERIALS AND SUPPLIES	1179.73
000008905	12/13/2017	0100	AMAZON.COM	003	MATERIALS AND SUPPLIES	1533.62
000008906	12/13/2017	0100	MISSION FEDERAL CREDIT UNION	003	MATERIALS AND SUPPLIES	600
000008907	12/13/2017	0100	AMAZON.COM	003	MATERIALS AND SUPPLIES	77.52
000008908	12/14/2017	0100	FLINN SCIENTIFIC INC	500	MATERIALS AND SUPPLIES	198.18
000008909	12/14/2017	0100	PROCURETECH	017	NON-CAPITALIZED TECH EQU	8844.12
000008910	12/14/2017	0100	AMAZON.COM	500	MATERIALS AND SUPPLIES	32.29
000008911	12/14/2017	0100	FROGUTS INC	004	COMPUTER LICENSING	299
000008913	12/14/2017	0100	AMAZON.COM	003	MATERIALS AND SUPPLIES	19.2
000008914	12/14/2017	0100	COMMUNITY SCHOOL OF SD, THE	002	SUB/OTHER CONTR-NPS	37899.2
					OTHER CONTR-N.P.S.	25000
000008915	12/14/2017	0100	COMMUNITY SCHOOL OF SD, THE	002	SUB/OTHER CONTR-NPS	37899.2
					OTHER CONTR-N.P.S.	25000
000008916	12/14/2017	0100	COMMUNITY SCHOOL OF SD, THE	002	SUB/OTHER CONTR-NPS	37899.2

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PO NBR	DATE	FUND	VENDOR	LOC	DESCRIPTION	AMOUNT
000008916	43083	0100	COMMUNITY SCHOOL OF SD, THE	002	OTHER CONTR-N.P.S.	25000
000008917	12/14/2017	0100	COMMUNITY SCHOOL OF SD, THE	002	SUB/OTHER CONTR-NPS	37899.2
					OTHER CONTR-N.P.S.	25000
000008918	12/14/2017	0100	Tyler Durman, Inc.	600	MATERIALS AND SUPPLIES	1500
000008919	12/14/2017	0100	UNIVERSAL HOVERCRAFT OF AMERICA INC	003	MATERIALS AND SUPPLIES	713.9
000008921	12/14/2017	0100	AMAZON.COM	017	MATERIALS AND SUPPLIES	523.83
000008922	12/14/2017	0100	AMAZON.COM	500	MATERIALS AND SUPPLIES	53.82
000008923	12/14/2017	0100	STAPLES ADVANTAGE	500	MATERIALS AND SUPPLIES	429.92
000008924	12/14/2017	0100	DIGITAL NETWORKS GROUP, INC.	017	REPAIRS BY VENDORS	405
000008925	12/14/2017	0100	WINSTON SCHOOL OF SAN DIEGO	002	SUB/OTHER CONTR-NPS	8192.6
					OTHER CONTR-N.P.S.	25000
000008926	12/14/2017	0100	WINSTON SCHOOL OF SAN DIEGO	002	SUB/OTHER CONTR-NPS	8192.6
					OTHER CONTR-N.P.S.	25000
000008927	12/14/2017	0100	WINSTON SCHOOL OF SAN DIEGO	002	SUB/OTHER CONTR-NPS	8192.6
					OTHER CONTR-N.P.S.	25000
000008928	12/15/2017	0100	OFFICE DEPOT, INC	600	MATERIALS AND SUPPLIES	30.67
000008929	12/15/2017	0100	LEGOLAND	002	FEES - ADMISSIONS, TOURN	230
000008930	12/15/2017	0100	CENTER FOR COLLEGE READINESS	001	CONFERENCE,WORKSHOP,S	1760
000008931	12/15/2017	0100	CENTER FOR COLLEGE READINESS	001	CONFERENCE,WORKSHOP,S	2490
000008932	12/15/2017	0100	AMAZON.COM	500	E-BOOKS OTHER THAN TEXT	311.04
000008933	12/18/2017	0100	SNAP ON INDUSTRIAL	013	OTHER TRANSPORT.SUPPLIE	991.14
000008934	12/18/2017	0100	SNAP ON INDUSTRIAL	013	OTHER TRANSPORT.SUPPLIE	963.1
000008935	12/18/2017	0100	DOVETAIL MARKETING COMPANY INC	015	MATERIALS AND SUPPLIES	43.66
000008936	12/18/2017	0100	GOPHER SPORT	500	MATERIALS AND SUPPLIES	736.31
000008937	12/18/2017	0100	AMAZON.COM	002	MATERIALS AND SUPPLIES	48.92
000008938	12/18/2017	0100	MARK BEAMISH WATERPROOFING	012	REPAIRS BY VENDORS	6825
				600	REPAIRS BY VENDORS	3000
000008939	12/18/2017	0100	COURT CONCEPTS INC	600	REPAIRS BY VENDORS	7999
		2519	COURT CONCEPTS INC	007	REPAIRS BY VENDORS	37000
000008941	12/18/2017	0100	PALOMAR REPROGRAPHICS, INC.	007	COPIER OVRAGE CHGS	80.51
000008942	12/19/2017	0100	NASCO MODESTO	500	MATERIALS AND SUPPLIES	80.43
000008943	12/19/2017	0100	WINSTON SCHOOL OF SAN DIEGO	002	SUB/OTHER CONTR-NPS	8192.6
					OTHER CONTR-N.P.S.	25000
000008944	12/19/2017	0100	SAN DIEGO ZOO GLOBAL	002	FEES - ADMISSIONS, TOURN	800
000008945	12/19/2017	2518	SEASIDE HEATING AND AIR COND	007	EQUIPMENT REPLACEMENT	33800
000008946	12/19/2017	0100	SAN DIEGO ZOO GLOBAL	002	FEES - ADMISSIONS, TOURN	380
000008947	12/19/2017	0100	SCHOOLMART	500	MATERIALS AND SUPPLIES	89.76
000008948	12/19/2017	0100	Innovative Therapy 4 Kids	002	PROF/CONSULT./OPER EXP	1320
000008949	12/19/2017	0100	Fred Finch Youth Center	002	SUB/OTHER CONTR-NPS	29858.72
					OTHER CONTR-N.P.S.	25000
000008950	12/20/2017	0100	Magdalena Ecke Family YMCA	004	RENTS & LEASES	9805
000008953	12/20/2017	0100	CULINARY DEPOT	003	MATERIALS AND SUPPLIES	194.38
000008954	12/21/2017	0100	STUDICA INC	003	MATERIALS AND SUPPLIES	768.87
000008955	12/21/2017	0100	SCHOLASTIC INC	500	MATERIALS AND SUPPLIES	167.79
000008956	12/21/2017	0100	SSID #5170140022	002	OTHER SERV.& OPER.EXP.	75
000008957	12/21/2017	0100	COLLEGE BOARD	500	DUES AND MEMBERSHIPS	400
000008958	12/21/2017	0100	WINSTON SCHOOL OF SAN DIEGO	002	OTHER CONTR-N.P.S.	22286.46
000008960	12/22/2017	0100	NORTH COUNTY EDUCATIONAL PURCH	010	DUES AND MEMBERSHIPS	107.47
000008961	12/22/2017	0100	TURF STAR INC	012	EQUIPMENT REPLACEMENT	26775.94
000008962	12/22/2017	0100	BRIGGS TREE COMPANY	600	MATERIALS AND SUPPLIES	830
000008963	12/22/2017	0100	MONOPRICE, INC	003	MATERIALS AND SUPPLIES	1127.69
000008965	12/22/2017	0100	SOLAR CARE INC	012	REPAIRS BY VENDORS	3750
000008966	12/22/2017	0100	FRONTIER FENCE COMPANY INC	012	REPAIRS BY VENDORS	3132
000008967	1/8/2018	0100	COLLEGE BOARD PUBLICATIONS	600	MATERIALS AND SUPPLIES	400
000008968	1/8/2018	0100	WINSTON SCHOOL OF SAN DIEGO	002	NPS LATE FEES	573.76
000008969	1/8/2018	0100	MISSION FEDERAL CREDIT UNION	500	MATERIALS AND SUPPLIES	40.41
000008970	1/8/2018	0100	AMAZON.COM	004	MATERIALS AND SUPPLIES	21.53
000008971	1/8/2018	0100	AMAZON.COM	500	E-BOOKS OTHER THAN TEXT	361.81
000008972	1/8/2018	0100	SURF SUPPLY / FIBERGLASS SERVICES INC	500	MATERIALS AND SUPPLIES	1521.22
000008973	1/8/2018	0100	Boys & Girls Club of San Dieguito	004	RENTS & LEASES	250
000008974	1/8/2018	0100	STANLEY STEEMER	500	OTHER SERV.& OPER.EXP.	1355
00007967A	12/15/2017	0100	COSTCO SAN MARCOS	003	MATERIALS AND SUPPLIES	120.64
00008453A	12/7/2017	0100	STAPLES ADVANTAGE	500	MATERIALS AND SUPPLIES	12.93
00008717A	12/13/2017	0100	PRO-ED	002	MATERIALS AND SUPPLIES	507.12
0000780042	12/14/2017	0100	TCR SERVICES	500	REPAIRS BY VENDORS	79
780041	12/8/2017	0100	OFFICE DEPOT, INC	018	MATERIALS AND SUPPLIES	30.67

NEW PURCHASE TOTAL \$ 1,004,802.58

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PO REPORT DECEMBER 5, 2017 THROUGH JANUARY 9,2018

PO NBR	DATE	FUND	VENDOR	LOC	DESCRIPTION	AMOUNT
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CHANGE ORDERS

PO NBR	DATE	FUND	VENDOR	LOC	DESCRIPTION	AMOUNT
000008212	12/18/2017	2139	CW DRIVER	007	NEW CONSTRUCTION	\$ 189,979.00
000008584	12/18/2017	2139	ERICKSON HALL	007	NEW CONSTRUCTION	\$ 20,722.00
000008730	12/18/2017	2139	MCCARTHY BUILDING CO	007	NEW CONSTRUCTION	\$ 667,189.00
					SUB-TOTAL	\$ 877,890.00

PURCHASE ORDER INCREASE/DECREASE

PO NBR	DATE	FUND	VENDOR	LOC	DESCRIPTION	AMOUNT
000006378	12/21/2017	2139	FREDRICKS ELECTRIC	007	NEW CONSTRUCTION	\$ 7,675.00
000007406	12/8/2017	0100	SMART & FINAL	500	MATERIALS AND SUPPLIES	\$ 300.00
000007424	12/15/2017	0100	DOVETAIL MARKETING	012	MATERIALS AND SUPPLIES	\$ (868.27)
000007437	12/15/2017	0100	SHELL	012	GASOLINE SUPPLIES	\$ 1,000.00
000007446	12/12/2017	0100	PROCURETECH	017	COMPUTER SUPPLIES	\$ 10,000.00
000007496	12/20/2017	0100	TCR	500	MATERIALS AND SUPPLIES	\$ 1,000.00
000007523	12/14/2017	0100	HOMEDEPOT	001	RENTS & LEASES	\$ (7,000.00)
000008532	12/11/2017	0100	STAPLES	500	MATERIALS AND SUPPLIES	\$ 400.00
000008536	12/11/2017	0100	STAPLES	500	MATERIALS AND SUPPLIES	\$ 500.00
000007696	12/14/2017	0100	STAPLES	500	MATERIALS AND SUPPLIES	\$ 150.00
000007708	12/5/2017	0100	TCR	500	MATERIALS AND SUPPLIES	\$ 124.00
000007726	12/11/2017	1300	NIKKO	014	PURCHASES FOOD	\$ 15,000.00
000007828	12/12/2017	2139	EDCO	007	NEW CONSTRUCTION	\$ 165.24
000007830	12/17/2017	0100	MCMMASTER-CARR	600	MATERIALS AND SUPPLIES	\$ 200.00
000007831	12/17/2017	0100	LJD	600	MATERIALS AND SUPPLIES	\$ 200.00
000007832	12/17/2017	0100	STAPLES ADVANTAGE	600	MATERIALS AND SUPPLIES	\$ 100.00
000007979	12/15/2017	0100	FREE FORM CLAY	500	MATERIALS AND SUPPLIES	\$ 1,000.00
000008005	12/1/2017	0100	SMART & FINAL	500	MATERIALS AND SUPPLIES	\$ 200.00
000008031	12/19/2017	0100	FAGEN, FRIEDMAN & FULFROST	021	LEGAL EXP-PERSONNEL	\$ (6,739.00)
000008044	12/17/2017	0100	INDUSTRIAL METAL SUPPLY	003	MATERIALS AND SUPPLIES	\$ 500.00
000008045	12/17/2017	0100	MATHESON	600	MATERIALS AND SUPPLIES	\$ 500.00
000008046	12/11/2017	0100	HOME DEPOT	003	MATERIALS AND SUPPLIES	\$ 200.00
000008051	12/17/2017	0100	RIO GRANDE	600	MATERIALS AND SUPPLIES	\$ 300.00
000008052	12/17/2017	0100	AMAZON	600	MATERIALS AND SUPPLIES	\$ 500.00
000008145	11/29/2017	2139	UNITED SITE SERVICES	007	NEW CONSTRUCTION	\$ 684.49
000008183	12/11/2017	0100	VERDUGO TESTING	013	REPAIRS BY VENDORS	\$ 4,500.00
000008183	12/11/2017	0100	VERDUGO TESTING	013	REPAIRS BY VENDORS	\$ 3,500.00
000008201	12/7/2017	0100	SMART & FINAL	003	MATERIALS AND SUPPLIES	\$ 3,000.00
000008224	12/22/2017	0100	CREATIVE BUS SALES	013	MATERIALS-VEHICLE PARTS	\$ 7,200.00
000008385	12/19/2017	0100	AUTISM SPECTRUM CONSULTANT	002	SUB/OTHER CONTR-NPA	\$ (40,000.00)
000008430	12/20/2017	0100	ARTIANO	022	LEGAL EXPENSE	\$ (5,000.00)
000008430	12/20/2017	0100	ARTIANO	021	LEGAL EXP-PERSONNEL	\$ (4,760.00)
000008460	12/19/2017	0100	CURRIER & HUDSON	021	LEGAL EXP-PERSONNEL	\$ 11,500.00
000008460	12/19/2017	0100	CURRIER & HUDSON	022	LEGAL EXPENSE	\$ 5,000.00
000008478	12/15/2017	0100	SD FITNESS SERVICES	500	REPAIRS BY VENDORS	\$ -
000008557A	12/19/2017	0100	GAWIN, DAWN MARIE	002	OTHER SERV.& OPER.EXP.	\$ 2,700.00
					SUB-TOTAL	\$ 13,731.46

REPORT TOTAL	\$ 1,896,424.04
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Individual Membership Listings
For the Period of December 5,2017 through January 8, 2018

<u>Staff Member Name</u>	<u>Organization Name</u>	<u>Amount</u>
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None to Report

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WARRANT REPORT FROM 12/05/17 THROUGH 01/08/18

WARRANT NBR	DATE	VENDOR	FUND	DESCRIPTION	AMOUNT
14340999	12/5/2017	MARTHA HUTCHINSON	0100	Refreshments	\$ 31.90
14341000	12/5/2017	ANNA WEIRATHER	0100	Mileage	\$ 42.27
14341001	12/5/2017	TIFFANY HAZLEWOOD	0100	Conference,Workshop,Sem. Mileage	\$ 84.53 \$ 171.74
14341002	12/5/2017	JAYME CAMBRA	0100	Refreshments	\$ 21.13
14341003	12/5/2017	SITEONE LANDSCAPE SUPPLY	0100	Grounds Materials	\$ 372.60
14341004	12/5/2017	Terri Storch	0100	Mileage	\$ 10.27
14341005	12/5/2017	RAUL LARA	0100	Other Transport.Supplies	\$ 135.74
14341006	12/5/2017	ERICA ZUG	0100	Mileage	\$ 74.90
14341007	12/5/2017	Lisa Tellers	0100	Conference,Workshop,Sem.	\$ 231.63
14341008	12/5/2017	HALEY MACKENZIE	0100	Conference,Workshop,Sem.	\$ 119.51
14341009	12/5/2017	CRISOSTOMO, BARBARA	0100	Mileage	\$ 38.52
14341010	12/5/2017	A-Z BUS SALES, INC. - COLTON	0100	Materials-Vehicle Parts	\$ 716.27
14341011	12/5/2017	JOHN ADDLEMAN	0100	Conference,Workshop,Sem. Mileage	\$ 25.15 \$ 179.97
14341012	12/5/2017	SYNCB/AMAZON	0100	Materials And Supplies Non-Capitalized Tech Equipment	\$ 7,087.08 \$ 803.99
14341016	12/5/2017	ATKINSON, ANDELSON, LOYA, RUUD & ROMO	0100	Legal Expense Legal Exp-Personnel	\$ 7,250.38 \$ 583.50
14341017	12/5/2017	TAMI AUSTIN	0100	Materials And Supplies	\$ 27.63
14341018	12/5/2017	MARIA VERONICA BURCIAGA	0100	Refreshments	\$ 11.28
14341019	12/5/2017	COSTCO SAN MARCOS	0100	Materials And Supplies	\$ 207.45
14341020	12/5/2017	ERIC DILL	0100	Printing	\$ 219.78
14341021	12/5/2017	ENCINITAS FORD	0100	Materials-Vehicle Parts	\$ 398.90
14341022	12/5/2017	CORELOGIC SOLUTIONS, LLC	0100	Computer Licensing	\$ 250.00
14341023	12/5/2017	KAREN GEASLIN	0100	Mileage	\$ 151.94
14341024	12/5/2017	JAY HARDER	0100	Other Transport.Supplies	\$ 151.26
14341025	12/5/2017	RENO MEDINA	0100	Materials And Supplies Refreshments	\$ 25.91 \$ 21.55
14341026	12/5/2017	PHONAK	0100	Non-Capitalized Equipment	\$ 820.58
14341027	12/5/2017	RANCHO SANTA FE SEC SYSTEMS	0100	Other Serv.& Oper.Exp.	\$ 400.00
14341028	12/5/2017	MELISSA SAGE	0100	Conference,Workshop,Sem.	\$ 21.82
14341029	12/5/2017	SCHOOL SPECIALTY, INC.	0100	Materials And Supplies	\$ 12.39
14341030	12/5/2017	STAPLES ADVANTAGE	0100	Duplicating Supplies Materials And Supplies	\$ 2,456.70 \$ 1,815.38
14341031	12/5/2017	SSID #5018539432	0100	Pay In Lieu Of Transp>	\$ 123.59
14341032	12/5/2017	TCR SERVICES	0100	Duplicating Supplies Materials And Supplies	\$ 139.97 \$ 662.11
14341033	12/5/2017	GARRY THORNTON	0100	Mileage	\$ 112.46
14341034	12/5/2017	XEROX CORPORATION	0100	Copy Charges Rents & Leases	\$ 1,569.84 \$ 1,367.91
14341586	12/6/2017	COSTCO CARMEL MTN RANCH	0100	Refreshments	\$ 143.14
14341587	12/6/2017	CALIFORNIA SPORT DESIGN	0100	Materials And Supplies	\$ 149.56
14341588	12/6/2017	ACCURATE LABEL DESIGNS	0100	Materials And Supplies	\$ 262.95
14341589	12/6/2017	ADORAMA CAMERA INC	0100	Materials And Supplies Non-Capitalized Equipment	\$ 1,104.30 \$ 545.45
14341590	12/6/2017	B AND H PHOTO-VIDEO	0100	Materials And Supplies	\$ 1,686.60
14341591	12/6/2017	CART MART INC	0100	Equipment	\$ 13,382.55
14341592	12/6/2017	COUNTY OF SAN DIEGO	1300	Fees - Business, Admission,Etc	\$ 347.00
14341593	12/6/2017	DUNN EDWARDS CORP	0100	Bldg.-Repair Materials	\$ 487.92
14341594	12/6/2017	GOLDFIELD STAGE & COMPANY	0100	Fld. Trips By Prv. Contr	\$ 440.39
14341595	12/6/2017	RALPHS CUSTOMER CHARGES	0100	Materials And Supplies	\$ 215.96
14341596	12/6/2017	SMART AND FINAL STORES CORP	0100	Materials And Supplies	\$ 2,336.64
14342140	12/7/2017	La Class Transportation, LLC	0100	Fld. Trips By Prv. Contr	\$ 1,113.93
14342141	12/7/2017	John Sergio Fisher & Associates, Inc.	2139	New Construction	\$ 8,867.71
14342142	12/7/2017	Chelsea Pest & Termite Control	0100	Pest Control	\$ 2,845.00
14342145	12/7/2017	ELECTRIC MOTORSPORT INC	0100	Materials And Supplies	\$ 1,261.74
14342146	12/7/2017	AFFORDABLE DRAIN SERVICE INC	0100	Repairs & Maintenance	\$ 2,786.00

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WARRANT REPORT FROM 12/05/17 THROUGH 01/08/18

WARRANT NBR	DATE	VENDOR	FUND	DESCRIPTION	AMOUNT
14342147	12/7/2017	B D S ENGINEERING, INC	2139	New Construction	\$ 16,314.00
14342148	12/7/2017	BALFOUR BEATTY CONSTRUCTION,	2139	New Construction	\$ 8,000.00
14342149	12/7/2017	CSPCA 2018 Conference	0100	Conference,Workshop,Sem.	\$ 650.00
14342150	12/7/2017	AMERICAN EXPRESS	0100	Conference,Workshop,Sem.	\$ 946.45
14342151	12/7/2017	DELTA BIOLOGICALS	0100	Materials And Supplies	\$ 739.70
14342152	12/7/2017	DIGITAL NETWORKS GROUP, INC.	2139	New Construction	\$ 92,933.23
14342153	12/7/2017	FREE FORM CLAY & SUPPLY	0100	Materials And Supplies	\$ 1,565.62
14342154	12/7/2017	FULL COMPASS	0100	Materials And Supplies	\$ 1,294.00
14342155	12/7/2017	GOLDFIELD STAGE & COMPANY	0100	Fld. Trips By Prv. Contr	\$ 10,424.41
14342156	12/7/2017	GRAND PACIFIC CHARTER	0100	Fld. Trips By Prv. Contr	\$ 6,655.63
14342157	12/7/2017	MISSION JANITORIAL & ABRASIVE SUPPLIES	2139	Equipment	\$ 2,110.37
14342158	12/7/2017	P C S REVENUE CONTROL SYSTEMS	1300	Non-Capitalized Equipment	\$ 1,572.69
14342159	12/7/2017	DELORES PERLEY REVOLVING CASH	0100	Bank Charges	\$ 25.06
				Health Aides	\$ 3,000.00
				Materials And Supplies	\$ 253.62
				Spec Ed Student Stipends	\$ 1,822.59
				Substitutes-Illness/Leave	\$ 158.94
			1300	Fuel	\$ 80.00
				Purchases Supplies	\$ 17.67
14342160	12/7/2017	LAURA ROMANO	0100	Legal Exp-Business	\$ 1,181.25
14342161	12/7/2017	S&S BAKERY INC	1300	Purchases Food	\$ 1,901.12
14342162	12/7/2017	SMART AND FINAL STORES CORP	0100	Materials And Supplies	\$ 25.09
14342163	12/7/2017	SOL TRANSPORTATION, INC.	0100	Spec.Ed.Transportation	\$ 65,270.50
14342164	12/7/2017	STAPLES ADVANTAGE	0100	Duplicating Supplies	\$ 1,228.35
				Materials And Supplies	\$ 465.46
			1300	Office Supplies	\$ 346.16
14342165	12/7/2017	SVA ARCHITECTS, INC.	2139	New Construction	\$ 15,160.00
14342166	12/7/2017	AMERICAN EXPRESS	0100	Communications-Telephone	\$ 1,190.64
14342167	12/7/2017	WEST SHIELD ADOLESCENT SERVICE	0100	Professional/Consult Svs	\$ 4,808.89
14342168	12/7/2017	WESTBERG & WHITE, INC.	2139	New Construction	\$ 53,000.00
14343012	12/8/2017	Kimeri Shea Starr	0100	Conference,Workshop,Sem.	\$ 40.00
14343013	12/8/2017	HANNAH REED	0100	Conference,Workshop,Sem.	\$ 12.31
14343014	12/8/2017	SHULTIS, REBECCA	0100	Conference,Workshop,Sem.	\$ 220.00
14343015	12/8/2017	NCTD	0100	Fees - Business, Admission,Etc	\$ 1,221.00
14343016	12/8/2017	OLIVENHAIN MUNICIPAL WATER DST	0100	Water	\$ 17,914.17
14343017	12/8/2017	REHABMART LLC	0100	Non-Capitalized Equipment	\$ 2,004.80
14343018	12/8/2017	SAN DIEGO GAS & ELECTRIC CO	0100	Compressed Natrl Gas (Cng)	\$ 292.13
				Gas & Electric	\$ 208,992.44
14343019	12/8/2017	SAN DIEGO SCENIC TOURS, INC.	0100	Fld. Trips By Prv. Contr	\$ 5,173.67
14343020	12/8/2017	SANTA FE IRRIGATION DISTRICT	0100	Water	\$ 879.35
14343021	12/8/2017	SIMPLEX GRINNELL LP	0100	Repairs & Maintenance	\$ 823.75
14343022	12/8/2017	SKILLPATH INC	0100	Conference,Workshop,Sem.	\$ 199.00
14343023	12/8/2017	SUNDANCE STAGE LINES INC	0100	Fld. Trips By Prv. Contr	\$ 704.63
14343024	12/8/2017	AMERICAN EXPRESS	0100	Other Serv.& Oper.Exp.	\$ 3,154.26
				Rents & Leases	\$ 4,168.86
14343475	12/11/2017	Marley Nelms	1300	Conference,Workshop,Sem.	\$ 1,085.80
14343476	12/11/2017	CW DRIVER LLC	2139	New Construction	\$ 107,720.00
14343477	12/11/2017	Papa John's, KJ Consortium	1300	Purchases Food	\$ 11,910.60
14343478	12/11/2017	Maureen O'Leary Burness	0100	Professional/Consult Svs	\$ 1,997.41
14343479	12/11/2017	VC SELPA	0100	Conference,Workshop,Sem.	\$ 150.00
14343480	12/11/2017	MOBILE MODULAR MANAGEMENT CORP	2139	New Construction	\$ 120.46
14343481	12/11/2017	NIKKO ENTERPRISE	1300	Purchases Food	\$ 3,465.00
14343482	12/11/2017	SMART AND FINAL STORES CORP	0100	Materials And Supplies	\$ 95.15
14343483	12/11/2017	ARTIANO SHINOFF	0100	Legal Exp-Business	\$ 264.00
				Legal Expense	\$ 596.19
14343484	12/11/2017	TOP OF THE BAGEL	1300	Purchases Food	\$ 309.38
14343485	12/11/2017	TRIMARK ASSOCIATES, INC.	0100	Data Processing Contract	\$ 150.00
14343486	12/11/2017	ALBERTSONS SAFEWAY	0100	Materials And Supplies	\$ 1,001.53

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WARRANT NBR	DATE	VENDOR	FUND	DESCRIPTION	AMOUNT
14343487	12/11/2017	JUAN MANUEL ZAPATA	0100	Conference,Workshop,Sem.	\$ 536.20
14343974	12/12/2017	UNITED TIRE CENTERS, LLC	0100	Tires	\$ 2,620.22
14343975	12/12/2017	SYNCB/AMAZON	0100	Books Other Than Textbooks	\$ 259.10
				Materials And Supplies	\$ 3,782.68
				Non-Capitalized Equipment	\$ 279.96
14343977	12/12/2017	SYNC/AMAZON	1300	Materials And Supplies	\$ 59.87
14343978	12/12/2017	C I F	0100	Conference,Workshop,Sem.	\$ 70.00
14343979	12/12/2017	FAGEN FRIEDMAN & FULFROST, LLP	0100	Conference,Workshop,Sem.	\$ 180.00
14343980	12/12/2017	OCEANSIDE TRANSMISSION	0100	Repairs-Vehicles	\$ 9,719.00
14343981	12/12/2017	P AND R PAPER SUPPLY CO.	1300	Purchases Supplies	\$ 4,432.79
14343982	12/12/2017	ROMAN'S TRUCK BODY & PAINT	0100	Repairs-Vehicles	\$ 6,205.50
14343983	12/12/2017	AMERICAN EXPRESS	0100	Hazardous Waste Disposal	\$ 256.38
14343984	12/12/2017	SD VECTOR CONTROL PROGRAM	0100	Fees - Business, Admission,Etc	\$ 174.99
14343985	12/12/2017	SOCO GROUP, INC.	0100	Fuel	\$ 37,463.60
14343986	12/12/2017	SUNRISE PRODUCE	1300	Purchases Food	\$ 5,467.08
14344769	12/13/2017	US Foods, Inc.	1300	Purchases Food	\$ 22,172.97
14344770	12/13/2017	BLUE COAST CONSULTING	2139	New Construction	\$ 38,368.00
14344771	12/13/2017	CALIFORNIA CONSTRUCTION MGMT	2519	Professional/Consult Svs	\$ 110.00
14344772	12/13/2017	CONSULTING & INSPECTION SVCS	2139	New Construction	\$ 18,354.00
14344773	12/13/2017	ERICKSON-HALL CONSTRUCTION CO	2139	New Construction	\$ 209,857.19
14344774	12/13/2017	NAPA AUTO PARTS	0100	Materials-Vehicle Parts	\$ 2,734.66
				Other Transport.Supplies	\$ 2.68
14344775	12/13/2017	DELORES PERLEY REVOLVING CASH	0100	Bank Charges	\$ 51.77
				Materials And Supplies	\$ 115.00
				Spec Ed Student Stipends	\$ 3,837.75
14344776	12/13/2017	PICK UP STIX CATERING	1300	Purchases Food	\$ 7,988.70
14344777	12/13/2017	SHELL CAR WASH & EXPRESS LUBE	0100	Fuel	\$ 83.60
				Gasoline Supplies	\$ 232.46
14344778	12/13/2017	SO-CAL DOMINOIDS	1300	Purchases Food	\$ 5,802.95
14344779	12/13/2017	CITY OF SOLANA BEACH	0100	Sewer Charges	\$ 17,320.78
14344780	12/13/2017	TCR SERVICES	0100	Materials And Supplies	\$ 2,063.69
14344781	12/13/2017	TOXGUARD FLUID TECHNOLOGY	0100	Materials-Vehicle Parts	\$ 193.98
14344782	12/13/2017	WESELOH CHEVROLET CO	0100	Materials-Vehicle Parts	\$ 335.69
14344783	12/13/2017	SAN DIEGO FRICTION PRODUCTS	0100	Materials-Vehicle Parts	\$ 736.78
14345679	12/14/2017	M A Engineers Inc.	2139	New Construction	\$ 1,175.00
14345680	12/14/2017	Daily Journal Corporation	0100	Advertising	\$ 236.60
			2139	New Construction	\$ 442.00
14345681	12/14/2017	PC & MAC EXCHANGE	0100	Non-Capitalized Tech Equipment	\$ 2,889.60
14345682	12/14/2017	BISSIRI STUDIO	2519	New Construction	\$ 913.79
14345683	12/14/2017	BARBARA REUER	0100	Professional/Consult Svs	\$ 1,390.42
14345684	12/14/2017	SSID #3161783957	0100	Mediation Settlements	\$ 2,100.00
14345685	12/14/2017	SSID #7240596603	0100	Other Serv.& Oper.Exp.	\$ 725.00
14345686	12/14/2017	UT SAN DIEGO UNION TRIBUNE	0100	Advertising	\$ 666.40
14345687	12/14/2017	OWEN, JEFFREY	0100	Conference,Workshop,Sem.	\$ 1,242.72
14345688	12/14/2017	BERT'S OFFICE TRAILERS	2139	New Construction	\$ 144.39
14345689	12/14/2017	SSID #1010419255	0100	Pay In Lieu Of Transp>	\$ 536.72
14345690	12/14/2017	ECONOMY RESTAURANT SUPPLY	2139	Equipment	\$ 6,206.40
14345691	12/14/2017	SSID #2156968315	0100	Pay In Lieu Of Transp>	\$ 1,168.44
14345692	12/14/2017	NINYO & MOORE	2139	New Construction	\$ 27,320.25
14345693	12/14/2017	PACIFIC BACKFLOW, INC	0100	Other Serv.& Oper.Exp.	\$ 1,255.00
14345694	12/14/2017	PALOMAR REPROGRAPHICS, INC.	2139	Improvements	\$ 102.80
				New Construction	\$ 807.36
14345695	12/14/2017	PIONEER DRAMA SERVICE	0100	Materials And Supplies	\$ 221.00
14345696	12/14/2017	PROCURETECH	0100	Computer Supplies	\$ 275.35
14345697	12/14/2017	SAN DIEGO SCENIC TOURS, INC.	0100	Fld. Trips By Prv. Contr	\$ 3,910.52
				Subagreements For Services	\$ 1,476.76
14345698	12/14/2017	Specialized Education of Ca, Inc.	0100	Other Contr-N.P.S.	\$ 6,938.48
14345699	12/14/2017	T E R I INC	0100	Other Contr-N.P.S.	\$ 30,889.04

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14345699	43083.20833	T E R I INC	0100	Sub/Other Contr-Nps	\$ 6,517.84
14345700	12/14/2017	VERNIER SOFTWARE & TECHNOLOGY	0100	Materials And Supplies	\$ 268.54
14345701	12/14/2017	WARD'S SCIENCE	0100	Materials And Supplies	\$ 66.77
14345702	12/14/2017	WESTBERG & WHITE, INC.	2139	New Construction	\$ 10,243.85
14345703	12/14/2017	WILKINSON HADLEY KING & CO LLP	0100	Audit	\$ 3,000.00
14346290	12/15/2017	Daily Journal Corporation	0100	Advertising	\$ 101.40
14346291	12/15/2017	THE FRUTH GROUP, INC	0100	Rents & Leases	\$ 427.25
14346292	12/15/2017	HOTSY PRESSURE WASHING EQUIP OF SAN D	0100	Repairs & Maintenance	\$ 205.53
14346293	12/15/2017	ADVANTAGE PAYROLL SERVICES	0100	Other Serv.& Oper.Exp.	\$ 263.96
14346294	12/15/2017	BERT'S OFFICE TRAILERS	2139	New Construction	\$ 300.62
14346295	12/15/2017	ENCINITAS FORD	0100	Materials-Vehicle Parts	\$ 92.80
				Repairs-Vehicles	\$ 9,376.80
14346296	12/15/2017	GEOCON INCORPORATED	0100	Other Serv.& Oper.Exp.	\$ 310.00
14346297	12/15/2017	MOBILE MODULAR MANAGEMENT CORP	2139	New Construction	\$ 317.13
14346298	12/15/2017	MODULAR SPACE CORPORATION	0100	Rents & Leases	\$ 540.99
14346299	12/15/2017	RANCHO SANTA FE SEC SYSTEMS	0100	Other Serv.& Oper.Exp.	\$ 800.00
				Security Guard Contract	\$ 490.00
14346300	12/15/2017	RANCHO SANTA FE SEC SYSTEMS	2139	New Construction	\$ 3,040.00
14346301	12/15/2017	SAN DIEGUITO WATER DISTRICT	0100	Water	\$ 5,300.04
14346302	12/15/2017	SHELL	1300	Fuel	\$ 105.36
14346303	12/15/2017	SIMPLEX GRINNELL LP	0100	Other Serv.& Oper.Exp.	\$ 5,537.50
14346304	12/15/2017	SMART AND FINAL STORES CORP	0100	Materials And Supplies	\$ 48.33
14346305	12/15/2017	STAPLES ADVANTAGE	0100	Duplicating Supplies	\$ 307.09
				Materials And Supplies	\$ 1,907.80
				Office Supplies	\$ 71.84
14346306	12/15/2017	TCR SERVICES	0100	Materials And Supplies	\$ 768.69
14346307	12/15/2017	VERDUGO TESTING CO., INC.	0100	Fees - Business, Admission,Etc	\$ 1,440.00
				Other Serv.& Oper.Exp.	\$ 100.00
				Repairs & Maintenance	\$ 3,466.30
14346308	12/15/2017	MEREDITH WADLEY AMSBAUGH	0100	Mileage	\$ 93.63
14346309	12/15/2017	WILLIAMS SCOTSMAN, INC.	2139	New Construction	\$ 1,812.00
14346908	12/18/2017	STANDARD STATIONERY SUPPLY CO	0100	Abatements-Matls & Supplies	\$ 74.82
14346909	12/18/2017	Harbottle Law Group	0100	Legal Expense	\$ 6,144.41
14346910	12/18/2017	SITONE LANDSCAPE SUPPLY	0100	Grounds Materials	\$ 748.32
14346911	12/18/2017	CW DRIVER LLC	2139	New Construction	\$ 773,590.70
14346912	12/18/2017	KIDS BEHAVIORAL HEALTH OF ALASKA, INC	0100	Mental Health Svcs	\$ 3,885.00
				Other Contr-N.P.S.	\$ 2,430.00
				Room & Board	\$ 4,650.00
14346913	12/18/2017	Jennifer DiMase	0100	Professional/Consult Svcs	\$ 1,750.00
14346914	12/18/2017	AMANDA J. GRETSCH, INC.	0100	Professional/Consult Svcs	\$ 3,281.25
14346915	12/18/2017	AREY JONES ED SOLUTIONS	0100	Non-Capitalized Tech Equipment	\$ 20,026.67
14346916	12/18/2017	AZTEC TECHNOLOGY CORP	2139	New Construction	\$ 754.25
14346917	12/18/2017	BERT'S OFFICE TRAILERS	2518	Improvements	\$ 242.44
14346918	12/18/2017	DIGITAL NETWORKS GROUP, INC.	2139	New Construction	\$ 18,295.78
14346919	12/18/2017	ERICKSON-HALL CONSTRUCTION CO	2139	New Construction	\$ 240,427.46
14346920	12/18/2017	ERICKSON-HALL CONSTRUCTION CO	2139	New Construction	\$ 67,012.05
14346921	12/18/2017	ERICKSON-HALL CONSTRUCTION CO	2139	New Construction	\$ 20,530.09
14346922	12/18/2017	ERICKSON-HALL CONSTRUCTION CO	2139	New Construction	\$ 269,439.76
14346923	12/18/2017	EXCELSIOR ACADEMY	0100	Other Contr-N.P.S.	\$ 2,528.80
14346924	12/18/2017	FAGEN FRIEDMAN & FULFROST, LLP	0100	Legal Exp-Business	\$ 4,402.24
				Legal Expense	\$ 6,127.51
				Legal Exp-Personnel	\$ 336.00
14346925	12/18/2017	MELISSA HAIDER, MPT	0100	Professional/Consult Svcs	\$ 2,788.75
14346926	12/18/2017	JODIE K SCHULLER & ASSOCIATES	0100	Other Contr-N.P.A.	\$ 3,640.00
14346927	12/18/2017	M T G L, INC	2139	New Construction	\$ 33,203.75
14346928	12/18/2017	MAXIM HEALTHCARE SERVICES INC	0100	Other Contr-N.P.A.	\$ 6,499.90
14346929	12/18/2017	NEW BRIDGE SCHOOL	0100	Other Contr-N.P.S.	\$ 3,725.00
14346930	12/18/2017	New Haven Youth & Family Services	0100	Other Contr-N.P.A.	\$ 8,800.00

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14346931	12/18/2017	OFFICE SOLUTIONS BUSINESS	0100	Materials And Supplies	\$ 21.55
14346932	12/18/2017	P C S REVENUE CONTROL SYSTEMS	1300	Non-Capitalized Tech Equipment	\$ 96.09
14346933	12/18/2017	J.W PEPPER & SON, INC.	0100	Materials And Supplies	\$ 604.65
14346934	12/18/2017	STANDARD ELECTRONICS	0100	Repairs & Maintenance	\$ 848.72
14346935	12/18/2017	TWINING, INC.	2139	New Construction	\$ 4,022.70
14346936	12/18/2017	22ND DIST AGRICULTURAL ASSN	0100	Rents & Leases	\$ 17,881.25
14346937	12/18/2017	UNITED PARCEL SERVICE	0100	Communications-Postage	\$ 107.37
14346938	12/18/2017	VERDUGO TESTING CO., INC.	0100	Fees - Business, Admission,Etc	\$ 180.00
14346939	12/18/2017	WESTERN ENVIRONMENTAL & SAFETY	0100	Professional/Consult Svs	\$ 5,465.00
14346940	12/18/2017	XEROX CORPORATION	0100	Copy Charges	\$ 2,912.81
				Rents & Leases	\$ 5,247.56
14347582	12/19/2017	JULIE GOLDBERG	0100	Conference,Workshop,Sem.	\$ 104.54
14347583	12/19/2017	ANTHEM BLUE CROSS	6717	Retiree Vendor Pmts	\$ 54.54
14347584	12/19/2017	VEBA KAISER	0100	Health & Welfare Benefits, cla	\$ 596.00
14347585	12/19/2017	DELTA DENTAL INSURANCE CO.	0100	Health & Welfare Benefits, cla	\$ 151.45
14347586	12/19/2017	ANTHEM DENTAL	0100	Health & Welfare Benefits, cer	\$ 51.13
14347587	12/19/2017	KAISER	0100	Health & Welfare Benefits, cer	\$ 1,026.30
14347588	12/19/2017	REKA INCZE	0100	Mileage	\$ 77.04
14347589	12/19/2017	MARY COURTNEY	0100	Mileage	\$ 37.45
14347590	12/19/2017	KRISTEN FINK	0100	Mileage	\$ 116.10
14347591	12/19/2017	ROSELLA ARCE	0100	Mileage	\$ 403.93
14347592	12/19/2017	JAMES FARRAR	0100	Conference,Workshop,Sem.	\$ 220.00
14347593	12/19/2017	RALF BERNARD	0100	Mileage	\$ 172.27
14347594	12/19/2017	CHERI BENE	0100	Mileage	\$ 84.00
14347595	12/19/2017	KIMBERLY MCCARTY	1300	Food Service Sales Lcc	\$ 136.25
14347596	12/19/2017	CHIH HO	0100	Athletic Post-Season Travel	\$ 354.96
14347597	12/19/2017	AT&T	0100	Communications-Telephone	\$ 52.25
14347598	12/19/2017	JOHN ADDLEMAN	0100	Mileage	\$ 161.10
14347599	12/19/2017	RICHARD AYALA	0100	Conference,Workshop,Sem.	\$ 25.68
				Mileage	\$ 65.27
14347600	12/19/2017	JOY BISCHKE	0100	Mileage	\$ 217.21
14347601	12/19/2017	COX COMMUNICATIONS	0100	Communications-Telephone	\$ 372.87
14347602	12/19/2017	DEBRA CRUSE	0100	Mileage	\$ 42.80
14347603	12/19/2017	ERIC DILL	0100	Conference,Workshop,Sem.	\$ 45.00
14347604	12/19/2017	ROBIN DOBASHI	0100	Conference,Workshop,Sem.	\$ 220.00
14347605	12/19/2017	THERESE DOYLE	0100	Mileage	\$ 12.31
14347606	12/19/2017	SCOTT FROESE	0100	Mileage	\$ 65.27
14347607	12/19/2017	KAREN GEASLIN	0100	Mileage	\$ 176.55
14347608	12/19/2017	JENNIFER MCCLUAN	0100	Mileage	\$ 54.57
14347609	12/19/2017	NO CTY STUDENT TRANSPORTATION	0100	Subagreements For Services	\$ 4,932.31
14347610	12/19/2017	SAN DIEGO CITY TREASURER	0100	Sewer Charges	\$ 3,929.21
				Water	\$ 10,703.36
14347611	12/19/2017	XEROX CORPORATION	0100	Copy Charges	\$ 3,584.22
				Duplicating Supplies	\$ 383.60
				Rents & Leases	\$ 4,657.48
			1300	Copy Charges	\$ 57.74
				Rents & Leases	\$ 226.55
14348479	12/20/2017	CURT ERALES	0100	Conference,Workshop,Sem.	\$ 520.91
14348480	12/20/2017	KAITLIN HILDEBRAND	0100	Athletic Post-Season Travel	\$ 1,556.59
14348481	12/20/2017	Blue Pacific Engineering & Construction	2139	Land Improvements	\$ 3,591.00
14348482	12/20/2017	Verbal Behavior Associates	0100	Other Contr-N.P.A.	\$ 5,400.00
14348483	12/20/2017	GROUND SERVICE TECHNOLOGY, INC.	2139	New Construction	\$ 4,383.78
14348484	12/20/2017	CINDY FRAZEE	0100	Conference,Workshop,Sem.	\$ 1,228.45
14348485	12/20/2017	TINA DOUGLAS	0100	Conference,Workshop,Sem.	\$ 549.26
14348486	12/20/2017	BEREND, JASON	0100	Conference,Workshop,Sem.	\$ 520.91
14348487	12/20/2017	COMMUNITY SCHOOL OF SD, THE	0100	Other Contr-N.P.S.	\$ 100,000.00
				Sub/Other Contr-Nps	\$ 4,232.96
14348489	12/20/2017	CHRISTOPHER B. DRAKE	0100	Athletic Post-Season Travel	\$ 856.05

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14348490	12/20/2017	EDCO DISPOSAL CORPORATION	2139	New Construction	\$ 271.11
14348491	12/20/2017	ERICKSON-HALL CONSTRUCTION CO	2139	New Construction	\$ 100,001.00
14348492	12/20/2017	JEFF GERMANO	0100	Conference,Workshop,Sem.	\$ 549.27
14348493	12/20/2017	LIONAKIS	2139	New Construction	\$ 27,770.00
14348494	12/20/2017	HEATHER LUTZ	0100	Conference,Workshop,Sem. Mileage	\$ 980.42 \$ 111.28
14348495	12/20/2017	MOBILE MODULAR MANAGEMENT CORP	2139	New Construction	\$ 10,540.76
14348496	12/20/2017	NO CTY STUDENT TRANSPORTATION	0100	Subagreements For Services	\$ 11,364.53
14348498	12/20/2017	PALOMAR REPROGRAPHICS, INC.	0100	Copy Charges	\$ 80.51
14348499	12/20/2017	S AND R TOWING INC	0100	Other Serv.& Oper.Exp.	\$ 625.00
14348500	12/20/2017	SAN DIEGO CENTER FOR CHILDREN	0100	Mental Health Svcs Other Contr-N.P.S. Sub/Room & Board	\$ 5,574.00 \$ 19,515.07 \$ 16,575.00
14348501	12/20/2017	JOANN SCHULTZ	0100	Conference,Workshop,Sem. Printing	\$ 43.89 \$ 366.30
14348502	12/20/2017	AMERICAN EXPRESS	0100	Communications-Telephone	\$ 2,852.43
14348503	12/20/2017	PERSEUS ASSOCIATES, LLC	0100	Computer Licensing	\$ 800.00
14348504	12/20/2017	TWINING, INC.	2139	New Construction	\$ 4,595.40
14348505	12/20/2017	VISTA HILL	0100	Sub/Mental Health Svcs	\$ 37,415.00
14348506	12/20/2017	VORTEX INDUSTRIES	0100	Repairs & Maintenance	\$ 6,618.87
14348507	12/20/2017	WINSTON SCHOOL OF SAN DIEGO	0100	Other Contr-N.P.S.	\$ 31,928.12
14348508	12/20/2017	XEROX CORPORATION	0100	Copy Charges Rents & Leases	\$ 556.42 \$ 517.95
14349496	12/21/2017	DAVID SAMUELSON	0100	Mileage	\$ 55.64
14349497	12/21/2017	SOUL CHARTER SCHOOL	0100	Trfr To Cht Sch In Lieu Proptx	\$ 24,474.79
14349498	12/21/2017	SSID #7240596603	0100	Other Serv.& Oper.Exp.	\$ 725.00
14349499	12/21/2017	Tyler Durman, Inc.	0100	Materials And Supplies	\$ 1,500.00
14349500	12/21/2017	Magdalena Ecke Family YMCA	0100	Rents & Leases	\$ 9,805.00
14349501	12/21/2017	J P B L A, INC.	2139	New Construction	\$ 10,375.00
14349502	12/21/2017	OFFICE DEPOT, INC	0100	Materials And Supplies	\$ 30.67
14349503	12/21/2017	SAROYAN LUMBER	0100	Materials And Supplies	\$ 1,999.64
14349504	12/21/2017	SCHOOL SPECIALTY, INC.	0100	Materials And Supplies	\$ 51.00
14349505	12/21/2017	SHELL CAR WASH & EXPRESS LUBE	0100	Gasoline Supplies	\$ 705.11
14349506	12/21/2017	VALENCIA'S	0100	Repairs-Vehicles	\$ 225.00
14349507	12/21/2017	WINSTON SCHOOL OF SAN DIEGO	0100	Other Contr-N.P.S.	\$ 3,161.20
14349508	12/21/2017	XEROX CORPORATION	0100	Copy Charges Rents & Leases	\$ 2,013.70 \$ 2,875.41
14349918	12/22/2017	COSTCO CARMEL MTN RANCH	0100	Materials And Supplies Refreshments	\$ 287.40 \$ 18.99
14349919	12/22/2017	Harbottle Law Group	0100	Legal Expense	\$ 5,127.57
14349920	12/22/2017	A-Z BUS SALES, INC. - COLTON	0100	Materials-Vehicle Parts	\$ 1,728.30
14349921	12/22/2017	CA AGRI CONTROL INC	0100	Pest Control	\$ 700.00
14349922	12/22/2017	CHEVRON & TEXACO BUSINESS	0100	Fuel Late fees Other Serv.& Oper.Exp.	\$ 496.08 \$ 163.79 \$ 12.12
14349923	12/22/2017	COSTCO CARLSBAD	0100	Materials And Supplies	\$ 65.95
14349924	12/22/2017	COSTCO SAN MARCOS	0100	Materials And Supplies	\$ 122.32
14349925	12/22/2017	COUNTY OF SAN DIEGO	1300	Fees - Business, Admission,Etc	\$ 1,041.00
14349926	12/22/2017	SPARKLETTS	0100	Materials And Supplies	\$ 1,119.87
14349927	12/22/2017	DEMCO INC	0100	Materials And Supplies	\$ 90.98
14349928	12/22/2017	ECOLAB	1300	Purchases Supplies	\$ 310.76
14349929	12/22/2017	EXCELSIOR ACADEMY	0100	Other Contr-N.P.S.	\$ 3,319.05
14349930	12/22/2017	GOLD STAR FOODS	1300	Purchases Food	\$ 33,151.39
14349931	12/22/2017	GOOD SOURCE SOLUTIONS INC	1300	Purchases Food	\$ 3,240.00
14349932	12/22/2017	LLOYD PEST CONTROL	1300	Other Serv.& Oper.Exp.	\$ 406.00
14350320	1/4/2018	JAYME CAMBRA	0100	Conference,Workshop,Sem. Mileage	\$ 591.59 \$ 27.82
14350321	1/4/2018	LINDA COLLINS	0100	Mileage	\$ 25.68

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WARRANT NBR	DATE	VENDOR	FUND	DESCRIPTION	AMOUNT
14350322	1/4/2018	VISTA PAINT CORPORATION	0100	Bldg.-Repair Materials	\$ 484.31
14350323	1/4/2018	SUSAN HANSEN	0100	Mileage	\$ 6.96
14350324	1/4/2018	CHERYL COOPER	0100	Mileage	\$ 55.11
14350325	1/4/2018	MARIA VERONICA BURCIAGA	0100	Mileage	\$ 265.37
14350326	1/4/2018	OPTIMUM FLOORCARE	0100	Repairs & Maintenance	\$ 126.80
14350327	1/4/2018	SAN DIEGO FITNESS SERVICES	0100	Repairs & Maintenance	\$ 195.00
14351452	1/8/2018	FERGUSON ENTERPRISES, INC #1350	0100	Non-Capitalized Equipment	\$ 1,175.55
14351453	1/8/2018	LAUNDRY LADIES	0100	Other Serv.& Oper.Exp.	\$ 782.50
14351454	1/8/2018	HAMEL SCHOOL OUTFITTERS INC	0100	Materials And Supplies	\$ 4,996.92
14351455	1/8/2018	SASC, LLC DBA ACTIVATE LEARNING, LLC	0100	E-Textbooks	\$ 1,825.12
				Materials And Supplies	\$ (339.12)
14351456	1/8/2018	CURRIER & HUDSON	0100	Legal Expense	\$ (9,024.00)
				Legal Exp-Personnel	\$ 24,416.59
14351457	1/8/2018	C I F	0100	Dues - CIF	\$ 325.00
14351458	1/8/2018	CHEVRON & TEXACO BUSINESS	0100	Fuel	\$ 54.07
14351459	1/8/2018	CLEAN ENERGY	0100	Repairs & Maintenance	\$ 4,084.51
14351460	1/8/2018	COLLEGE ENTRANCE EXAM BOARD	0100	Dues And Memberships	\$ 400.00
14351461	1/8/2018	COMM USA INC	0100	Materials And Supplies	\$ 905.10
				Non-Capitalized Equipment	\$ 301.70
14351462	1/8/2018	EARL WARREN MIDDLE SCHOOL ASB	1300	Other Serv.& Oper.Exp.	\$ 232.50
14351463	1/8/2018	EFR ENVIRONMENTAL SERVICES	0100	Hazardous Waste Disposal	\$ 61.05
14351464	1/8/2018	FISHER SCIENTIFIC	0100	Materials And Supplies	\$ 3,631.20
			2518	Equipment	\$ 611.47
14351465	1/8/2018	FLINN SCIENTIFIC INC	0100	Materials And Supplies	\$ 80.11
14351466	1/8/2018	HAWTHORNE LIFT SYSTEMS	0100	Repairs & Maintenance	\$ 3,615.03
14351467	1/8/2018	INTERSTATE BATTERY	0100	Materials-Vehicle Parts	\$ 437.54
				Other Transport.Supplies	\$ 74.89
14351468	1/8/2018	LAWNMOWERS PLUS INC	0100	Non-Capitalized Equipment	\$ 1,713.06
				Repairs & Maintenance	\$ 255.24
14351469	1/8/2018	LAWSON PRODUCTS INC	0100	Materials-Vehicle Parts	\$ 402.41
14351470	1/8/2018	LEGOLAND	0100	Fees - Business, Admission,Etc	\$ 230.00
14351471	1/8/2018	LEUCADIA PIZZERIA	0100	Materials And Supplies	\$ 284.67
				Refreshments	\$ 115.63
14351472	1/8/2018	MODULAR SPACE CORPORATION	0100	Rents & Leases	\$ 540.99

Report Total

\$ 3,419,113.12

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RCF REPORT FROM 12/05/17 THROUGH 01/08/18

CK NBR	DATE	NAME/VENDOR	DESCRIPTION	AMOUNT
11567	12/06/2017	DANI RODRIGUEZ	INITIAL PETTY CASH	75.00
11568	12/06/2017	CAROLYN WONG	PETTY CASH REIMBURSEMENT	40.00
11569	12/07/2017	SAN DIEGUITO UHSD	WORKABILITY, TPP, BANK FEE: Nov 2017	3,862.81
11570	12/12/2017	CARMEN ROMERO	PAYROLL: November 2017	250.00
11571	12/14/2017	TCG Administrators	Refund for: TSA Contribution	3,000.00
11572	12/14/2017	RENEE CODY	PETTY CASH REIMBURSEMENT	40.02
11573	12/18/2017	SHEILAH PEARSON	Garnishment Release	25.00
11574	12/18/2017	ANTONETTE STADLER	Garnishment Modification	225.00
11575	12/18/2017	SUSAN A. HANSEN	Garnishment Release	376.91
11576	12/18/2017	PAULA GUGLER	Garnishment Release	469.75
11577	12/19/2017	CAROLYN WONG	PETTY CASH REIMBURSEMENT	72.21
11578	12/20/2017	CARLOS MAGANA	PAYROLL: December 2017	2,390.75
11579	01/08/2018	BETHANY BRITT	PETTY CASH REIMBURSEMENT	74.02
11580	01/08/2018	SUSAN BOUCHARD	PETTY CASH REIMBURSEMENT	136.10
11581	01/08/2018	RICHARD MARIAM	PETTY CASH REIMBURSEMENT	64.21

Report Total

11,101.78

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 9, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: John Addleman, Exec. Director of Planning Services
Tina Douglas, Assoc. Supt. of Business Services

SUBMITTED BY: Eric R. Dill, Superintendent

SUBJECT: APPROVAL / RATIFICATION OF AMENDMENTS
TO PROFESSIONAL SERVICES CONTRACTS /
FACILITIES PLANNING & CONSTRUCTION

EXECUTIVE SUMMARY

The attached Professional Services Report summarizes amendments to (4) agreements:

An agreement with McCarthy Building Companies, Inc. (McCarthy), for the lease-leaseback of the Earl Warren Middle School Campus (EWMS) for campus reconstruction. On June 18, 2015 the Board adopted a resolution approving and authorizing execution of a Site Lease, Sublease Agreement and Construction Services Agreement for the lease-leaseback of EWMS; approving the final GMP on August 20, 2015. The Board subsequently approved five amendments for various changes and increases in the GMP.

This amendment extends the lease-leaseback agreement with McCarthy to allow for occupation of the Interim Campus by the Solana Beach School District, as previously approved by the board; and also allows for the work of the project which has been completed to be presented to the board for acceptance; while separating the work scheduled for completion after Solana Beach School District has vacated the site, to be conducted as Phase II construction with a separate completion date for board approval.

An agreement with Solana Beach School District, amending the lease and reimbursement agreement to allow for additional reimbursable expenses due to the District from Solana Beach School District.

An amendment to the agreement with Roesling Nakamura Terada Architects, for miscellaneous small architectural/engineering projects, increasing the amount for small projects and extending the term through April 6, 2019.

An amendment to the agreement with SVA Architects, Inc., for additional services including civil engineering services for hydrology reports and storm water quality managements and pollution prevention plans for Sunset High School.

ITEM 15H

RECOMMENDATION:

It is recommended that the Board approve and/or ratify the amendments to professional services contracts and authorize Douglas B. Gilbert, Tina Douglas, or Eric R. Dill to execute the agreements, as noted in the attached supplement.

FUNDING SOURCE:

As noted on the attached chart.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

ITEM 15H

FACILITIES PLANNING & CONSTRUCTION – AMENDMENTSBoard Meeting Date: 1/18/18

<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>
06/09/15 – 09/30/18	McCarthy Building Companies, Inc.	To amend contract CA2015-58 extending the lease-leaseback agreement and splitting the scope of work into Phase I and Phase II scopes.	Building Fund Prop 39 – Fund 21-39	No Increase In Cost
07/01/17 – 06/30-18	Solana Beach School District	To amend contract CA2017-58 to lease portions of Interim Housing at Earl Warren Middle School in an amount not to exceed \$1 per year and allowing for an increase in the amount of reimbursable expenses and building preparation expenses due from Solana Beach School District.	Building Fund Prop 39 – Fund 21-39	No Cost Impact To District
04/07/17 – 04/06/19	Roesling Nakamura Terada Architects, Inc.	To amend contract CA2017-45 for architectural/engineering services for miscellaneous small projects.	The fund to which the project is charged	Additional \$18,700.00 for a new total of \$43,700.00
11/03/17 – Completion	SVA Architects, Inc.	To amend contract CA2018-13 for architectural/engineering services at Sunset High School.	Building Fund Prop 39 – Fund 21-39	Additional \$33,000.00 for a new total of \$1,002,430.00, plus reimbursable expenses

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: December 30, 2017

BOARD MEETING DATE: January 18, 2018

PREPARED BY: John Addleman, Exec. Director of Planning Services
Tina Douglas, Assoc. Supt. of Business Services

SUBMITTED BY: Eric R. Dill, Superintendent

SUBJECT: AWARD OF CONTRACTS / FACILITIES PLANNING
& CONSTRUCTION

EXECUTIVE SUMMARY

Bids for construction of the San Dieguito High School Academy Arts & Humanities Building (formally bid as the Arts & Social Sciences Classroom Building) were conducted on December 19, 2017. Long lead time trade packages were bid on November 28, and this bid represents the remaining trade packages. The project is being bid as a multi-prime project with Erickson Hall Construction Company acting as Construction Manager.

Overall, the bid was successful with 24 firms responding to 9 packages. Bid packages were reviewed by District Staff and the Construction Manager to determine the lowest responsive and responsible bidders. Bid Package #2 is rejected as non-responsive/non-responsible and will be re-bid on January 24, 2018.

The hard construction costs for the 8 trade packages recommended for award this date is \$14,995,283.00, plus the 5 previously awarded for a total hard construction cost of \$20,669,055.00.

RECOMMENDATION:

It is recommended that the Board approve awarding the following contracts and authorize Douglas B. Gilbert, Tina Douglas, or Eric R. Dill to execute the agreements:

1. SWCS, Inc., dba Southwest Construction Services, Inc., Bid Package #1 Temporary Facilities & Controls, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in the amount of \$978,075.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
2. Rocky Coast Builders, Inc., Bid Package #4 Concrete Paving, Masonry & Metal Framing, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in

the amount of \$4,137,507.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds. ITEM 13F

3. Fredricks Electric, Inc., Bid Package #10 Electrical, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in the amount of \$1,950,000.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
4. Western Rim Constructors, Inc., Bid Package #11 Landscaping & Irrigation, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in the amount of \$769,983.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
5. Interpipe Contracting, Inc., Bid Package #12 Site Utilities, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in the amount of \$737,000.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
6. SWCS, Inc., dba Southwest Construction Services, Inc., Bid Package #13 Doors, Frames & Hardware, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in the amount of \$1,475,938.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
7. SWCS, Inc., dba Southwest Construction Services, Inc., Bid Package #14 Metal Studs, Drywall, Plaster, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in the amount of \$2,638,762, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.
8. SWCS, Inc., dba Southwest Construction Services, Inc., Bid Package #15 Elevator/Finishes, San Dieguito High School Academy Arts & Social Sciences Classroom Building CB2018-02, during the period February 5, 2018 through August 12, 2019, in the amount of \$2,317,018.00, to be expended from Building Fund Prop 39 – Fund 21-39, Mello-Roos and State School Building Funds.

FUNDING SOURCE:

As noted herein.

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 9, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: John Addleman, Exec. Director of Planning Services
Tina Douglas, Assoc. Supt. of Business Services

SUBMITTED BY: Eric R. Dill, Interim Superintendent

SUBJECT: APPROVAL OF CHANGE ORDERS / FACILITIES
PLANNING & CONSTRUCTION

EXECUTIVE SUMMARY

On November 12, 2015 and December 10, 2015, trade contracts for construction of the San Dieguito High School Academy Math & Science Building (the "Project") were awarded by the board. The project was completed on time and under budget, with 9 trade contractors submitting deductive change orders for a revised total hard construction cost of \$13,726,904.92, a savings of \$576,270.87 over the approved cost.

RECOMMENDATION:

It is recommended that the Board approve the following change orders and authorize Tina Douglas, Douglas B. Gilbert or Eric R. Dill to execute same:

1. SWCS, Inc., Bid Package #1 Temporary Facilities & Controls, San Dieguito High School Academy Math & Science Building Phase 1 CB2016-04, decreasing the amount by \$56,006.00, for a new total of \$872,689.00, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.
2. RND Contractors, Inc., Bid Package #3 Structural Steel, San Dieguito High School Academy Math & Science Building Phase 1 CB2016-04, decreasing the amount by \$297,740.00, for a new total of \$1,527,794.00, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.
3. Precision Concrete Construction, Bid Package #4 Concrete Masonry & Asphalt, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, increasing the amount by \$3,783.00, for a new total of \$1,750,376.00, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.
4. SWCS, Inc., Bid Package #5 General Construction, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, decreasing the amount by \$552.50 for a new

ITEM 15J

total of \$4,312,729.50, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.

5. Sylvester Roofing Co., Inc., Bid Package #6 Roofing & Sheet Metal, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, decreasing the amount by \$15,723.00 for a new total of \$354,276.00, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.
6. JG Tate Fire Protection Systems, Inc., Bid Package #7 Fire Protection, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, decreasing the amount by \$29,476.00 for a new total of \$105,091.00, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.
7. Interpipe Contracting, Inc., Bid Package #8 Plumbing & Utilities, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, decreasing the amount by \$24,078.37 for a new total of \$1,309,211.00, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.
8. Chapman Air Systems, Inc., dba W.R. Robbins Company, Bid Package #9 HVAC & Controls, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, decreasing the amount by \$88,560.00 for a new total of \$1,140,440.00, to be expended from Building Fund Prop 39 – Fund 21-39.
9. Fredricks Electric, Inc., Bid Package #10 Electric, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, decreasing the amount by \$67,499.00 for a new total of \$1,216,501.00, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.
10. Western Rim Constructors, Inc., Bid Package #11 Landscaping & Irrigation, San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, decreasing the amount by \$419.00 for a new total of \$434,063.32, and extending the contract by 202 days, to be expended from Building Fund Prop 39 – Fund 21-39.

FUNDING SOURCE:

As noted herein.

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 9, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: John Addleman, Exec. Director Planning Services
Tina M. Douglas, Assoc. Superintendent Business

SUBMITTED BY: Eric Dill, Interim Superintendent

SUBJECT: ACCEPTANCE OF CONSTRUCTION PROJECTS /
FACILITIES PLANNING & CONSTRUCTION

EXECUTIVE SUMMARY

On November 12, 2015 and December 10, 2015, trade contracts for construction of the San Dieguito High School Academy Math & Science Building (the "Project") were awarded by the board.

The Project is now complete.

RECOMMENDATION:

It is recommended that the Board accept the Project as complete, and authorize the administration to file a Notices of Completion with the County Recorders' Office and release final retention:

1. San Dieguito High School Academy Math & Science Building Phase 1 CB2016-04, Bid Package #1 Temporary Facilities & Controls, contract entered into with SWCS, Inc.
2. San Dieguito High School Academy Math & Science Building Phase 1 CB2016-04, Bid Package #3 Structural Steel, contract entered into with RND Contractors, Inc.
3. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #4 Concrete Masonry & Asphalt, contract entered into with Precision Concrete Construction.
4. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #5 General Construction, contract entered into with SWCS, Inc.
5. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #6 Roofing & Sheet Metal, contract entered into with Sylvester Roofing Co., Inc.
6. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #7 Fire Protection, contract entered into with JG Tate Fire Protection Systems, Inc.
7. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #8 Plumbing & Utilities, contract entered into with Interpipe Contracting, Inc.

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8. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #9 HVAC & Controls, contract entered into Chapman Air Systems, Inc., dba W.R. Robbins Company.
9. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #10 Electric, contract entered into with Fredricks Electric, Inc.
10. San Dieguito High School Academy Math & Science Building Phase 2 CB2016-04, Bid Package #11 Landscaping & Irrigation, contract entered into with Western Rim Constructors, Inc.

FUNDING SOURCE:

N/A

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 10, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Tina Douglas, Assoc. Supt. of Business Services

SUBMITTED BY: Eric R. Dill, Superintendent

SUBJECT: **ADOPTION OF PROPOSED NEW / REVISED BOARD POLICIES (3) / BP #3554 "OTHER FOOD SALES"; BP #7212 "MELLO-ROOS DISTRICTS"; BP "GENERAL OBLIGATION BONDS" / BUSINESS SERVICES**

EXECUTIVE SUMMARY

The following Board Policies have been created or revised to align with the CSBA recommendations:

Current Policy Number	New Policy Number	Title	Comments
3554		Other Food Sales	Last revised on 6-27-06. Revisions include updates to align with CSBA recommendations.
	7212	Mello-Roos Districts	New policy to align with CSBA recommendations. Policy formalizes process already in place and identifies elements required for formation of a community facilities district further in connection with existing BP 7311
7214		General Obligation Bonds	Revised policy to align with CSBA recommendations, while maintaining existing exclusion to capital appreciation bonds and limiting term of current interest bonds to 25 years. Adds use of Bond Anticipation Notes limiting term from legally allowable 5 years to 1 ½ years, as well as including criteria to pay interest during term rather than at conclusion of term.

RECOMMENDATION:

It is recommended that the Board adopt the following proposed new/revised Board Policies, as shown in the attached supplements:

- A. BP #3554, "OTHER FOOD SALES" (REV)
- B. BP #7212, "MELLO-ROOS DISTRICTS" (NEW)
- C. BP #7214, "GENERAL OBLIGATION BONDS" (REV)

FUNDING SOURCE:

Not applicable

BUSINESS3554 **ITEM 16****OTHER FOOD SALES**

The Governing Board believes that ~~sales of~~ foods and beverages ~~sold to~~ at school during ~~students on school campuses during~~ the school day should ~~be aligned with the district's goals to promote student wellness. promote student health and reduce childhood obesity.~~ Any food sales conducted outside the District's nutrition services program shall meet nutritional standards specified in law, Board policy and administrative regulations and shall not reduce student participation in the District's nutrition services program. ~~Sanitation and safety procedures shall comply with the requirements of the California Uniform Retail Food Facilities Law as set forth in Health and Safety Code 113700-114455.~~

The Board authorizes the Superintendent or designee to approve the sale of foods and beverages outside the District's nutrition services program, including sales by student or ~~adult organizations~~ **school-connected organizations**, sales through vending machines, and/or sales at secondary school student stores for fundraising purposes.

~~Food sales are prohibited during school hours, and within one hour before or after school hours, unless the organization is legally organized as a nonpartisan, charitable organization, the purpose of the solicitation is nonpartisan and charitable, and the solicitation has been approved in accordance with Board policy. (Education Code 51520)~~

When vending machines are sponsored by the District, **or** a student or adult organization, the Superintendent or designee shall determine how and where vending machines may be placed at school sites, District offices, or other school facilities.

LEGAL REFERENCE: ~~§~~

~~National School Lunch Program and School Breakfast Program; Competitive Foods~~

EDUCATION CODE

38085	Sale of Specified Food Items
35182.5	Contracts, non-nutritious beverages
48931	Authorization and Sale of Food
49430 - 4943 46	Pupil Nutrition, Health and Achievement Act of 2001
51520	School Premises; Prohibited Solicitations

CODE OF REGULATIONS, TITLE 5

15501	Sales in High Schools and Junior High Schools
15575-15578	Requirements for foods and beverages outside the federal meals program

HEALTH AND SAFETY CODE

113700 – 114455 37	California Uniform Retail Food Facilities Law Code
114200 - 114245	Vending Machines

UNITED STATES CODE, TITLE 42

BUSINESS

3554 ITEM 16

- 1751 - 1769^{h,j} National School Lunch Act: **including:**
- 1758b Local wellness policy
- 1771 – 1791 Child Nutrition, **School Breakfast Program**

CODE OF FEDERAL REGULATIONS, TITLE 7

- 210.1 – 210.31 National School Lunch Program
- 210.1-220.21 National School Breakfast Program

CONSTRUCTION

7212

MELLO-ROOS DISTRICTS

The Governing Board desires to provide adequate facilities in order to enhance student learning and to help the district achieve its vision for educating district students. Toward that end, the Board may order the formation of a community facilities district (CFD) (Mello-Roos district) for the acquisition or improvement of school facilities when, in the Board's judgment, it is in the best interest of District students and the community. The issuance of debt through the CFD shall be consistent with law and the District's debt management policy.

Proceedings to establish a CFD may be instituted at the Board's discretion. In addition, such proceedings shall be instituted when a written request to establish a CFD has been filed by any two Board members, or a petition has been submitted by at least 10 percent of registered voters residing within the territory of the proposed CFD or by the owners of at least 10 percent of the area of land to be included within the proposed CFD.

Prior to initiating proceedings to form a CFD, the Board shall consider and adopt local goals and policies that include the following elements (cf. BP 7311):

1. The priority that various facilities shall have for financing through the Mello-Roos Community Facilities Act, including public facilities to be owned and operated by other public agencies and services to be provided by other public agencies.
2. The credit quality to be required of bond issues and criteria to be used in evaluating the credit quality.
3. Steps by which prospective property purchasers will be fully informed about their related taxpaying obligations.
4. Criteria for evaluating the equity of tax allocation formulas, including desirable and maximum amounts of special tax to be levied against any parcel.
5. Definitions, standards, and assumptions to be used in appraisals.
6. To the extent authorized by law, priority for students residing within the CFD to attend schools financed in whole or in part by the CFD, in a manner that reflects the proportion of each school's financing provided through the CFD (cf. 7311/AR-1).

Within 45 days of receiving a written request or petition to establish a CFD, the Board shall determine a fee to be paid by the requesters or petitioners which shall be sufficient to compensate the district for the costs incurred in conducting proceedings to create the CFD. Proceedings for establishing the CFD shall only be initiated after payment of the fee.

Upon Board action to form a CFD, or within 90 days after the receipt of a petition or request to form a CFD and the payment of any applicable fee, the Board shall adopt a resolution of intention and conduct a hearing in accordance with law. The resolution shall fix the time and place for holding a public hearing on the establishment of the CFD, which shall be within 30-60 days after the adoption of the resolution. Notice of the hearing shall be given by publishing the text or a summary of the resolution of intention

CONSTRUCTION

7212

once, in a newspaper of general circulation published in the area of the proposed CFD, at least seven days before the hearing, and shall include other requirements specified in Government Code 53322. Notice of the hearing may also be sent by first-class mail to each registered voter and to each landowner within the proposed CFD.

If, after the hearing, the Board decides to establish a CFD, the Board shall adopt a resolution of formation in accordance with law.

If a special tax is proposed to be levied in the CFD, the Board shall submit the resolution of formation and other information specified in Government Code 53326 to the elections official within three business days after the adoption of the resolution of formation, and the question of levying the special tax shall be submitted to the qualified electors of the proposed CFD in accordance with law.

Upon approval by two-thirds of the voters in the proposed CFD, the tax may be levied in accordance with Government Code 53340.

Whenever the Board deems it necessary for the CFD to incur a bonded indebtedness, it shall follow the procedures specified in Government Code 53345-53365.7, as applicable.

The proceeds of any bonds, notes, or other securities issued pursuant to the Mello-Roos Community Facilities Act shall be deposited or invested in accordance with Government Code 53356.03.

The Superintendent or designee shall, within seven months after the last day of each fiscal year, prominently display the following reports on the district's web site:

1. If requested pursuant to Government Code 53343.1, a copy of an annual report for that fiscal year.
2. A copy of the report provided to the California Debt and Investment Advisory Commission.
3. A copy of the report provided to the State Controller's Office, as required by the Controller.

LEGAL REFERENCES**EDUCATION CODE**

15300-15425	School facilities improvement districts
17060-17066	Joint venture school facilities construction projects

GOVERNMENT CODE

6061	One time notice
12463.2	Reports
17556	Payment of costs mandated by the state
53311-53368.3	Mello-Roos Community Facilities Act of 1982
53753	Assessment notice and hearing requirements

CONSTRUCTION

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53753.5	Exemptions
54954.1	Mailed notice to property owners
54954.6	New or increased tax or assessment; public meetings and hearings; notice
65970-65981	School facilities development project
65995	Levies against development projects

CODE OF REGULATIONS, TITLE 2

1859-1859.106	School facility program
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CONSTRUCTION

7214

GENERAL OBLIGATION BONDS

FACILITIES

The Governing Board recognizes that school facilities are an essential component of the educational program and that the Board has a responsibility to ensure that the district's facilities needs are met in the most cost-effective manner possible. When the Board determines that it is in the best interest of ~~district~~-District students, it may order an election on the question of whether bonds shall be issued for school facilities.

~~The Board shall determine the appropriate amount of the bond in accordance with law.~~

The Board's decision to order a bond election, as well as its determinations regarding the appropriate amount, timing, and structure of the bond issuance, shall be consistent with law and the District's debt management policy.

Before ordering a bond election, the Board shall obtain reasonable and informed projections of assessed valuations that take into consideration projections of assessed property valuations made by the county assessor.

When any project to be funded by bonds will require state matching funds for any phase of the project, the ballot for the bond measure shall include a statement as specified in Education Code 15122.5, advising voters that, because the project is subject to approval of state matching funds, passage of the bond measure is not a guarantee that the project will be completed.

BONDS REQUIRING 55 PERCENT APPROVAL BY LOCAL VOTERS

The Board may decide to pursue the authorization and issuance of bonds by approval of 55 percent majority of the voters pursuant to Article 13A, Section 1(b)(3) and Article 16, Section 18(b) of the California Constitution. If two-thirds of the Board agrees to such an election, the Board shall vote to adopt a resolution to incur bonded indebtedness if approved by a 55 percent majority of the voters.

The bond election may only be ordered at a primary or general election, a statewide special election, or a regularly scheduled local election at which all of the electors of the school district are entitled to vote.

Bonded indebtedness incurred by the district shall be used only for the following purposes:

1. The construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities.
2. The acquisition or lease of real property for school facilities.
3. The refunding of any outstanding debt issuance used for the purposes specified in items #1-2 above.

The proposition approved by the voters shall include the following accountability requirements:

1. A requirement that proceeds from the sale of the bonds be used only for the purposes specified in items #1-2 above, and not for any other purposes including teacher and administrative salaries and other school operating expenses.

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2. A list of specific school facility projects to be funded and certification that the Board has evaluated safety, class size reduction, and information technology needs in developing that list.
3. A requirement that the Board conduct an annual, independent performance audit to ensure that the funds have been expended only on the specific projects listed.
4. A requirement that the Board conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended for the school facilities projects.

If a district general obligation bond requiring a 55 percent majority is approved by the voters, the Board shall appoint an independent citizens advisory oversight committee to inform the public concerning the expenditure of bond revenues as specified in Education Code 15278 and the accompanying administrative regulation. This committee shall be appointed within 60 days of the date that the Board enters the election results in its minutes pursuant to Education Code 15274.

The Superintendent or designee shall ensure that the annual, independent performance and financial audits conducted pursuant to items #3 and #4 above are issued in accordance with the U.S. Comptroller General's Government Auditing Standards. He/she shall submit the audits to the citizens oversight committee by March 31 of each year.

The Board shall provide the citizens oversight committee with responses to all findings, recommendations, and concerns addressed in the performance and financial audits within three months of receiving the audits.

The Board may disband the citizens oversight committee when the committee has completed its review of the final performance and financial audits.

BONDS REQUIRING 66.67 PERCENT APPROVAL BY LOCAL VOTERS

The Board may decide to pursue the authorization and issuance of bonds by approval of 66.67 percent majority of the voters pursuant to Education Code 15100 and Article 13A, Section 1(b)(2) of the California Constitution. If a majority of the Board agrees to such an election, or upon a petition of the majority of the qualified electors residing in the district, the Board shall adopt a resolution ordering an election on the question of whether to incur bonded indebtedness if approved by a 66.67 percent majority of the voters.

The bond election may be ordered to occur on any Tuesday, except a Tuesday that is a state holiday or the day before or after a state holiday, is within 45 days before or after a statewide election unless conducted at the same time as the statewide election, or is an established election date pursuant to Elections Code 1000 or 1500.

Subject to limits specified in Article 13A, Section 1 of the California Constitution, bonds shall be sold to raise money for any of the following purposes:

1. Purchasing school lots.
2. Building or purchasing school buildings.

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3. Making alterations or additions to school building(s) other than as may be necessary for current maintenance, operation, or repairs.
4. Repairing, restoring, or rebuilding any school building damaged, injured, or destroyed by fire or other public calamity.
5. Supplying school buildings and grounds with furniture, equipment, or necessary apparatus of a permanent nature.
6. Permanently improving school grounds.
7. Refunding any outstanding valid indebtedness of the District, evidenced by bonds or state school building aid loans.
8. Carrying out sewer or drain projects or purposes authorized in Education Code 17577.
9. Purchasing school buses with a useful life of at least 20 years.
10. Demolishing or razing any school building with the intent to replace it with another school building, whether in the same location or in any other location.

Except for refunding any outstanding indebtedness, any of the purposes listed above may be united and voted upon as a single proposition by order of the Board and entered into the minutes.

The Board may appoint a citizens oversight committee to review and report to the Board and the public as to whether the expenditure of bond revenues complies with the intended purposes of the bond.

CERTIFICATE OF RESULTS

If the certificate of election results received by the Board shows that the appropriate majority of the voters are in favor of issuing the bonds, the Board shall record that fact in its minutes. The Board shall then certify to the County Board of Supervisors all proceedings it had in connection with the election results.

RESOLUTION REGARDING SALE OF BONDS

Following passage of the bond measure by the appropriate majority of voters, the Board shall pass a resolution directing the issuance and the sale of bonds. In accordance with law, the resolution shall prescribe the total amount of bonds to be sold and may also prescribe the maximum acceptable interest rate, not to exceed eight percent, and the time(s) when the whole or any part of the principal of the bonds shall be payable, which shall not be more than 25 years from the date of the bonds.

In passing the resolution, the Board shall consider each available funding instrument, including, but not limited to, the costs associated with each and their relative suitability for the project to be financed.

Prior to the sale of bonds, the Board shall adopt, as an agenda item at a public meeting and adopt as part of the bond issuance resolution, or in a separate another resolution, disclosures of the available funding instruments, the costs and sustainability of each, and which includes all of the following items information:

1. Express approval of the method of sale.

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2. Statement of the reasons for the method of sale selected.
3. Disclosure of the identity of the bond counsel, and the identities of the bond underwriter and the financial adviser if either or both are utilized for the sale, unless these individuals have not been selected at the time the resolution is adopted, in which case the Board shall disclose their identities at the public meeting occurring after they have been selected.
4. Estimates of the costs associated with the bond issuance, including, but not limited to, bond counsel and financial advisor fees, printing costs, rating agency fees, underwriting fees, and other miscellaneous costs and expenses of issuing the bonds.

At least 30 days prior to the sale of any debt issue, the Superintendent or designee shall submit a report of the proposed issuance to the California Debt and Investment Advisory Commission.

After the sale, the Board shall be presented with the actual cost information and shall disclose that information at the Board's next scheduled meeting. The Board shall ensure that an itemized summary of the costs of the bond sale and all necessary information and reports regarding the sale are submitted to the California Debt and Investment Advisory Commission.

BOND ANTICIPATION NOTES

Whenever the Board determines that it is in the best interest of the District, it may, by resolution, issue a bond anticipation note, on a negotiated or competitive-bid basis, to raise funds that shall be used only for a purpose authorized by a bond that has been approved by the voters of the District in accordance with law.

Payment of principal and interest on any bond anticipation note shall be made at note maturity, not to exceed one and a half years, from the proceeds derived from the sale of the bond in anticipation of which that note was originally issued or from any other source lawfully available for that purpose, including state grants. However, interest payments may be made periodically and prior to note maturity from an increased property tax if the following conditions are met:

1. A resolution of the Board authorizes the property tax for that purpose.
2. The principal amount of the bond anticipation note does not exceed the remaining principal amount of the authorized but unissued bonds.

A bond anticipation note may be issued only if the tax rate levied to pay interest on the note would not cause the district to exceed the tax rate limitation set forth in Education Code 15268 or 15270, as applicable.

DEPOSIT OF BOND PROCEEDS

With regard to general obligation bonds, the District shall invest new money bond proceeds in the county treasury pool as required by law.

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LEGAL REFERENCE**EDUCATION CODE**

7054	Use of district property, campaign purposes
15100-15254	Bonds for school districts and community college districts
15264-15288	Strict Accountability in Local School Construction Bonds Act of 2000
17577	Sewers and drains
17584.1	Deferred maintenance, reports
47614	Charter school facilities

ELECTIONS CODE

324	General election
328	Local election
341	Primary election
348	Regular election
356	Special election
357	Statewide election
1302	School district election
15372	Elections official certificate

GOVERNMENT CODE

1090-1099	Prohibitions applicable to specified officers
1125-1129	Incompatible activities
8855	California Debt and Investment Advisory Commission
53506-53509.5	General Obligation Bonds
53580-53595.5	Bonds
54952	Definition of legislative body, Brown Act

CALIFORNIA CONSTITUTION

Article 13A, Section 1 Tax limitation
 Article 16, Section 18 Debt limit

CODE OF FEDERAL REGULATIONS, TITLE 17

240.10b-5 Prohibition against fraud or deceit
240.15c2-12 Municipal securities disclosure

COURT DECISIONS

San Lorenzo Valley Community Advocates for Responsible Education v. San Lorenzo Valley Unified School District, (2006) 139 Cal.App.4th 1356

CONSTRUCTION

7214

ATTORNEY GENERAL OPINIONS

88 Ops.Cal.Atty.Gen. 46 (2005)

87 Ops.Cal.Atty.Gen. 157 (2004)

MANAGEMENT RESOURCES CSBA PUBLICATIONS

Legal Guidelines: Use of Public Resources for Ballot Measures and Candidates, Fact Sheet, February 2011

WEBSITES

CSBA: <http://www.csba.org>

California Debt and Investment Advisory Commission: <http://www.treasurer.ca.gov/cdiac>

California Department of Education: <http://www.cde.ca.gov>

California Office of Public School Construction: <http://www.opsc.dgs.ca.gov>

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: December 15, 2017

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Michael Grove, Ed.D., Associate Superintendent of Educational Services

SUBMITTED BY: Eric R. Dill, Superintendent

SUBJECT: **ADOPTION OF PROPOSED NEW / REVISED / DELETED BOARD POLICIES / ADMINISTRATIVE SERVICES**

EXECUTIVE SUMMARY

As new and/or revised federal regulations and California Education Code become law and when legal cases affect board policies, the California School Boards Association (CSBA) provides school districts with samples of new or replacement policies to assist in maintaining updated policies.

The following Board Policies have been revised to align with the CSBA recommendations:

Current Policy Number	New Policy Number	Title	Comments
5127		Graduation Ceremony and Activities	Revised to align with CSBA recommendations
6146.1		High School Graduation Requirements	Revised to align with CSBA recommendations
6200.1	6146.11	Alternative Credits Toward Graduation	Revised Administrative Regulation to align with CSBA recommendations

RECOMMENDATION:

It is recommended that the Board adopt the following proposed new/revised/deleted Board Policies, as shown in the attached supplements:

- A. BP# 5127, GRADUATION CEREMONY AND ACTIVITIES (REVISED)
- B. BP# 6146.1, HIGH SCHOOL GRADUATION REQUIREMENTS (REVISED)
- C. BP# 6146.11, ALTERNATIVE CREDITS TOWARD GRADUATION (REVISED)

FUNDING SOURCE:

Not applicable.

STUDENTS**GRADUATION CEREMONIES AND ACTIVITIES**

~~High school graduation ceremonies shall be held to recognize those students who have successfully completed the required course of study, passed all proficiency standards, and thereby earned the right to receive a diploma. The Board of Trustees believes that these students deserve a public celebration that recognizes the significance of their achievement and encourages them to continue the pursuit of learning throughout their lives.~~

~~Invocations and/or benedictions shall not be included in graduation ceremonies. Ceremonies or programs involving prayer for graduates may not be sponsored by the school or district.~~

DISCIPLINARY CONSIDERATIONS

~~While recognizing the importance of graduation ceremonies, the Board also desires to maintain high standards of student conduct and behavior. The principal may deny the privilege of participating in these ceremonies in accordance with school rules which provide for due process.~~

JUNIOR HIGH SCHOOL PROMOTION EXERCISES

~~The Board desires that each junior high school provide age appropriate promotion exercises to recognize students who have completed the school's course of study.~~

LEGAL REFERENCE**CALIFORNIA EDUCATION CODE**

- ~~40014 Lease of personal property; caps and gowns~~
- ~~48904 Liability of parent or guardian; withholding of grades, diplomas, transcripts~~
- ~~51225.5 Honorary diplomas; foreign exchange students~~
- ~~51400 51403 Elementary school diploma~~
- ~~51410 Diplomas: no indication of intellectual classification~~
- ~~51411 Residence as condition for graduation; prohibition~~
- ~~51412 Standards of proficiency~~

~~Harris v. Joint School District #241 (November 18, 1994) No. 93-35839, U.S. Court of Appeals, 9th Circuit~~

~~Lee v. Weisman, (1992) 112 S.Ct. 2649~~

~~Sands v. Morongo Unified School District (1991) 53 Cal. 3d 863~~

STUDENTS

~~[Lemon v. Kurtzman \(1971\) 403 U.S. 602](#)~~

~~[Mifflin County School District v. Stewart \(PA. Cmwlth. 1986\) 503 A.2d 1012 30 Educ. L.R. 403](#)~~

~~[Fowler v. Board of Education of the Hickory Administrative School Unit \(1978\) 448 F. Supp. 497](#)~~

MANAGEMENT RESOURCES**CDE PROGRAM ADVISORIES**

~~0615.89 — Granting credit for passing GED, SPB:88/8~~

GRADUATION CEREMONIES AND ACTIVITIES

High school graduation ceremonies shall be held to recognize those students who have earned a diploma by successfully completing the required course of study, satisfying district standards, and passing any required assessments. The Governing Board believes that these students deserve the privilege of a public celebration that recognizes the significance of their achievement and encourages them to continue the pursuit of learning throughout their lives.

High school students who have passed the California High School Proficiency Examination or the General Educational Development Test must also meet district graduation requirements in order to participate in graduation ceremonies.

Invocations, prayers, or benedictions shall not be included in graduation ceremonies. The school or district shall not sponsor other ceremonies or programs for graduates that include prayer.

CONDUCT AT GRADUATION CEREMONIES

Any student participating in a graduation ceremony shall comply with district policies and regulations pertaining to student conduct.

DISCIPLINARY CONSIDERATIONS

In order to encourage high standards of student conduct and behavior, the principal may deny a student the privilege of participating in graduation ceremonies and/or activities in accordance with school rules. Prior to denial of the privilege, the student, and where practicable his/her parent/guardian, shall be made aware of the grounds for such denial and shall be given an opportunity to respond. If a privilege is to be denied, the student and parent/guardian shall receive written notice of the denied privilege and the means whereby he/she may appeal the decision.

LEGAL REFERENCE:**EDUCATION CODE**

35183.3 Graduation ceremonies; military dress uniforms

38119 Lease of personal property; caps and gowns

48904 Liability of parent or guardian; withholding of grades, diplomas, transcripts

51410-51412 Diplomas

STUDENTS

COURT DECISIONS

Cole v. Oroville Union High School District, (2000, 9th Cir.) 228 F.3d 1092

Santa Fe Independent School District v. Doe, (2000) 530 U.S. 290

Lee v. Weisman, (1992) 505 U.S. 577

Sands v. Morongo Unified School District, (1991) 53 Cal. 3d 863

Lemon v. Kurtzman, (1971) 403 U.S. 602

Management Resources:

WEB SITES

California Department of Education, High School: <http://www.cde.ca.gov/ci/gs/hs/>

INSTRUCTION**ITEM 17**
6146.1**HIGH SCHOOL GRADUATION REQUIREMENTS**

~~Because graduation from high school provides students with opportunities for postsecondary education and/or employment, the Governing Board desires to prepare each student to obtain a diploma of high school graduation.~~

~~I. Course Requirements*~~

~~To obtain a diploma of graduation from high school, students shall complete at least the following courses in grades 9 through 12, with each course being one year unless otherwise specified:~~

~~A. A total of 230 semester periods of credit earned in grades 9–12.~~

~~B. Included within the 230 credits that students must earn are:~~

- ~~1. Four courses of English in grades 9–12: English 9, English 10, English 11, English 12 or ESL Equivalent.~~
- ~~2. Three courses of Mathematics in grades 9–12. One course of the mathematics requirement may be earned by passing a college preparatory course (Geometry, Algebra II) in grade 8. In grades 9–12, one course of the mathematics requirement may be earned in a department other than the Mathematics Department. Beginning with the graduating class of 2003–2004, Algebra I, Integrated Math I (or a course equivalent) will be required for graduation (SB 1354). Algebra / Integrated Math I may be taken prior to high school and still meet the SB1354 criteria.~~
- ~~3. Two courses of Science in grades 9–12. One year of science study must be completed in both a physical and a biological science.~~
- ~~4. One course of World Civilization in grades 9–10.~~
- ~~5. One course of United States History in grade 11.~~
- ~~6. One semester of American Government in grade 12.~~
- ~~7. One semester of Economics or Consumer Economics in grade 12.~~
- ~~8. Four semesters of Physical Education in grades 9–10.**~~
- ~~9. One year of Visual and Performing Arts (see UC/CSU admission rules).~~
- ~~10. One year of a Career Technical Education (CTE) course.~~

San Dieguito Union High School District

Policy Adopted: July 22, 1982
Policy Revised: May 16, 1991
Policy Revised: January 16, 1997
Policy Revised: August 17, 2000
Policy Revised: January 18, 2001
Policy Revised: October 2, 2003
Policy Revised: November 8, 2007
Policy Revised: February 5, 2015
Policy Revised: January 18, 2018

ITEM 17

INSTRUCTION**6146.1**

~~* The Board of Trustees delegates to the Superintendent the authority to waive a high school graduation requirement when it is necessary to meet an individual student's need and is not in conflict with the California Education Code.~~

~~** Tenth grade students with scheduling conflicts may meet the second year requirement in subsequent years with Principal's approval.~~

~~Because the prescribed course of study may not accommodate the needs of some students, the Board shall provide alternative means for the completion of prescribed courses in accordance with the law.~~

~~THE CALIFORNIA HIGH SCHOOL EXIT EXAM~~

~~Each student completing grade 12 shall successfully pass the state exit examinations in language arts and mathematics as a condition of high school graduation.~~

~~For students with disabilities, waivers and / or exemptions apply (BP / AR 6162.52)~~

~~Supplemental instruction shall be offered to any student who does not demonstrate "sufficient progress" toward passing the exit examination.~~

LEGAL REFERENCE:**EDUCATION CODE**

- ~~37252 Supplemental instructional program~~
- ~~37254 Supplemental instruction based on failure to pass exit exam by end of grade 12~~
- ~~37254.1 Required student participation in supplemental instruction~~
- ~~47612 Enrollment in charter school~~
- ~~48200 Compulsory attendance~~
- ~~48412 Certificate of Proficiency~~
- ~~48430 Continuation education schools and classes~~
- ~~48645.5 Acceptance of coursework~~
- ~~48980 Required notification at beginning of term~~
- ~~49701 Interstate Compact on Educational Opportunity for Military Children~~
- ~~51224 Skills and knowledge required for adult life~~
- ~~51224.5 Algebra instruction~~
- ~~51225.1 Exemption from district graduation requirements~~
- ~~51225.2 Pupil in foster care defined; acceptance of coursework, credits, retaking of course~~
- ~~51225.3 High school graduation~~
- ~~51228 Graduation requirements~~
- ~~51240-51246 Exemptions from requirements~~
- ~~51250-51251 Assistance to military dependents~~
- ~~51410-51412 Diplomas~~
- ~~51420-51427 High school equivalency certificates~~
- ~~51450-51455 Golden Seal Merit Diploma~~

INSTRUCTION

6146.1

- ~~51745 — Independent study restrictions~~
- ~~56390-56392 — Recognition for educational achievement, special education~~
- ~~60850-60859 — High school exit examination~~
- ~~66204 — Certification of high school courses as meeting university admissions criteria~~

~~CODE OF REGULATIONS, TITLE 5~~

- ~~1600-1651 — Graduation of students from grade 12 and credit toward graduation~~

~~COURT DECISIONS~~

- ~~O'Connell v. Superior Court (Valenzuela), (2006) 141 Cal.App.4th 1452~~

~~MANAGEMENT RESOURCES:~~

~~WEBSITES:~~

~~CSBA: <http://www.csba.org>~~

~~California Department of Education, High School: <http://www.cde.ca.gov/ci/g5/hs>~~

~~University of California, List of Approved a-g Courses:
<http://www.universityofcalifornia.edu/admissions/freshman/requirements>~~

HIGH SCHOOL GRADUATION REQUIREMENTS

The Governing Board desires to prepare all students to obtain a high school diploma to enable them to take advantage of opportunities for postsecondary education and employment.

Course Requirements

To obtain a high school diploma, students shall complete at least the following courses in grades 9 through 12, with each course being one year unless otherwise specified:

1. A total of 230 semester periods of credit earned in grades 9-12. Included within the 230 credits that students must earn are the following:
 - a. Four courses in English: English 9, English 10, English 11, English 12 or ESL equivalent.
 - b. Three courses in mathematics in grades 9-12. At least one mathematics course shall meet or exceed state academic content standards for Algebra 1 or Mathematics 1 (or a course equivalent), per Ed. Code 51224.5. Completion of such coursework prior to grade 9 shall satisfy the Algebra 1 or Mathematics 1 requirement but shall not exempt a student from the

INSTRUCTION**6146.1**

- requirement to complete three mathematics courses in grades 9-12.
- c. Two courses in science, including biological and physical sciences
 - d. Three courses in social studies, including United States history and geography; world culture, and geography; a one semester course in American government and civics; and a one semester course in economics as follows:
 - One course of World History in grades 10.
 - One course of United States History in grade 11
 - One semester of American Government in grade 12.
 - One semester of Economics or Consumer Economics in grade 12.
 - e. One course in Visual or Performing Arts (see UC/CSU admission rules).
 - f. Two courses (four semesters) in Physical Education in grades 9-10, unless the student has been otherwise exempted pursuant to other sections of the Education Code
 - g. One course in Practical Arts/Career Technical Education.

The Board of Trustees delegates to the Superintendent the authority to waive a high school graduation Education Code.

Because the prescribed course of study may not accommodate the needs of some students, the Board shall provide alternative means for the completion of prescribed courses in accordance with the law.

Exemptions and Waivers

A foster youth, homeless student, or former juvenile court school student who transfers into the district any time after completing his/her second year of high school shall be required to complete all graduation requirements specified in Education Code 51225.3 but shall be exempt from any additional district-adopted graduation requirements, unless the Superintendent or designee makes a finding that the student is reasonably able to complete the requirements in time to graduate by the end of his/her fourth year of high school. Within 30 days of the transfer, any such student shall be notified of the availability of the exemption and whether he/she qualifies for it.

In addition, the Superintendent or designee shall facilitate the on-time graduation of children of military families by waiving specific course requirements for graduation if the student has satisfactorily completed similar coursework in another district.

Retroactive Diplomas**San Dieguito Union High School District***Policy Adopted: July 22, 1982**Policy Revised: May 16, 1991**Policy Revised: January 16, 1997**Policy Revised: August 17, 2000**Policy Revised: January 18, 2001**Policy Revised: October 2, 2003**Policy Revised: November 8, 2007**Policy Revised: February 5, 2015**Policy Revised: January 18, 2018*

ITEM 17

INSTRUCTION**6146.1**

Until July 31, 2018, any student who completed grade 12 in the 2003-04 school year or a subsequent school year and has met all applicable graduation requirements other than the passage of the high school exit examination shall be granted a high school diploma.

Legal Reference:**EDUCATION CODE**

47612	Enrollment in charter school
48200	Compulsory attendance
48412	Certificate of proficiency
48430	Continuation education schools and classes
48645.5	Acceptance of coursework
48980	Required notification at beginning of term
49701	Interstate Compact on Educational Opportunity for Military Children
51224	Skills and knowledge required for adult life
51224.5	Algebra instruction
51225.1	Exemption from district graduation requirements
51225.2	Pupil in foster care defined; acceptance of coursework, credits, retaking of course
51225.3	High school graduation
51228	Graduation requirements
51240-51246	Exemptions from requirements
51250-51251	Assistance to military dependents
51410-51412	Diplomas
51420-51427	High school equivalency certificates
51430	Retroactive high school diplomas
51440	Retroactive high school diplomas
51450-51455	Golden State Seal Merit Diploma
51745	Independent study restrictions
56390-56392	Recognition for educational achievement, special education
60851.5	Suspension of high school exit examination
60851.6	Retroactive diploma; completion of all graduation requirements except high school exit examination

CODE OF REGULATIONS, TITLE 5

1600-1651	Graduation of students from grade 12 and credit toward graduation
4600-4687	Uniform complaint procedures

COURT DECISIONS

O'Connell v. Superior Court (Valenzuela), (2006) 141 Cal.App.4th 1452

MANAGEMENT**San Dieguito Union High School District**

Policy Adopted: July 22, 1982

Policy Revised: May 16, 1991

Policy Revised: January 16, 1997

Policy Revised: August 17, 2000

Policy Revised: January 18, 2001

Policy Revised: October 2, 2003

Policy Revised: November 8, 2007

Policy Revised: February 5, 2015

Policy Revised: January 18, 2018

INSTRUCTION

6146.1

RESOURCES: WEBSITES:

CSBA: <http://www.csba.org>

California Department of Education, High School: <http://www.cde.ca.gov/ci/gs/hs>

University of California, List of Approved a-g Courses:

<http://www.universityofcalifornia.edu/admissions/freshman/requirements>

COMMUNITY RELATIONS INSTRUCTION**6200.1 6146.11****ALTERNATIVE CREDITS TOWARD GRADUATION**

In order to meet individual student needs and encourage all students to complete their high school education, the Governing Board desires to provide flexibility in the completion of prescribed courses in accordance with law.

As an alternative to completing the course requirements for high school graduation, students may fulfill one or more of the course requirements through:

1. Supervised work experience up to 40 semester periods in accordance with 5 CCR 1635, or other outside school experience.
2. Vocational education classes offered in high schools.
3. Courses offered by regional occupational centers or programs.
4. Independent study.
5. Credit earned at a postsecondary institution.
6. Private instruction.
7. Correspondence instruction from a California university or college accredited for teacher training.
8. Adult School.
9. *(Sunset and North Coast High Schools Only)* Students may earn elective credit for scoring "Proficient" or better on California Standardized Testing and Reporting (STAR) Program subject area tests.
10. Students in grades 10-12 may earn up to four semesters (20 credits maximum) of Physical Education credit by successful participation in regular school sponsored interscholastic athletics carried on after school hours.

LEGAL REFERENCE**EDUCATION CODE**

35160	Authority of Governing Boards
35160.1	Broad Authority of School Districts
48645.5	Course Credit, Juvenile Court Schools
48800 - 48802	Attendance at Community College, Advanced Education
51220	Areas of Study, Grades 7-12
51225.3	Requirements for Graduation
51240 - 51246	Exemptions from Requirements
51740 - 51741	Authority to Provide Instruction by Correspondence

CODE OF REGULATIONS, TITLE 5

1600 - 1635	Alternative Credit
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COMMUNITY RELATIONS INSTRUCTION~~6200.1~~ **6146.11**~~MANAGEMENT RESOURCES~~~~CDE PROGRAM ADVISORIES~~

- ~~0418.89 — Physical Education, April 18, 1989~~
~~0615.89 — Granting credit for Passing GED, SPB: 88/89-11~~

~~WEBSITES~~

~~CDE: — <http://www.cde.ca.gov>~~

ALTERNATIVE CREDITS TOWARD GRADUATION

In order to meet individual student needs and encourage all students to complete their high school education, the Governing Board desires to provide flexibility in the completion of prescribed courses in accordance with law.

As an alternative to completing the course requirements for high school graduation, students may fulfill one or more of the course requirements through:

1. Supervised work experience or other outside school experience up to 40 semester credits in accordance with Education Code 51760.3 and 5 CCR 1635 .
2. Career technical education classes offered in high schools.
3. Courses offered by regional occupational centers or programs.
4. Independent study coursework.
5. Credit earned at a postsecondary institution.
6. Private instruction.
7. Correspondence instruction from a California university or college accredited for teacher training.
8. Students in grades 10-12 may earn up to four semesters (20 credits maximum) of Physical Education credit by successful participation in regular school-sponsored interscholastic athletics carried on after regular school hours.
9. For credit toward the district's foreign language requirement, foreign language studies successfully completed in a private school in accordance with 5 CCR 1632.
10. (*Sunset High School Only*) Students may earn credit for scoring "Standard Met" or better on the Smarter Balanced Assessments Consortium (SBAC) for English language arts (ELA) and Mathematics as part of the California Assessment of Student Performance and Progress in grade 11.

Legal Reference:**EDUCATION CODE**

- 35160 Authority of governing boards
 35160.1 Broad authority of school districts

COMMUNITY RELATIONS INSTRUCTION

~~6200.1~~ **6146.11**

- 48645.5 Course credit, juvenile court schools
- 48800-48802 Attendance at community college; advanced education
- 51220 Areas of study; grades 7-12
- 51225.3 Requirements for graduation
- 51240-51246 Exemptions from requirements
- 51420-51427 General Educational Development test
- 51440 Veterans' education, evaluation and credit toward high school graduation
- 51740-51741 Authority to provide instruction by correspondence
- 51745-51749.3 Independent study
- 51760-51769.5 Work experience education
- 52300-52499.66 Career technical education

CODE OF REGULATIONS, TITLE 5

- 1600-1635 Alternative credit
- 10070-10075 Work experience education
- 11500-11508 Regional occupational centers and programs
- 11520-11523 Proficiency examination and certificate
- 11700-11703 Independent study

UNITED STATES CODE, TITLE 20

- 2301-2414 Carl D. Perkins Career and Technical Education Act of 2006

WEBSITES

California Department of Education: <http://www.cde.ca.gov>

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 9, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: John Addleman, Exec. Dir. of Planning Services
Tina Douglas, Assoc. Supt., Business Services

SUBMITTED BY: Eric R. Dill, Superintendent

SUBJECT: **ADOPTION OF RESOLUTION / REPORT ON
STATUTORY SCHOOL FEES AND
FINDINGS 2016-2017**

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 2016-2017 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 15, 2017. No comments were received during the public review period.

RECOMMENDATION:

It is recommended that the Board adopt the resolution regarding statutory school fees and report for fiscal year 2016-2017, 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 2016-2017
 (“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 public improvement (“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 2016-2017 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 18th day of January, 2018.

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, Joyce Dalessandro, 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 18th day of January, 2018, 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, Joyce Dalessandro, 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 18, 2018

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 2016-2017
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 2016-2017:

1. In accordance with Government Code Section 66006(b)(1) and (2), the District provides the following information for fiscal year 2016-2017:

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

The Reportable Fees of the District for fiscal year 2016-2017 consist of Statutory School Fees.

B. AMOUNT OF THE REPORTABLE FEES:

The Statutory School Fee amounts for fiscal year 2016–2017 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 (7/01/16)	\$1,461,535.16
Ending Balance (6/30/17)	\$1,430,141.37

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

Amount of Reportable Fees Collected	Amount of Interest Earned
\$934,352.15	\$13,610.30

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 2015-2016:

San Dieguito High School Academy – Math & Science Building

The District determined that it had sufficient funds to initiate construction of the following in fiscal year 2016-2017:

Earl Warren Middle School – Construction

The District determined that it had sufficient funds to initiate construction of the following in fiscal year 2017-2018:

**Canyon Crest Academy – Theater Rigging Improvements
La Costa Canyon High School – Fire Main Enhancement**

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 2016-2017, 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 \$1.32 per square foot of habitable living space should development reside in Rancho Santa Fe Elementary School District. \$1.83 per square foot of habitable living space all other areas.

Commercial/Industrial Development \$.21 per square foot of covered and enclosed space should development reside in Rancho Santa Fe Elementary School District. \$.29 per square foot of covered and enclosed space all other areas.

SCHEDULE B.

Improvement	Amount Expended	Percent Funded
Site Improvements	\$ 83,190.41	100%
New Construction/Building Improvements	\$ 765,527.13	100%
Consultants/Studies/Demographics	\$ 49,569.01	100%
Legal/Legal Advertising	\$ 542.86	100%
Furniture & Equipment	\$ 40,708.08	100%
Interim Housing	\$ 12,780.00	100%
Administrative Costs (including 13/14 & 14/15)	\$ 27,038.75	100%
Total	\$ 979,356.24	

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 2016-2017 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

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 (2016-2017)
Schedule C 16-17**

Project	Est. Cost	State School Bldg. Program ³	Mello Roos	NCW	Reportable Fees	Prop AA/Other
Canyon Crest Academy						
B Bldg - Physics	\$14,734,790	N/A	\$3,282,934	N/A	Unknown	\$11,451,856
New Shade Structure	\$100,000	N/A	Unknown	N/A	Unknown	N/A
2011 Facilities Action Plan ¹	\$3,784,899 ²	Unknown	Unknown	N/A	Unknown	\$3,784,899
Performing Arts Center Imp./Rigging	\$353,950	N/A	Unknown	N/A	\$353,950	N/A
Parking Lot Gate	\$5,000	N/A	Unknown	N/A	Unknown	N/A
Carmel Valley Middle School						
Music Classroom, Drama and PAC	\$6,354,727	N/A	Unknown	5,586,098	Unknown	\$768,629
New Solar Parking Structures	\$1,528,931	N/A	\$1,528,931	Unknown	Unknown	N/A
Field Renovation	\$1,524,000	N/A	\$1,524,000	Unknown	Unknown	N/A
2011 Facilities Action Plan ¹	\$125,000	Unknown	Unknown	Unknown	Unknown	Unknown
Diegueno Middle School						
New Classroom Bldg	\$8,943,874	Unknown	Unknown	N/A	Unknown	\$8,913,874
T Buildings	\$240,000	N/A	Unknown	N/A	Unknown	Unknown
2011 Facilities Action Plan ¹	\$13,261,567 ²	\$4,250,210 ³	Unknown	N/A	Unknown	\$13,261,567
Earl Warren Middle School						
Library Lighting Upgrade	\$16,000	N/A	\$16,000	N/A	Unknown	N/A
Library HVAC Upgrade	\$34,000	N/A	\$34,000	N/A	Unknown	N/A
New Campus	\$43,561,850	\$3,368,057 ³	\$754,410	N/A	\$21,505	\$42,785,935
La Costa Canyon High School						
Fire Main Enhancements	\$150,000	N/A	Unknown	N/A	\$150,000	N/A
200s Courtyard Renovation	\$250,000	N/A	Unknown	N/A	Unknown	Unknown
Upgrade Theater Lighting	\$60,000	N/A	Unknown	N/A	Unknown	N/A
2011 Facilities Action Plan ¹	\$27,191,017 ²	Unknown	Unknown	N/A	Unknown	\$27,191,017
La Costa Valley School Site						
2011 Facilities Action Plan ¹	\$6,835,296 ²	N/A	Unknown	N/A	Unknown	\$6,835,296
Oak Crest Middle School						
New Science Classroom Bldg/Admin Reconstruction	\$10,782,331	N/A	Unknown	N/A	Unknown	\$10,782,331
New Administration Building	\$1,500,000	N/A	Unknown	N/A	Unknown	\$1,500,000
2011 Facilities Action Plan ¹	\$11,927,485 ²	\$1,213,978 ³	Unknown	N/A	Unknown	\$11,927,485
Pacific Trails MS						
Second Classroom Bldg	\$18,668,162	\$3,970,191 ³	Unknown	N/A	Unknown	\$18,668,162
San Dieguito Academy						
Math & Science Bldg	\$18,232,621	N/A	Unknown	N/A	\$202,201	\$18,030,420
Art & Humanities Building	\$24,536,348 ²	N/A	Unknown	N/A	Unknown	\$24,536,348
Restroom Remodel	\$70,000	N/A	Unknown	N/A	Unknown	Unknown
2011 Facilities Action Plan ¹	\$24,120,694	\$4,054,533 ³	Unknown	N/A	Unknown	\$24,120,694
Sunset High School						
New Campus	\$16,380,000	\$830,281 ³	Unknown	N/A	Unknown	\$10,739,436
Torrey Pines High School						
Performing Arts Complex/Parking Lot	\$24,030,308	11,817,687 ³	\$4,027,820	Unknown	Unknown	\$20,002,488
2011 Facilities Action Plan ¹	\$28,478,534	Unknown	Unknown	Unknown	Unknown	\$28,478,534
Districtwide – Perimeter Security¹	\$2,220,953	N/A	Unknown	N/A	Unknown	Unknown
Transportation Facility Imp.¹	\$13,172,670	N/A	Unknown	N/A	Unknown	N/A
Maintenance Mod. & Expansion¹	\$2,210,237	N/A	Unknown	N/A	Unknown	N/A
Purchasing/Risk MGT. Suite	\$200,000	N/A	Unknown	N/A	Unknown	N/A
Districtwide – Tech Infrastructure						
2015-2017 Tech Infra Imp.	\$11,272,482	N/A	N/A	N/A	\$18,955	\$11,253,527
2011 Facilities Action Plan – Tech. ¹	\$5,859,814	N/A	Unknown	N/A	Unknown	\$5,859,814
TOTAL	\$342,717,540	\$29,504,937	\$11,168,095	\$5,586,098	\$746,611	\$300,892,312

(1) Projects in preliminary planning with no known completion date for financing. Where noted, Facility Action Plans reflect multiple projects consisting of new construction, classroom modernization, infrastructure improvements. Plans are available for review in the Planning and Construction Department.

(2) Revised to reflect estimated amount remaining after 2013 Prop AA Bond funding. Future phases subject to availability of Prop AA funding.

(3) At this time, State Funding is not available for the projects identified. Should State Funding become available, the amounts reflected will be used to help reduce funding from Prop AA funding in part.

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 (2016-2017)
Schedule D 16-17**

Project	State School Bldg. Program	Mello Roos	NCW	Reportable Fees	Prop AA/Other
Canyon Crest Academy					
B Bldg - Physics	N/A	16/17	N/A	Unknown	15/16
New Shade Structure	N/A	Unknown	N/A	Unknown	N/A
2011 Facilities Action Plan ¹	Unknown	Unknown	N/A	Unknown	Unknown
Performing Arts Center Imp./Rigging	N/A	Unknown	N/A	14/15	N/A
Parking Lot Gate	N/A	Unknown	N/A	Unknown	N/A
Carmel Valley Middle School					
Music Classroom, Drama and PAC	N/A	Unknown	16/17	Unknown	16/17
New Solar Parking Structures	N/A	Unknown	Unknown	Unknown	N/A
Field Renovation	N/A	Unknown	Unknown	Unknown	N/A
2011 Facilities Action Plan ¹	Unknown	Unknown	Unknown	Unknown	Unknown
Diegueno Middle School					
New Classroom Bldg	Unknown	Unknown	N/A	Unknown	16/17
T Buildings	N/A	Unknown	N/A	Unknown	Unknown
2011 Facilities Action Plan ¹	Unknown	Unknown	N/A	Unknown	Unknown
Earl Warren Middle School					
Library Lighting upgrade	N/A	Unknown	N/A	Unknown	N/A
Library HVAC upgrade	N/A	Unknown	N/A	Unknown	N/A
New Campus	Unknown	16/17	N/A	14/15	14/15
La Costa Canyon High School					
Fire Main Enhancements	N/A	Unknown	N/A	16/17	N/A
200s Courtyard renovation	N/A	Unknown	N/A	Unknown	Unknown
Upgrade Theater lighting	N/A	Unknown	N/A	Unknown	N/A
2011 Facilities Action Plan ¹	Unknown	Unknown	N/A	Unknown	Unknown
La Costa Valley School Site					
2011 Facilities Action Plan ¹	N/A	Unknown	N/A	Unknown	Unknown
Oak Crest Middle School					
New Science Classroom Bldg/Admin Reconstruction	N/A	16/17	N/A	Unknown	16/17
New Administration Building	N/A	Unknown	N/A	Unknown	17/18
2011 Facilities Action Plan ¹	Unknown	Unknown	N/A	Unknown	Unknown
Pacific Trails MS					
Second Classroom Bldg	Unknown	Unknown	N/A	Unknown	16/17
San Dieguito Academy					
Math & Science Bldg	N/A	13/14	N/A	12/13-15/16	12/13
Art & Humanities Building	N/A	Unknown	N/A	Unknown	16/17
Restroom Remodel	N/A	Unknown	N/A	Unknown	Unknown
2011 Facilities Action Plan ¹	Unknown	Unknown	N/A	Unknown	Unknown
Sunset High School					
New Campus	Unknown	Unknown	N/A	Unknown	Unknown
Torrey Pines High School					
Performing Arts Complex/Parking Lot	N/A	16/17	N/A	Unknown	16/17
2011 Facilities Action Plan ¹	Unknown	Unknown	Unknown	Unknown	Unknown
Districtwide – Perimeter Security¹					
Transportation Facility Imp. ¹	N/A	Unknown	N/A	Unknown	N/A
Maintenance Mod. & Expansion ¹	N/A	Unknown	N/A	Unknown	N/A
Purchasing/Risk MGT. Suite	N/A	Unknown	N/A	Unknown	N/A
Districtwide – Tech Infrastructure					
2015-2017 Tech Infra Imp.	Unknown	N/A	N/A	15/16	14/15
2011 Facilities Action Plan – Tech. ¹	Unknown	Unknown	N/A	Unknown	Unknown

(1) Projects in preliminary planning with no known completion date for financing.

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 10, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Delores Perley, Chief Financial Officer
Tina Douglas, Associate Superintendent,
Business Services

SUBMITTED BY: Eric R. Dill,
Superintendent

SUBJECT: ACCEPTANCE OF THE 2016-17 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 present 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 93 through 95 of the audit report. The report does not contain any negative findings or identify any material weaknesses in the District's internal controls.

Wilkinson, Hadley, King & Co. LLP will conduct the audit of Proposition AA funds in January according to Proposition 39 requirements. The results of that audit will be presented to the Board of Trustees and the Independent Citizens Oversight Committee.

RECOMMENDATION:

It is recommended that the Board accept the 2016-17 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, 2017

**Wilkinson Hadley King & Co. LLP
CPA's and Advisors
218 W. Douglas Ave
El Cajon, CA 92020**

ITEM 19

Introductory Section

San Dieguito Union High School District
Audit Report
For The Year Ended June 30, 2017

ITEM 19

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San Dieguito Union High School District
Audit Report
For The Year Ended June 30, 2017

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Financial Section

P. Robert Wilkinson, CPA
Brian K. Hadley, CPA



Aubrey W. King, CPA
Kevin A. Sproul, CPA

ITEM 19

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the San Dieguito Union High School District ("the District") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, schedule of funding progress for OPEB benefits, schedule of the District's proportionate share of the net pension liability and schedule of District pension contributions 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.

Other Information

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 basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not required parts of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. The accompanying other supplementary information is presented for purposes of additional analysis as required by the State's audit guide, *2016-17 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* prescribed in Title 5, *California Code of Regulations*, Section 19810 and is also not a required part of the basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements and other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2017 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* in considering San Dieguito Union High School District's internal control over financial reporting and compliance.

Wilkinson Hadley King & Co., LLP

El Cajon, California
December 13, 2017

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2017
(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, 2017. 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 Position 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 2017 are as follows:

- Total governmental fund net position is (\$12,155,578), after the total net pension liability of \$127,923,651
- The state wide average for the cost of living adjustment was 0.0%

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 position* presents information on all of the assets and liabilities of the District, with the difference between the two reported as net position. Over time, increases or decreases in net position 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 position of the District changed during the most recent fiscal year. All changes in net position 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 eleven 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 and the building fund, 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

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As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities exceeded assets by \$12.2 million at the close of the most recent fiscal year, after the net pension liability of \$127.9 million.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
2016-17 NET POSITION
(In Millions of Dollars)

	Governmental Activities		2016-17 % of Total	Total % Change over 15-16
	2015-16	2016-17		
Current and Other Assets	164.7	191.1	33%	16.0%
Capital Assets	337.4	379.6	67%	12.5%
Total Assets	\$ 502.1	\$ 570.7		13.7%
Deferred Outflows of Resources	13.5	22.1	4%	
Long Term Debt Outstanding	465.1	582.9	97%	25.3%
Other Liabilities	25.7	15.6	3%	-39.3%
Total Liabilities	\$ 490.8	\$ 598.5		21.9%
Deferred Inflows of Resources	9.1	6.5	1%	
<u>Net Position</u>				
Net Investment in Capital Assets	103.8	27.8	-228%	-73.2%
Restricted	(88.2)	(40.0)	328%	-54.6%
Total Net Position	\$ 15.6	\$ (12.2)		-178.2%

Governmental activities. The key elements of the District's net position for the year ended June 30, 2017 are as follows:

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**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

	<u>Governmental Activities</u>		<u>% of Total</u> <u>2016-2017</u>	<u>% change</u> <u>over 15-16</u>
	<u>2015-16</u>	<u>2016-17</u>		
<u>Revenues</u>				
Program revenues				
Charges for services	2,201,164	2,294,835	1.42%	4.3%
Operating grants and contributions	16,406,855	19,596,575	12.14%	19.4%
Capital grants and contributions	1,253	195	0.00%	-84.4%
General revenues				
Property taxes	115,555,946	121,443,272	75.25%	5.1%
Federal and state aid not restricted to specific purposes	13,612,236	10,363,383	6.42%	-23.9%
Interest and investment earnings	1,217,101	1,979,672	1.23%	62.7%
Interagency revenues	85,668	175,077	0.11%	104.4%
Miscellaneous	5,386,613	5,540,745	3.43%	2.9%
Total revenues	<u>\$ 154,466,836</u>	<u>\$ 161,393,754</u>	100.00%	4.5%
<u>Expenditures by Function</u>				
Governmental activities				
Instruction	81,450,808	94,415,868	49.84%	15.9%
Instruction-related services	14,785,937	16,636,233	8.78%	12.5%
Pupil Services	17,121,277	19,459,220	10.27%	13.7%
General Administration	6,604,559	7,704,553	4.07%	16.7%
Plant Services	24,969,629	28,141,422	14.86%	12.7%
Ancillary Services	2,757,335	2,966,770	1.57%	7.6%
Enterprise Activities	1,208,314	1,308,122	0.69%	8.3%
Interest on long-term debt	15,121,205	17,367,528	9.17%	14.9%
Other outgo	1,001,947	1,436,990	0.76%	43.4%
Depreciation (unallocated)	-	-	-	-
	<u>\$ 165,021,011</u>	<u>\$ 189,436,706</u>	100.00%	14.8%
Increase (decrease) in net position	<u>\$ (10,554,175)</u>	<u>\$ (28,042,952)</u>		
Net position - beginning (restated due to accounting regulation changes - Note Q, Net Pension Liability)	<u>\$ 26,182,442</u>	<u>\$ 15,887,374</u>		
Net position - ending	<u>\$ 15,628,267</u>	<u>\$ (12,155,578)</u>		

- **Operating grants and contributions:** Increase of \$3.2 Mil (+19.4%) – due to an increase in the Career Technical Education (CTE) Incentive Grant, and the addition of Proposition 39, Clean Energy Jobs Act funds.
- **Property Tax:** Increase of \$5.9 Mil (+5.1%) – due to an increase in property taxes as well as the collection of taxes for debt service on the 2012 voter-approved General Obligation Bond.
- **Federal and State Aid:** Decrease of \$3.2 Mil (-23.9%) – due to a decrease in one-time mandated cost reimbursement funds.
- **Interest and Investment Earnings:** Increase of \$763K (+62.7%) from interest earned in the Capital Project Funds.

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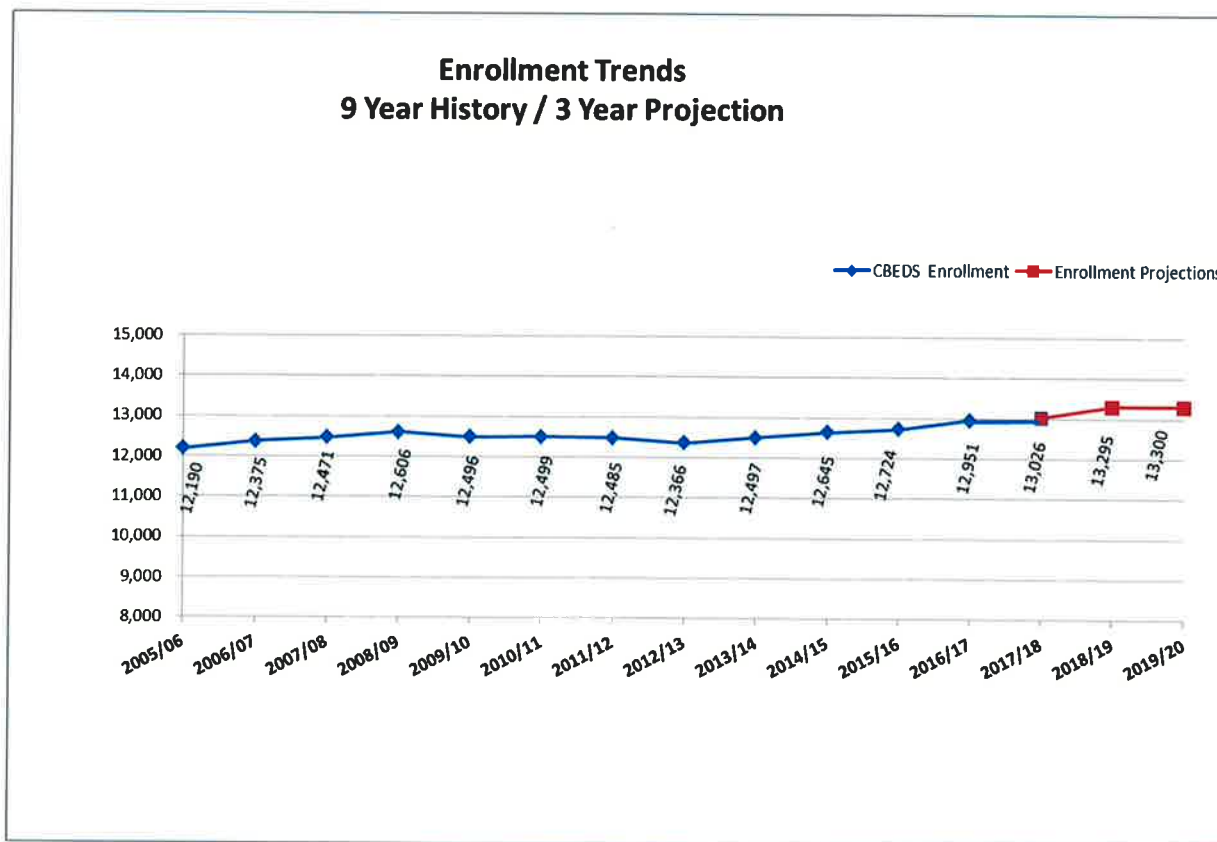
- The District was classified as a “Basic Aid” district, until 2014/15. This means the local property taxes collected exceed the funded Local Control Funding Formula (LCFF) entitlement provided by the state. The District became a Basic Aid district in 2008/09 following state funding cuts to the revenue limit. In 2014/15, the district switched to an LCFF funded district, when the LCFF entitlement exceeded the property tax collected in the district. In 2016/17, the state funded approximately 96% of the LCFF Entitlement.
- The District remains funded through the Local Control Funding Formula (LCFF) for the 2017/18 year. LCFF entitlements are 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 funded LCFF it will make up the difference with state funding.

Enrollment, Enrollment Projections, and ADA

School Year	CBEDS Enrollment	Enrollment Projections	P2 ADA
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	12,485		12,019
2012/13	12,366		11,832
2013/14	12,497		12,034
2014/15	12,645		12,119
2015/16	12,724		12,210
2016/17	12,951		12,400
2017/18*		13,026	
2018/19*		13,295	
2019/20*		13,300	

*estimated

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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 \$180.5 million; an increase of \$25.7 million over the previous year due primarily to the issuance of additional general obligation and special tax bond funds, as scheduled. The general fund had a fund balance decrease of approximately \$2.9 million due to the budgeted spending of reserves to cover additional salaries and benefit expenses. Some of the increases in salaries and benefits were offset by other budget savings. In addition, the following expenditures should be noted:

- General fund salaries totaled \$89.5 million while the associated employee benefits of retirement, social security, Medicare, insurance (medical, dental, life, and accident), workers' compensation, and unemployment added \$27.5 million to arrive at 85% 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 \$22.8 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. As of June 2017, the \$16.9 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 addition, the District maintains a Purchasing Card fund to provide a timely alternative for needed purchases. The cash fund to cover the card purchases is \$145,000; increasing the total reserve for revolving funds to \$175,000.

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, 2017 was \$39,851.

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 \$2.4 million or 1.7% in total general fund expenditures. This increase was in several categories, but most of the increase was in capital outlay due to the expense of additional Proposition 39 Clean Energy Jobs Act funds after the expense plan was approved by the California Department of Education.
- During the year, actual revenue received exceeded original budgetary estimates by \$5.6 million, or 4%, to account for carryover balances, increases in one-time state revenues and local donations.
- 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.

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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.

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 Building Fund – Proposition 39 (Fund 21-39) was established by the board on February 7, 2013. On November 6, 2012, the voters of the San Dieguito Union High School District community voted to approve Proposition AA to authorize the District to issue up to \$449 million of general obligation bonds to finance certain specified capital projects and facilities. In April 2013, the district issued the first series of those bonds, in the amount of \$160 million to fund projects. The second series of those bonds were issued in April 2015, in the amount of \$117 million. The third series of those bonds were issued in July 2016, in the amount of \$62 million. The district website provides ongoing updates on Proposition AA Bond projects.

The completed capital projects in 2016-2017 included the following: completion of Earl Warren Middle School re-construction opened Fall of 2017; La Costa Valley site fields; Canyon Crest Academy Building B; and San Dieguito High School Academy Math and Science Building. Capital funds were used for many other projects throughout the district, to be completed in 2017-2018 or subsequent years.

Capital assets at June 30, 2016 and 2017 are outlined below:

	June 30, 2016	June 30, 2017	Total Change
Land	\$ 66,592,151	\$ 66,592,151	\$ -
Improvement of Sites	68,774,434	70,628,402	1,853,968
Buildings	230,101,477	328,067,855	97,966,378
Equipment	20,082,660	25,113,887	5,031,227
Work in Progress	66,187,607	20,026,419	(46,161,188)
Accumulated depreciation	(114,291,143)	(130,787,572)	(16,496,429)
Total Capital Assets	<u>\$ 337,447,186</u>	<u>\$ 379,641,142</u>	<u>\$ 42,193,956</u>

Debt Administration: 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.

In November 2016, the District issued through the San Dieguito Public Facilities Authority Special Tax Revenue Bonds in the amount of \$23.8 million. The District currently has \$96.0 million in outstanding special tax revenue bonds, as of June 30, 2017.

On November 6, 2012, the voters of the San Dieguito Union High School District community voted to approve Proposition AA to authorize the District to issue up to \$449 million of general obligation bonds to finance certain specified capital projects and facilities. In April 2013, the district issued the first series of those bonds, in the amount of \$160 million to fund projects. The second series of those bonds were issued in April 2015, in the amount of \$117 million. The third series of those bonds were issued in July 2016, in the amount of \$62 million. The District currently has \$331.3 million outstanding in general obligation bonds, as of June 30, 2017.

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.

ITEM 19

Basic Financial Statements

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

STATEMENT OF NET POSITION

JUNE 30, 2017

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	Governmental Activities
ASSETS:	
Cash	\$ 184,810,037
Receivables	5,894,437
Stores	39,851
Prepaid Expenses	348,525
Capital Assets:	
Land	66,592,151
Improvements	70,628,402
Buildings	328,067,855
Equipment	25,113,887
Work in Progress	20,026,419
Less Accumulated Depreciation	<u>(130,787,572)</u>
Total Assets	<u>570,733,992</u>
DEFERRED OUTFLOWS OF RESOURCES	22,079,913
LIABILITIES:	
Accounts Payable	14,634,654
Unearned Revenue	1,011,540
Long-Term Liabilities:	
Due Within One Year	8,745,385
Due in More Than One Year	<u>574,105,316</u>
Total Liabilities	<u>598,496,895</u>
DEFERRED INFLOWS OF RESOURCES	6,472,588
NET POSITION	
Net Investment in Capital Assets	27,808,738
Restricted for:	
Capital Projects	19,127
Debt Service	12,205,483
Educational Programs	2,117,822
Other Purposes (expendable)	576,891
Other Purposes (nonexpendable)	563,730
Unrestricted	<u>(55,447,369)</u>
Total Net Position	<u>\$ (12,155,578)</u>

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTSTATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

ITEM 19

Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					Governmental Activities
Instruction	\$ 94,415,868	\$ 212,895	\$ 15,737,110	\$ 195	\$ (78,465,668)
Instruction-Related Services:					
Instructional Supervision and Administration	4,991,671	30,686	1,123,452	-	(3,837,533)
Instructional Library, Media and Technology	1,441,217	-	13,489	-	(1,427,728)
School Site Administration	10,203,345	67	346,623	-	(9,856,655)
Pupil Services:					
Home-to-School Transportation	5,512,377	-	3,419	-	(5,508,958)
Food Services	2,896,375	2,042,095	474,411	-	(379,869)
All Other Pupil Services	11,050,468	380	1,291,269	-	(9,758,819)
General Administration:					
Centralized Data Processing	1,920,019	-	-	-	(1,920,019)
All Other General Administration	5,784,534	-	282,988	-	(5,501,546)
Plant Services	28,141,422	8,264	5,164	-	(28,127,994)
Ancillary Services	2,966,770	-	35,331	-	(2,931,439)
Enterprise Activities	1,308,122	-	-	-	(1,308,122)
Interest on Long-Term Debt	17,367,528	-	-	-	(17,367,528)
Other Outgo	1,436,990	448	283,319	-	(1,153,223)
Total Expenses	\$ 189,436,706	\$ 2,294,835	\$ 19,596,575	\$ 195	\$ (167,545,101)

General Revenues:

Taxes and Subventions:

Taxes Levied for General Purposes	99,482,158
Taxes Levied for Debt Service	14,057,843
Taxes Levied for Other Specific Purposes	7,903,271
Federal and State Aid Not Restricted to Specific Programs	10,363,383
Interest and Investment Earnings	1,979,672
Interagency Revenues	175,077
Miscellaneous	5,540,745

Total General Revenues

\$ 139,502,149

Change in Net Position

(28,042,952)

Net Position Beginning-Restated (Note Q)

15,887,374

Net Position Ending

\$ (12,155,578)

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2017

ITEM 19

	General Fund	Building Fund
ASSETS:		
Cash in County Treasury	\$ 26,069,571	\$ 102,733,760
Cash on Hand and in Banks	2,909	-
Cash in Revolving Fund	175,354	-
Cash with a Fiscal Agent/Trustee	-	-
Accounts Receivable	4,388,345	866,883
Due from Other Funds	1,191,757	-
Stores Inventories	207	-
Prepaid Expenditures	4,543	-
Total Assets	<u>31,832,686</u>	<u>103,600,643</u>
LIABILITIES AND FUND BALANCE:		
Liabilities:		
Accounts Payable	\$ 5,593,590	\$ 2,818,289
Due to Other Funds	36,319	-
Unearned Revenue	891,150	-
Total Liabilities	<u>6,521,059</u>	<u>2,818,289</u>
Fund Balance:		
Nonspendable Fund Balances:		
Revolving Cash	175,354	-
Stores Inventories	207	-
Prepaid Items	4,543	-
Restricted Fund Balances	2,694,713	-
Assigned Fund Balances	6,518,437	100,782,354
Unassigned:		
Reserve for Economic Uncertainty	15,918,373	-
Total Fund Balance	<u>25,311,627</u>	<u>100,782,354</u>
Total Liabilities and Fund Balances	<u>\$ 31,832,686</u>	<u>\$ 103,600,643</u>

The accompanying notes are an integral part of this statement.

EXHIBIT A-3

ITEM 19

Capital Projects Fund For Blended Component Units	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 14,045,832	\$ 142,849,163
6,241,301	142,490	6,386,700
-	-	175,354
33,814,032	-	33,814,032
72,668	538,100	5,865,996
-	31,324	1,223,081
-	39,644	39,851
-	343,982	348,525
<u>40,128,001</u>	<u>15,141,372</u>	<u>190,702,702</u>
\$ 192,111	\$ 103,241	\$ 8,707,231
-	408,131	444,450
-	120,390	1,011,540
<u>192,111</u>	<u>631,762</u>	<u>10,163,221</u>
-	-	175,354
-	39,644	39,851
-	343,982	348,525
-	19,127	2,713,840
39,935,890	14,106,857	161,343,538
-	-	15,918,373
<u>39,935,890</u>	<u>14,509,610</u>	<u>180,539,481</u>
\$ <u>40,128,001</u>	\$ <u>15,141,372</u>	\$ <u>190,702,702</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2017

ITEM 19

Fund balances, governmental funds \$ 180,539,481

Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:

Capital assets: In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation.

Capital assets relating to governmental activities, at historical cost:	510,428,714	
Accumulated depreciation:	<u>(130,787,572)</u>	
Net:		379,641,142

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 unmaturing interest owing at the end of the period was: (5,927,423)

Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

General obligation bonds payable	331,331,861	
State school building loans payable	1,213,500	
Compensated absences payable	1,679,580	
Lease revenue bonds payable	12,484,041	
Net pension liability	127,923,651	
Other general long-term debt	<u>96,049,855</u>	
Total:		(570,682,488)

Deferred outflows and inflows of resources relating to pensions: In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.

Deferred outflows of resources relating to pensions	22,079,913
Deferred inflows of resources relating to pensions	(6,472,588)

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 position. Net position for internal service funds are: (11,333,615)

Total net position, governmental activities \$ (12,155,578)

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, 2017

ITEM 19

	<u>General Fund</u>	<u>Building Fund</u>
Revenues:		
LCFF Sources:		
State Apportionment or State Aid	\$ 2,097,808	\$ -
Education Protection Account Funds	2,481,470	-
Local Sources	99,482,163	-
Federal Revenue	4,163,847	-
Other State Revenue	15,373,247	11,844
Other Local Revenue	<u>10,232,433</u>	<u>1,630,739</u>
Total Revenues	<u>133,830,968</u>	<u>1,642,583</u>
Expenditures:		
Current:		
Instruction	82,726,060	-
Instruction - Related Services	14,886,958	-
Pupil Services	14,821,383	-
Ancillary Services	2,849,991	-
General Administration	6,911,398	-
Plant Services	11,860,094	1,085,369
Other Outgo	973,304	463,686
Capital Outlay	1,407,855	55,329,740
Debt Service:		
Principal	765,588	-
Interest	<u>822,197</u>	<u>-</u>
Total Expenditures	<u>138,024,828</u>	<u>56,878,795</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,193,860)</u>	<u>(55,236,212)</u>
Other Financing Sources (Uses):		
Transfers In	1,426,017	-
Transfers Out	(60,604)	(765,589)
Proceeds From Sale of Bonds	-	62,000,000
Other Sources	-	229,274
Other Uses	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,365,413</u>	<u>61,463,685</u>
Net Change in Fund Balance	(2,828,447)	6,227,473
Fund Balance, July 1	<u>28,140,074</u>	<u>94,554,881</u>
Fund Balance, June 30	<u>\$ 25,311,627</u>	<u>\$ 100,782,354</u>

The accompanying notes are an integral part of this statement.

EXHIBIT A-5

ITEM 19

Capital Projects Fund For Blended Component Units	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 2,097,808
-	-	2,481,470
-	-	99,482,163
-	485,422	4,649,269
-	93,329	15,478,420
<u>7,901,546</u>	<u>17,532,087</u>	<u>37,296,805</u>
<u>7,901,546</u>	<u>18,110,838</u>	<u>161,485,935</u>
-	-	82,726,060
-	-	14,886,958
-	2,871,432	17,692,815
-	-	2,849,991
-	38,948	6,950,346
458,296	548,572	13,952,331
-	-	1,436,990
259,803	620,719	57,618,117
-	10,593,040	11,358,628
-	15,114,795	15,936,992
<u>718,099</u>	<u>29,787,506</u>	<u>225,409,228</u>
<u>7,183,447</u>	<u>(11,676,668)</u>	<u>(63,923,293)</u>
-	6,877,944	8,303,961
(6,847,340)	-	(7,673,533)
23,574,290	-	85,574,290
765,555	2,764,497	3,759,326
(325,000)	-	(325,000)
<u>17,167,505</u>	<u>9,642,441</u>	<u>89,639,044</u>
24,350,952	(2,034,227)	25,715,751
<u>15,584,938</u>	<u>16,543,837</u>	<u>154,823,730</u>
<u>\$ 39,935,890</u>	<u>\$ 14,509,610</u>	<u>\$ 180,539,481</u>

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, 2017

ITEM 19

Total change in fund balances, governmental funds \$ 25,715,751

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:	58,690,385	
Depreciation expense:	<u>(16,496,429)</u>	
Net:		42,193,956

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:

11,358,628

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:

(89,008,615)

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:

37,541

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:

(130,232)

Pensions: In government funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:

(14,803,354)

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:

(1,468,077)

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:

(1,938,550)

Change in net position of governmental activities \$ (28,042,952)

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTSTATEMENT OF NET POSITION
INTERNAL SERVICE FUND
JUNE 30, 2017

ITEM 19

	Nonmajor Internal Service Fund	Self-Insurance Fund
ASSETS:		
Current Assets:		
Cash in County Treasury	\$ 1,584,787	
Accounts Receivable	28,441	
Due from Other Funds	15,923	
Total Current Assets	<u>1,629,151</u>	
Total Assets	<u>1,629,151</u>	
LIABILITIES:		
Current Liabilities:		
Due to Other Funds	\$ 794,553	
Total Current Liabilities	<u>794,553</u>	
Noncurrent Liabilities:		
Other Postemployment Benefits	12,168,213	
Total Noncurrent Liabilities	<u>12,168,213</u>	
Total Liabilities	<u>12,962,766</u>	
NET POSITION:		
Unrestricted (Deficit)	<u>(11,333,615)</u>	
Total Net Position	<u>\$ (11,333,615)</u>	

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTSTATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - INTERNAL SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2017

ITEM 19

	Nonmajor Internal Service Fund
	Self-Insurance Fund
Operating Revenues:	
Local Revenue	\$ 823,951
Total Revenues	<u>823,951</u>
Operating Expenses:	
Services and Other Operating Expenses	<u>2,132,073</u>
Total Expenses	<u>2,132,073</u>
Income (Loss) before Contributions and Transfers	(1,308,122)
Interfund Transfers In	30,000
Interfund Transfers Out	<u>(660,428)</u>
Change in Net Position	(1,938,550)
Total Net Position - Beginning	<u>(9,395,065)</u>
Total Net Position - Ending	<u>\$ (11,333,615)</u>

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTSTATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

ITEM 19

	Nonmajor Internal Service Fund
	Self-Insurance Fund
Cash Flows from Operating Activities:	
Cash Received from Interfund Services Provided	\$ 1,520,864
Cash Payments to Other Suppliers for Goods and Services	<u>(467,275)</u>
Net Cash Provided (Used) by Operating Activities	<u>1,053,589</u>
Cash Flows from Investing Activities:	
Interest and Dividends on Investments	<u>8,696</u>
Net Cash Provided (Used) for Investing Activities	<u>8,696</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,062,285
Cash and Cash Equivalents at Beginning of Year	522,502
Cash and Cash Equivalents at End of Year	<u>\$ 1,584,787</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income (Loss)	\$ (1,938,550)
Change in Assets and Liabilities:	
Decrease (Increase) in Receivables	(7,703)
Decrease (Increase) in Due From Other Funds	683,313
Increase (Decrease) in Payables	(10,000)
Increase (Decrease) in Due to Other Funds	749,553
Increase (Decrease) in Net OPEB Obligation	<u>1,585,672</u>
Total Adjustments	<u>3,000,835</u>
Net Cash Provided (Used) by Operating and Investing Activities	<u>\$ 1,062,285</u>

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

JUNE 30, 2017

ITEM 19

	Agency Fund
	Student Body Fund
ASSETS:	
Cash on Hand and in Banks	\$ 1,732,322
Total Assets	<u>1,732,322</u>
LIABILITIES:	
Due to Student Groups	\$ 1,732,322
Total Liabilities	<u>1,732,322</u>
NET POSITION:	
Total Net Position	<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, 2017

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 Board of Education is the level of government which has governance responsibilities over all activities related to public school education in the District. The Board is not included in any other governmental reporting "entity" as defined by the Governmental Accounting Standards Board since Board members have decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters.

The San Dieguito School Facilities Financing Authority, and the San Dieguito Public Facilities Authority (CFDs) have a financial and operational relationship which meet the reporting entity definition criteria of the Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, for inclusion of the CFDs as component units of the District. Therefore, the financial activities of the CFDs have been included in the basic financial statements of the District as a blended component unit.

The following are those aspects of the relationship between the District and the CFDs which satisfy Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, criteria:

Manifestations of Oversight

- a. The CFDs Boards of Directors were appointed by the District's Board of Education.
- b. The CFDs have no employees. The District's Superintendent, Associate Superintendent Business Services, and other employees of the District function as agents of the CFDs. None of the aforementioned individuals receive additional compensation for work performed in this capacity.
- c. The District exercises significant influence over operations of the CFDs.

Accounting for Fiscal Matters

- a. All major financing arrangements, contracts, and other transactions of the CFDs must have consent of the District.

Scope of Public Service and Financial Presentation

- a. The CFDs were created for the sole purpose of financially assisting the District.
- b. The CFDs were created pursuant to a joint powers agreement between the District and the California Statewide Communities Development Authority (CSCDA), pursuant to the California Government Code, commencing with Section 6500. The CFDs were formed to provide financing assistance to the District for construction and acquisition of major capital facilities.
- c. The CFDs financial activity are presented in the financial statements in the Capital Projects Fund for Blended Component Units. Debt issued by the CFDs are included in the government-wide financial statements.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Statements: The statement of net position 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.

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.

Building Fund. This fund exists primarily to account separately for proceeds from the sale of bonds (Education Code Section 15146) and may not be used for any purposes other than those for which the bonds were issued. Other authorized revenues to the Building Fund (Fund 21) are proceeds from the sale or lease-with-option-to-purchase of real property (Education Code Section 17462) and revenue from rentals and leases of real property specifically authorized for deposit into the fund by the governing board (Education Code Section 41003).

Capital Projects Fund for Blended Component Units Fund. This fund accounts for transactions relating to the capital outlay associated with the bond issuances of the District.

In addition, the District reports the following fund types:

Special Revenue Funds: These funds are established to account for the proceeds from specific revenue sources (other than trusts, major capital projects, or debt service) that are restricted or committed to the financing of particular activities and that compose a substantial portion of the inflows of the fund. Additional resources that are restricted, committed, or assigned to the purpose of the fund may also be reported in the fund.

Capital Projects Funds: These funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities and other capital assets (other than those financed by proprietary funds and trust funds).

Debt Service Funds: These funds are established to account for the accumulation of resources for and the payment of principal and interest on general long-term debt.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

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.

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.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

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. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. By state law, the District's governing board must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements.

These budgets are revised by the District's governing board and district superintendent during the year to give consideration to unanticipated income and expenditures.

Formal budgetary integration was used as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object code.

5. Revenues and Expenses

a. Revenues - Exchange and Non-Exchange

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or expected to be collected soon enough thereafter, to be used to pay liabilities of the current fiscal year. Generally, available is defined as collectible within 60 days. However, to achieve comparability of reporting among California districts and so as to not distort normal revenue patterns, with specific respect to reimbursement grants and corrections to State-aid apportionments, the California Department of Education has defined available for districts as collectible within one year. The following revenue sources are considered to be both measurable and available at fiscal year-end: State apportionments, property tax revenue, interest, certain grants, and other local sources.

Non-exchange transactions are transactions in which the District receives value without directly giving equal value in return, including property taxes, certain grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose restrictions. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized

b. Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, and typically paid within 90 days. Principal and interest on long-term obligations, which has not matured, are recognized when paid in the governmental funds as expenditures. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds but are recognized in the government-wide financial statements

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2017

6. 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.

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	2-15
Office Equipment	3-15
Computer Equipment	3-15

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

d. Receivable and Payable Balances

The District believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year end.

e. 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.

f. Unearned Revenue

Unearned 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 unearned revenue is removed from the balance sheet and revenue is recognized.

g. 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 position.

h. 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.

i. 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.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

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.

7. Deferred Inflows and Deferred Outflows of Resources

Deferred outflows of resources is a consumption of net position that is applicable to a future reporting period. Deferred inflows of resources is an acquisition of net position that is applicable to a future reporting period. Deferred outflows of resources and deferred inflows of resources are recorded in accordance with GASB Statement numbers 63 and 65.

8. 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) and Fund 20 (Special Reserve Fund for Postemployment Benefits) are merged with the General Fund for purposes of presentation in the audit report.

9. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the CalPERS Schools Pool Cost-Sharing Multiple-Employer Plan (CalPERS Plan) and CalSTRS Schools Pool Cost-Sharing Multiple Employer Plan (CalSTRS Plan) and additions to/deductions from the CalPERS Plan and CalSTRS Plan's fiduciary net positions have been determined on the same basis as they are reported by the CalPERS Financial Office and CalSTRS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined time frames. For this report, the following time frames are used:

Valuation Date (VD)	June 30, 2015
Measurement Date (MD)	June 30, 2016
Measurement Period (MP)	July 1, 2015 to June 30, 2016

10. 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.

11. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles as defined by Governmental Accounting Standards Board (GASB) Statement No. 72. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy is detailed as follows:

Level 1 Inputs:	Quoted prices (unadjusted) in active markets for identical assets or liabilities that a government can access at the measurement date.
Level 2 Inputs:	Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
Level 3 Inputs:	Unobservable inputs for an asset or liability.

For the current fiscal year the District did not have any recurring or nonrecurring fair value measurements.

12. Change in Accounting Policies

The District has adopted accounting policies compliant with new pronouncements issued by the Government Accounting Standards Board (GASB) that are effective for the fiscal year ended June 30, 2017. Those newly implemented pronouncements are as follows:

GASB Statement No. 74 - Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans

The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.

This Statement replaces Statements No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, as amended, Statement 43, and Statement No. 50 Pension Disclosure.

The scope of this Statement includes OPEB plans defined benefit and defined contribution - administered through trusts that meet the following criteria:

1. Contributions from employers and nonemployer contributing entities to the OPEB plan and earnings on those contributions are irrevocable.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

2. OPEB plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms.
3. OPEB plan assets are legally protected from the creditors of employers, nonemployer contributing entities, and the OPEB plan administrator. If the plan is a defined benefit OPEB plan, plan assets also are legally protected from creditors of the plan members.

This Statement also includes requirements to address financial reporting for assets accumulated for purposes of providing defined benefit OPEB through OPEB plans that are not administered through trusts that meet the specified criteria.

The District does not administer their OPEB plan through a trust that meets the criteria noted above. As a result, the adoption of GASB Statement No. 74 did not result in a change to the financial statements or note disclosures.

GASB Statement No. 77 - Tax Abatement Disclosures

The objective of this Statement is to improve usefulness of information about tax abatement agreements entered into by governmental agencies. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition.

This Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

1. Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients.
2. The gross dollar amount of taxes abated during the period.
3. Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

The District has not entered into any tax abatement agreements. As a result, the adoption of GASB Statement No. 77 did not result in a change to the financial statements or note disclosures.

GASB Statement No. 80 - Blending Requirements for Certain Component Units

The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, The Financial Reporting Entity, as amended.

This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, Determining Whether Certain Organizations Are Component Units

The District did not have any component units which met the definition noted above. As a result, the adoption of GASB Statement No. 80 did not result in a change to the financial statements or note disclosures.

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GASB Statement No. 82 - Pension Issues - An Amendment of GASB No. 67, No. 68 and No. 73

The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. Specifically this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

Prior to the issuance of this Statement, Statements 67 and 68 required presentation of covered employee payroll, which is the payroll of employees that are provided with pensions through the pension plan, and ratios that use that measure, in schedules of required supplementary information. This Statement amends Statements 67 and 68 to instead require the presentation of covered payroll, defined as the payroll on which contributions to a pension plan are based, and ratios that use that measure.

This Statement clarifies that a deviation, as the term is used in Actuarial Standards of Practice issued by the Actuarial Standards Board, from the guidance in an Actuarial Standard of Practice is not considered to be in conformity with the requirements of Statement 67, Statement 68, or Statement 73 for the selection of assumptions used in determining the total pension liability and related measures.

This Statement clarifies that payments that are made by an employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements should be classified as plan member contributions for purposes of Statement 67 and as employee contributions for purposes of Statement 68. It also requires that an employer's expense and expenditures for those amounts be recognized in the period for which the contribution is assessed and classified in the same manner as the employer classifies similar compensation other than pensions (for example, as salaries and wages or as fringe benefits).

The financial statements and note disclosures have been updated for the affects of the adoption of GASB Statement No. 82.

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

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

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

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

<u>Fund Name</u>	<u>Deficit Amount</u>
Self Insurance Fund	11,333,615

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 Investments1. 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 (\$144,433,950 as of June 30, 2017). The fair value of the District's portion of this pool as of that date, as provided by the pool sponsor, was \$144,433,950. Assumptions made in determining the fair value of the pooled investment portfolios are available from the County Treasurer.

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The fair value of the District's investments in the pool is reported in the accounting financial statements as amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of the portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

The San Diego County Treasury is not registered with the Securities and Exchange Commission (SEC) as an investment company; however, the County Treasury acts in accordance with investment policies monitored by a Treasury Oversight Committee consisting of members appointed by participants in the investment pool and up to five members of the public having expertise, or an academic background in, public finance. In addition, the County Treasury is audited annually by an independent auditor.

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

Cash balances on hand and in banks (\$8,119,022 as of June 30, 2017) and in the revolving fund (\$175,354) 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, 2017 are shown below.

<u>Investment or Investment Type</u>	<u>Amount Reported</u>	<u>Fair Value</u>
Money Market Funds	\$ 33,814,032	\$ 33,814,032
Total Investments	<u>\$ 33,814,032</u>	<u>\$ 33,814,032</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

4. Investments Authorized by the California Government Code and the District's Investment Policy

The table below identifies the investment types that are authorized for the District by the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District's investment policy.

<u>Authorized Investment Type</u>	<u>Maximum Remaining Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds, Notes, Warrants	5 Years	None	None
Registered State Bonds, Notes, Warrants	5 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
U.S. Agency Securities	5 Years	None	None
Banker's Acceptance	180 Days	40%	30%
Commercial Paper	270 Days	25%	10%
Negotiable Certificates of Deposit	5 Years	30%	None
Repurchase Agreements	1 Year	None	None
Reverse Repurchase Agreements	92 Days	20% of Base	None
Medium-Term Corporate Notes	5 Years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 Years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

5. 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. The San Diego County Investment Pool is rated AAAf/S1 by Standard & Poors. At year end the District was not exposed to credit risk.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
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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. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits

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.

As of June 30, 2017, the District's bank balances (including revolving cash) of \$8,294,376 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.

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government Code. Investments in any one issuer that represent five percent or more of the total investments are either an external investment pool and are therefore exempt. As such, 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. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the county pool.

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.

6. 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.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

The District's investments in external investment pools are reported in conformity with GASB Statement No. 77 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, 2017 consisted of:

	<u>Major Governmental Funds</u>				
	<u>General Fund</u>	<u>Building Fund</u>	<u>Blended Component Unit Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Federal Government:					
Federal programs	\$ 1,229,802	\$ -	\$ -	\$ 70,527	\$ 1,300,329
State Government:					
Lottery	1,165,260	-	-	-	1,165,260
Other state programs	955,480	-	-	5,075	960,555
Local Sources:					
Interest	110,732	329,277	72,668	6,809	519,486
Other local sources	927,071	537,606	-	455,689	1,920,366
Totals	<u>\$ 4,388,345</u>	<u>\$ 866,883</u>	<u>\$ 72,668</u>	<u>\$ 538,100</u>	<u>\$ 5,865,996</u>
		<u>Self Insurance Fund</u>			
Local Sources:					
Interest	\$ 4,481				
Other local sources	23,960				
Totals	<u>\$ 28,441</u>				

All accounts are considered to be collectible. As such, no allowance for doubtful accounts has been established.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

E. Capital Assets

Capital asset activity for the year ended June 30, 2017 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<u>Governmental activities:</u>				
Capital assets not being depreciated:				
Land	\$ 66,592,151	\$ -	\$ -	\$ 66,592,151
Work in progress	66,187,607	-	46,161,188	20,026,419
Total capital assets not being depreciated	<u>132,779,758</u>	<u>-</u>	<u>46,161,188</u>	<u>86,618,570</u>
Capital assets being depreciated:				
Buildings	230,101,477	97,966,378	-	328,067,855
Improvements	68,774,434	1,853,968	-	70,628,402
Equipment	20,082,660	5,031,227	-	25,113,887
Total capital assets being depreciated	<u>318,958,571</u>	<u>104,851,573</u>	<u>-</u>	<u>423,810,144</u>
Less accumulated depreciation for:				
Buildings	(78,798,382)	(10,518,706)	-	(89,317,088)
Improvements	(22,425,921)	(4,688,792)	-	(27,114,713)
Equipment	(13,066,840)	(1,288,931)	-	(14,355,771)
Total accumulated depreciation	<u>(114,291,143)</u>	<u>(16,496,429)</u>	<u>-</u>	<u>(130,787,572)</u>
Total capital assets being depreciated, net	<u>204,667,428</u>	<u>88,355,144</u>	<u>-</u>	<u>293,022,572</u>
Governmental activities capital assets, net	<u>\$ 337,447,186</u>	<u>\$ 88,355,144</u>	<u>\$ 46,161,188</u>	<u>\$ 379,641,142</u>

Depreciation was charged to functions as follows:

Instruction	\$ 1,934,798
Instruction-Related Services	763
Pupil Services	175,934
Ancillary Services	1,455
General Administration	125,061
Plant Services	14,258,418
	<u>\$ 16,496,429</u>

F. Interfund Balances and Activities

1. Due To and From Other Funds

Balances due to and due from other funds at June 30, 2017 consisted of the following:

Due To Fund	Due From Fund	Amount	Purpose
General Fund	Self Insurance Fund	\$ 660,428	Insurance waiver
General Fund	Cafeteria Fund	300,029	Temporary loan/stores transfer
General Fund	Adult Education Fund	105,719	Expense reimburse/loan
General Fund	Self Insurance Fund	125,580	Temporary loan
Adult Education Fund	General Fund	721	Expense reimbursement
Cafeteria Fund	General Fund	30,604	Contribution
Self Insurance Fund	General Fund	4,995	OPEB contribution
Self Insurance Fund	Self Insurance Fund	8,545	Cash transfer
Self Insurance Fund	Adult Education Fund	1,864	OPEB contribution
Self Insurance Fund	Cafeteria Fund	519	OPEB contribution
	Total	<u>\$ 1,239,004</u>	

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, 2017

2. Transfers To and From Other Funds

Transfers to and from other funds at June 30, 2017, consisted of the following:

Transfers From	Transfers To	Amount	Reason
General Fund	Self Insurance Fund	\$ 30,000	Insurance reimbursement
General Fund	Cafeteria Fund	30,604	Contribution
Building Fund	General Fund	765,589	Prop 39 debt service
Component Units Fund (49)	Component Units Fund (52)	6,847,340	Debt service
Self Insurance Fund	General Fund	660,428	Expense reimbursement
	Total	\$ 8,333,961	

G. 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.

In September 2016, the District entered into the County of San Diego and San Diego County School Districts 2016 Pooled Tax and Revenue Anticipation Notes (TRANS) in the amount of \$9,590,000. The notes matured on June 30, 2017 and bore an interest rate of 3.00%. The notes were sold to supplement the District's cash flows.

Description	Beginning Balance	Issued	Redeemed	Ending Balance
Tax anticipation notes	\$ -	\$ 9,590,000	\$ 9,590,000	\$ -

H. Accounts Payable

Accounts payable at June 30, 2017 consisted of:

	Major Governmental Funds				
	General Fund	Building Fund	Blended Component Unit Fund	Nonmajor Governmental Funds	Total Governmental Funds
Vendor payables	\$ 1,805,210	\$ 2,807,071	\$ -	\$ 81,344	\$ 4,693,625
Payroll and related benefits	726,121	2,069	192,111	7,369	927,670
Pension related benefits	1,090,030	9,093	-	14,177	1,113,300
LCFF state aid	1,742,762	-	-	-	1,742,762
Other	229,467	56	-	351	229,874
Totals	\$ 5,593,590	\$ 2,818,289	\$ 192,111	\$ 103,241	\$ 8,707,231

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTNOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017I. Unearned Revenue

Unearned revenues at June 30, 2017 consisted of:

	General Fund	Cafeteria Fund	Total Governmental Funds
Federal Government:			
Title III LEP	\$ 16,676	\$ -	\$ 16,676
State Government:			
CTE Incentive	425,452	-	425,452
TUPE	449,022	-	449,022
Local Sources:			
Prepaid Cafeteria Meals	-	120,390	120,390
	<u>\$ 891,150</u>	<u>\$ 120,390</u>	<u>\$ 1,011,540</u>

J. Deferred Outflows of Resources

In accordance with GASB Statement No. 68 & 71, payments made subsequent to the net pension liability measurement date are recorded as deferred outflows of resources.

A summary of the deferred outflows of resources as of June 30, 2017 is as follows:

Description	Issue Date	Amortization Term	Balance July 1, 2016	Additions	Current Year Amortization	Balance June 30, 2017
Pension related	06/30/2015	Varies	\$ 13,466,273	\$ 20,205,402	\$ 11,591,762	\$ 22,079,913
Total Deferred Outflows of Resources			<u>\$ 13,466,273</u>	<u>\$ 20,205,402</u>	<u>\$ 11,591,762</u>	<u>\$ 22,079,913</u>

Future amortization of deferred outflows of resources is as follows:

Year Ending June 30	Pension Related
2018	\$ 14,415,742
2019	2,957,383
2020	2,957,384
2021	1,749,404
Total	<u>\$ 22,079,913</u>

K. Deferred Inflows of Resources

In accordance with GASB Statement No. 68 & 71, payments received subsequent to the net pension liability measurement date are recorded as deferred inflows of resources.

A summary of the deferred inflows of resources as of June 30, 2017 is as follows:

Description	Issue Date	Amortization Term	Balance July 1, 2016	Additions	Current Year Amortization	Balance June 30, 2017
Pension related	06/30/2015	Varies	\$ 9,107,464	\$ 3,287	\$ 2,638,163	\$ 6,472,588
Total Deferred Inflows of Resources			<u>\$ 9,107,464</u>	<u>\$ 3,287</u>	<u>\$ 2,638,163</u>	<u>\$ 6,472,588</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

Future amortization of deferred inflows of resources is as follows:

Year Ending June 30	Pension Related
2018	\$ 2,638,164
2019	2,638,163
2020	1,195,605
2021	656
Total	<u>\$ 6,472,588</u>

L. 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, 2017 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Governmental activities:</u>					
General obligation bonds	\$ 261,260,000	\$ 62,000,000	\$ 7,010,000	\$ 316,250,000	\$ 4,295,000
Unamortized discount	(658,155)	-	(28,615)	(629,540)	-
Unamortized premium	13,435,205	2,970,848	694,652	15,711,401	-
Special tax bonds	75,135,000	23,820,000	2,215,000	96,740,000	2,460,000
Unamortized premium	-	456,005	7,600	448,405	-
Unamortized discount	(1,184,092)	-	(45,542)	(1,138,550)	-
Lease revenue bonds	12,730,000	-	-	12,730,000	-
Unamortized discount	(273,288)	-	(27,329)	(245,959)	-
Net pension liability	101,871,781	26,051,870	-	127,923,651	-
Net OPEB obligation	10,582,541	2,564,717	979,045	12,168,213	-
Compensated absences	1,549,348	130,232	-	1,679,580	1,679,580
State school building loan	1,516,523	-	303,023	1,213,500	310,805
Total governmental activities	<u>\$ 475,964,863</u>	<u>\$ 117,993,672</u>	<u>\$ 11,107,834</u>	<u>\$ 582,850,701</u>	<u>\$ 8,745,385</u>

2. General Obligation Bonds

General obligation bonds at June 30, 2017 consisted of the following:

	Date of Issue	Interest Rate	Maturity Date	Amount of Original Issue
2012 Series A-1 Taxable	April 2013	0.46%	8/1/2014	\$ 2,320,000
2012 Series A-2 Tax-Exempt	April 2013	1.00-5.00%	8/1/2038	157,680,000
2012 Series B-1 Taxable	April 2015	0.60%	8/1/2016	\$ 7,010,000
2012 Series B-2 Tax-Exempt	April 2015	3.00-4.50%	8/1/2040	110,030,000
2016 Series C-1 Tax-Exempt	July 2016	0.80%	8/1/2017	795,000
2016 Series C-2 Taxable	July 2016	3.00-4.75%	8/1/2041	61,205,000
Total GO Bonds				<u>\$ 339,040,000</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

	Beginning Balance	Increases	Decreases	Ending Balance
2012 Series A-2 Tax-Exempt	\$ 144,220,000	\$ -	\$ -	\$ 144,220,000
2012 Series B-1 Taxable	7,010,000	-	7,010,000	-
2012 Series B-2 Tax-Exempt	110,030,000	-	-	110,030,000
Unamortized Discount	(658,155)	-	(28,615)	(629,540)
Unamortized Premium	13,435,205	-	575,818	12,859,387
2016 Series C-1 Tax-Exempt	-	795,000	-	795,000
2016 Series C-2 Taxable	-	61,205,000	-	61,205,000
Unamortized Premium	-	2,970,848	118,834	2,852,014
Total GO Bonds	<u>\$ 274,037,050</u>	<u>\$ 64,970,848</u>	<u>\$ 7,676,037</u>	<u>\$ 331,331,861</u>

In April 2015, the District issued \$7,010,000 taxable, 2012 Election, Series B-1, General Obligation Bonds and \$110,030,000 tax-exempt, 2012 Election, Series B-2, General Obligation Bonds. The issue consisted of \$61,050,000 of current interest bonds with interest rates ranging from .60% to 4.50% with annual maturities from August 2016 through August 2036 and \$55,990,000 in a term bond with an interest rate of 4.00% with an annual maturity date of February 1, 2040. Interest on the bonds accrues from the date of delivery and is payable semiannually on February 1 and August 1 of each year, commencing February 1, 2016. The bonds were authorized at an election of the registered voters held on November 6, 2012 at which 55% or more of the persons voting on the proposition voted to authorize the issuance and sale of the bonds in order to finance specific construction, acquisition and modernization projects approved by the voters including lease payments with respect to such facilities in addition to purchasing the San Dieguito Public Facilities Authority's interest in and pay and prepay lease payments due on the Torrey Pines High School Projects.

In July 2016, the District issued \$795,000 taxable, 2012 Election, Series C-1, General Obligation Bonds and \$61,205,000 tax-exempt, 2012 Election, Series C-2, General Obligation Bonds. The issue consisted of \$14,000,000 of current interest bonds with interest rates ranging from .80% to 4.75% with annual maturities from August 2017 through August 2036 and \$48,000,000 in a term bond with an interest rate of 34.00% with an annual maturity date of February 1, 2041. Interest on the bonds accrues from the date of delivery and is payable semiannually on February 1 and August 1 of each year, commencing August 1, 2017. The bonds were authorized at an election of the registered voters held on November 6, 2012 at which 55% or more of the persons voting on the proposition voted to authorize the issuance and sale of the bonds in order to finance specific construction, acquisition and modernization projects approved by the voters including lease payments with respect to such facilities in addition to purchasing the San Dieguito Public Facilities Authority's interest in and pay and prepay lease payments due on the Torrey Pines High School Projects.

The annual requirements to amortize the bonds outstanding at June 30, 2017 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 4,295,000	\$ 12,423,651	\$ 16,718,651
2019	3,035,000	12,209,725	15,244,725
2020	1,320,000	12,122,625	13,442,625
2021	1,745,000	12,061,325	13,806,325
2022	2,190,000	11,982,625	14,172,625
2023-2027	24,365,000	57,378,275	81,743,275
2028-2032	53,245,000	48,741,775	101,986,775
2033-2037	91,500,000	34,445,375	125,945,375
2038-2042	134,555,000	12,275,250	146,830,250
Totals	<u>\$ 316,250,000</u>	<u>\$ 213,640,626</u>	<u>\$ 529,890,626</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

3. Special Tax Bonds

Special tax bonds at June 30, 2017 consisted of the following:

	Date of Issue	Interest Rate	Maturity Date	Amount of Original Issue
2008 Special Tax Bonds	05/13/2008	4.00-5.00%	08/01/2041	\$ 89,130,000
2016 Special Tax Bonds	11/07/2016	3.00-5.00%	03/01/2047	23,820,000
Total Special Tax Bonds				<u>\$ 112,950,000</u>
	Beginning Balance	Increases	Decreases	Ending Balance
2008 Special Tax Bonds	\$ 75,135,000	\$ -	\$ 2,215,000	\$ 72,920,000
Unamortized Discount	(1,184,092)	-	(45,542)	(1,138,550)
2016 Special Tax Bonds	-	23,820,000	-	23,820,000
Unamortized Premium	-	456,005	7,600	448,405
Total Special Tax Bonds	<u>\$ 73,950,908</u>	<u>\$ 24,276,005</u>	<u>\$ 2,177,058</u>	<u>\$ 96,049,855</u>

2016 Subordinate Special Tax Revenue Bonds

In November 2016, San Dieguito School Facilities Financing Authority, as a blended component unit formed by the District, issued Series 2016 Subordinate Special Tax Revenue Bonds in the amount of \$23,820,000. The bonds were issued to prepay certain obligations under a prior JPA loan agreement, finance certain school facilities of benefit, purchase a debt service reserve insurance policy, and pay certain costs of issuance associated with the local obligations and the bonds. The issue consisted of a) \$11,215,000 in Serial Bonds with interest rates ranging from 3.00% to 5.00% and fully maturing March 31, 2036, and b) \$12,605,000 in Term Bonds with a stated interest rate of 4.00% due March 1, 2047. Interest on the bonds is payable semi-annually on each March 1 and September 1, commencing September 1, 2017. Net proceeds of \$24,014,845 were deposited into the Capital Project Fund for Blended Component Units after receipt of premium of \$456,005 less cost of issuance of \$261,160.

The annual requirements to amortize the bonds outstanding at June 30, 2017 are as follows:

Year Ending June 30, 2017	Principal	Interest	Total
2018	\$ 2,460,000	\$ 4,681,491	\$ 7,141,491
2019	2,795,000	4,337,195	7,132,195
2020	2,910,000	4,217,773	7,127,773
2021	3,025,000	4,091,080	7,116,080
2022	3,145,000	3,957,513	7,102,513
2023-2027	17,960,000	17,467,610	35,427,610
2028-2032	22,560,000	12,641,718	35,201,718
2033-2037	23,440,000	6,846,681	30,286,681
2038-2042	12,665,000	2,543,550	15,208,550
2043-2047	5,780,000	671,000	6,451,000
Totals	<u>\$ 96,740,000</u>	<u>\$ 61,455,611</u>	<u>\$ 158,195,611</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

4. Lease Revenue Bonds

Lease revenue bonds at June 30, 2017 consisted of the following:

	Date of Issue	Interest Rate	Maturity Date	Amount of Original Issue
Lease Revenue Series 2010A	05/10/2010	6.46%	05/01/2027	\$ <u>13,015,000</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Lease Revenue Series 2010A \$	12,730,000	\$ -	\$ -	\$ 12,730,000
Unamortized Discount	(273,288)	-	(27,329)	(245,959)
Total Lease Revenue Bonds	\$ <u>12,456,712</u>	\$ -	\$ <u>(27,329)</u>	\$ <u>12,484,041</u>

The annual requirements to amortize the bonds outstanding at June 30, 2017 are as follows:

Year Ending June 30, 2017	Principal	Interest	Total
2018	\$ -	\$ 822,231	\$ 822,231
2019	-	822,231	822,231
2020	-	822,231	822,231
2021	-	822,231	822,231
2022	-	822,231	822,231
2023-2027	12,730,000	4,111,153	16,841,153
Totals	\$ <u>12,730,000</u>	\$ <u>8,222,308</u>	\$ <u>20,952,308</u>

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 remaining principal balance of \$12,730,000 on the bonds due at the maturity date of May 1, 2027. Interest is subsidized by the Internal Revenue Service annually.

5. Bond Premium

Bond premium arises when the market rate of interest is higher than the stated interest rate on the bond. Generally Accepted Accounting Principles (GAAP) require that the premium increase the face value of the bond and then amortize the premium over the life of the bond.

The following bonds were issued at a premium resulting in an effective interest rate as follows:

	2013 Series A	2015 Series A	2016 Series A	2016 Special Tax
Total Interest Payments on Bond	\$ 113,607,493	\$ 88,265,753	\$ 42,624,776	\$ 18,468,936
Less Bond Premium	(8,336,717)	(6,379,386)	(2,852,014)	(456,005)
Net Interest Payments	<u>105,270,776</u>	<u>81,886,367</u>	<u>39,772,762</u>	<u>18,012,931</u>
Par amount of Bonds	\$ 160,000,000	\$ 117,040,000	\$ 62,000,000	\$ 23,820,000
Periods	25	25	25	30
Effective Interest Rate	2.630%	2.790%	2.560%	2.520%

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2017

6. Bond Discount

Bond discount arises when the market rate of interest is lower than the stated interest rate on the debt. Generally Accepted Accounting Principles (GAAP) require that the discount decrease the face value of the debt and then amortize the discount over the life of the debt.

Discounts issued on the debt resulted in an effective interest rate as follows:

	2013 Series A Bonds	2010 Series A Bonds	2008 Special Tax Bonds
Total Interest Payments on Bond	\$ 113,607,493	\$ 14,269,845	\$ 76,647,411
Add Discount	744,000	437,262	1,548,428
Net Interest Payments	<u>114,351,493</u>	<u>14,707,107</u>	<u>78,195,839</u>
Par amount of Bonds	\$ 160,000,000	\$ 13,015,000	\$ 89,130,000
Periods	25	17	34
Effective Interest Rate	2.850%	6.640%	2.580%

7. State School Building Loan

Effective December 10, 2008 the district entered into a loan agreement with the California Office of School Construction for a loan of \$3,000,000 bearing an interest rate of 2.568%. The loan is to be repaid in ten equal annual installments commencing July 1, 2011. The loan was made as a part of the Career Technical Education Facilities Program in accordance with School Facility Program Regulation Section 1859.194. Future payment requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 310,805	\$ 33,177	\$ 343,982
2019	318,786	25,196	343,982
2020	326,973	17,009	343,982
2021	256,936	8,612	265,548
Totals	<u>\$ 1,213,500</u>	<u>\$ 83,994</u>	<u>\$ 1,297,494</u>

8. Compensated Absences

Total unpaid employee compensated absences as of June 30, 2017 amounted to \$1,679,580. This amount is included as part of long-term liabilities in the government-wide financial statements.

9. Net Pension Liability

The District's beginning net pension liability was \$101,871,781 and increased by \$26,051,870 during the year ended June 30, 2017. The ending net pension liability at June 30, 2017 was \$127,923,651. See Note O for additional information regarding the net pension liability.

10. Net OPEB Liability

The District's beginning net OPEB obligation was \$10,582,541 and increased during the year ended June 30, 2017 by \$1,585,672. The ending net OPEB liability at June 30, 2017 was \$12,168,213. See Note P for additional information regarding the net OPEB liability.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2017

M. Risk Management

The District is exposed to risk of losses due to:

- a. Torts,
- b. Theft of, damage to, or destruction of assets,
- c. Business interruption,
- d. Errors or omissions,
- e. Job related illnesses or injuries to employees,
- f. Acts of God,
- g. Other risks associated with public entity risk pools

Risk management is the process of managing the District's activities to minimize the adverse effects of these risks. The main element of risk management are risk control (to minimize the losses that strike an organization) and risk financing (to obtain finances to provide for or restore the economic damages of those losses). Risk financing techniques include risk retention (self-insurance), risk transfer to and from an insurer, and risk transfer to a noninsurer.

The District has implemented the risk financing technique of risk transfer to an insurer. The District has purchased property & liability insurance as well as workers compensation insurance to cover any losses resulting from the risks identified above.

The District purchases insurance through joint powers authorities. The District is not obligated to cover any losses beyond the premiums paid for the insurance costs. As a result there has not been a liability recorded for incurred but not reported claims.

The District has established a self-insurance fund for the purpose of accounting for other post employment benefits. The activities of the fund include payment of pay-as-you-go premiums for other post employment health insurance as well as recording of changes in the other post employment benefits liability.

N. Joint Ventures (Joint Powers Agreements)

The District participates in two joint powers agreements (JPAs) entity, the San Diego County Schools Risk Management (SDCSRM) and the Fringe Benefits Consortium (FBC). The relationship between the District and the JPAs is such that the JPAs are not a component unit of the District.

The JPAs arranges for and provides for various types of insurances for its member districts as requested. The JPAs are governed by a board consisting of a representative from each member district. The board controls the operations of the JPAs, 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 JPAs. Combined condensed unaudited financial information of the District's share of the JPAs for the year ended June 30, 2017 is as follows:

	Workers Compensation Fund	Property & Liability Fund	Miscellaneous Property Fund	Total SDCSRM
Total Assets and Deferred Outflows of Resources	\$ 1,865,831	\$ 17,841	\$ 5,929	\$ 1,889,601
Total Liabilities and Deferred Inflows of Resources	403,188	100,984	467	504,639
Total Net Position	<u>\$ 1,462,643</u>	<u>\$ (83,143)</u>	<u>\$ 5,462</u>	<u>\$ 1,384,962</u>
Total Cash Receipts	\$ 475,633	\$ 275,004	\$ 7,025	\$ 757,662
Total Cash Disbursements	308,669	142,451	9,183	460,303
Net Change in Net Position	<u>\$ 166,964</u>	<u>\$ 132,553</u>	<u>\$ (2,158)</u>	<u>\$ 297,359</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

The District had a deficit in their property & liability fund with the JPA as of year end. The District is currently negotiating an arrangement with the JPA to repay the deficit. As of June 30, 2017 terms of the repayment have not yet been agreed upon.

	Dental Fund	Health & Welfare Fund	Vision Fund	Total FBC
Total Assets and Deferred Outflows of Resources	\$ 360,598	\$ N/A	\$ 14,560	\$ 375,158
Total Liabilities and Deferred Inflows of Resources	106,814	N/A	1,797	108,611
Total Net Position	<u>\$ 253,784</u>	<u>\$ N/A</u>	<u>\$ 12,763</u>	<u>\$ 266,547</u>
Total Cash Receipts	\$ 372,035	\$ N/A	\$ 4,959	\$ 376,994
Total Cash Disbursements	390,954	N/A	4,539	395,493
Net Change in Net Position	<u>\$ (18,919)</u>	<u>\$ N/A</u>	<u>\$ 420</u>	<u>\$ (18,499)</u>

N/A- The District does not participate in the Health & Welfare program of the JPA.

O. Pension Plans1. General Information About the Pension Plansa. Plan Descriptions

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 California State Teachers Retirement System (CalSTRS) and classified employees are members of the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Local Government resolution. Support by the State for the CalSTRS plan is such that the plan has a special funding situation as defined by GASB Statement No. 68. CalSTRS and CalPERS issue publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on their respective websites.

b. Benefits Provided

CalSTRS and CalPERS provide service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 62 for normal benefits or at age 55 with statutorily reduced benefits. Employees hired prior to January 1, 2013 are eligible to retire at age 60 for normal benefits or at age 55 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. All members are eligible for death benefits after one year of total service.

The Plans' provisions and benefits in effect at June 30, 2017 are summarized as follows:

	CalSTRS	
	Before <u>Jan. 1, 2013</u>	On or After <u>Jan. 1, 2013</u>
Hire Date		
Benefit Formula	2% at 60	2% at 62
Benefit Vesting Schedule	5 Years	5 Years
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50-62	55-67
Monthly benefits, as a % of eligible compensation	1.1 - 2.4%	1.0 - 2.4%*
Required Employee Contribution Rates (at June 30, 2017)	10.250%	9.205%
Required Employer Contribution Rates (at June 30, 2017)	12.580%	12.580%
Required State Contribution Rates (at June 30, 2017)	7.050%	7.050%

*Amounts are limited to 120% of Social Security Wage Base.

**The rate imposed on CalSTRS 2% at 62 members is based on the normal cost of benefits.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2017

	CalPERS	
	Before	On or After
	<u>Jan. 1, 2013</u>	<u>Jan. 1, 2013</u>
Hire Date		
Benefit Formula	2% at 55	2% at 62
Benefit Vesting Schedule	5 Years	5 Years
Benefit Payments	Monthly for Life	Monthly For Life
Retirement Age	50-62	55-67
Monthly Benefits as a % of Eligible Compensation	1.1- 2.5%	1.0- 2.5%
Required Employee Contribution Rates (at June 30, 2017)	7.000%	6.000%
Required Employer Contribution Rates (at June 30, 2017)	13.888%	13.888%

*Amounts are limited to 120% of Social Security Wage Base.

c. Contributions

CalSTRS

For the measurement period ended June 30, 2016, Section 22950 of the California Education Code requires members to contribute monthly to the system 9.20% (if hired prior to January 1, 2013) or 8.56% (if hired on or after January 1, 2013) of the creditable compensation upon which members' contributions under this part are based (rates increased to 10.25% and 9.205% for fiscal year ended June 30, 2017). In addition the employer required rates established by the CalSTRS Board have been established at 10.73% of creditable compensation for the measurement period ended June 30, 2016 and 12.58% for the fiscal year ended June 30, 2017. Rates are defined in Section 22950.5 through measurement period ending June 30, 2021. Beginning in the fiscal year 2021-22 and for each fiscal year thereafter, the CalSTRS Board has the authority to increase or decrease percentages paid specific to reflect the contribution required to eliminate by June 30, 2046, the remaining unfunded actuarial obligation with respect to service credited to members before July 1, 2014, as determined by the Board based upon a recommendation from its actuary.

CalPERS

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The CalPERS Board retains the authority to amend contribution rates. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2016 (measurement date), the average active employee contribution rate is 6.974% of annual pay, and the employer's contribution rate is 11.847% of annual payroll. For the fiscal year ending June 30, 2017, the average active employee contribution rate is 6.974%, and the employer's contribution rate is 13.888%.

On Behalf Payments

Consistent with Section 22955.1 of the California Education Code, the State of California makes contributions to CalSTRS on behalf of employees working for the District. For the measurement period ended June 30, 2016 (measurement date), fiscal year ended June 30, 2017, the State contributed 5.400% of salaries creditable to CalSTRS. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements. On behalf payments have been excluded from the calculation of available reserves, and have not been included in the budgeted amounts reported in the General Fund Budgetary Comparison Schedule. Contribution reported each fiscal year are based on the contribution rate multiplied by salaries creditable to CalSTRS from the fiscal year two periods prior to the measurement period.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTNOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

On Behalf Payments reported by the District for the past three fiscal years are as follows:

Year Ended June 30,	Contribution Rate	Contribution Amount
2015	5.679%	\$ 3,075,827
2016	7.126%	3,986,733
2017	5.400%	5,145,466

d. Contributions Recognized

For the measurement period ended June 30, 2016 (fiscal year June 30, 2017), the contributions recognized for each plan were:

	CalSTRS	CalPERS	Total
Contributions - Employer (Measurement Period)	\$ 6,446,021	\$ 2,188,359	\$ 8,634,380
Contributions - State On Behalf Payments (Fiscal Year)	5,145,466	-	5,145,466
Total Contributions	<u>\$ 11,591,487</u>	<u>\$ 2,188,359</u>	<u>\$ 13,779,846</u>

2. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2017, the District reported net pension liabilities for its proportionate shares of the net pension liability of each plan as follows:

	Proportionate Share of Net Pension Liability
CalSTRS	\$ 97,797,306
CalPERS	30,126,345
Total Net Pension Liability	<u>\$ 127,923,651</u>

The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2016, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The District's portion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability for each Plan as of June 30, 2016 and June 30, 2017 were as follows:

	CalSTRS			
	District's Proportionate Share	State's Proportionate Share	Total For District Employees	CalPERS
Proportion June 30, 2016	0.1196%	0.0750%	0.1946%	0.1448%
Proportion June 30, 2017	0.1209%	0.0748%	0.1957%	0.1525%
Change in Proportion	<u>0.0013%</u>	<u>-0.0002%</u>	<u>0.0011%</u>	<u>0.0077%</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

a. Pension Expense

For the measurement period ended June 30, 2016 (fiscal year June 30, 2017), pension expense was recognized as follows:

	CalSTRS	CalPERS	Total
Change in Net Pension Liability (Asset)	\$ 17,261,973	\$ 8,789,899	\$ 26,051,872
Contributions - State On Behalf Payments	5,145,466	-	5,145,466
Increase/(Decrease) resulting from changes in Deferred Outflows and Deferred Inflows of Resources for:			
Contributions - Employer made subsequent to measurement date	(2,228,111)	(595,868)	(2,823,979)
Difference Between Actual & Expected Experience	(4,040)	(160,268)	(164,308)
Change in Assumptions	-	(352,606)	(352,606)
Change in Proportionate Shares	(1,471,098)	(981,814)	(2,452,912)
Net Difference Between Projected & Actual Earnings	(11,696)	(5,443,015)	(5,454,711)
Total Pension Expense	<u>\$ 18,692,494</u>	<u>\$ 1,256,328</u>	<u>\$ 19,948,822</u>

b. Deferred Outflows and Inflows of Resources

At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		
	CalSTRS	CalPERS	Total
Pension contributions subsequent to measurement date	\$ 8,674,132	\$ 2,784,227	11,458,359
Differences between actual and expected experience	-	1,472,184	1,472,184
Changes in assumptions	-	-	-
Change in employer's proportion share	695,366	918,242	1,613,608
Net difference between projected and actual earnings	27,389	7,508,373	7,535,762
Total Deferred Outflows of Resources	<u>\$ 9,396,887</u>	<u>\$ 12,683,026</u>	<u>\$ 22,079,913</u>
	Deferred Inflows of Resources		
	CalSTRS	CalPERS	Total
Pension contributions subsequent to measurement date	\$ -	\$ -	\$ -
Differences between actual and expected experience	(19,005)	-	(19,005)
Changes in assumptions	-	(1,057,818)	(1,057,818)
Change in employer's proportionate share	(2,327,197)	(190,716)	(2,517,913)
Net difference between projected and actual earnings	-	(2,877,852)	(2,877,852)
Total Deferred Inflows of Resources	<u>\$ (2,346,202)</u>	<u>\$ (4,126,386)</u>	<u>\$ (6,472,588)</u>

Pension contributions made subsequent to measurement date reported as deferred outflows of resources will be recognized as a portion of pension expense in the year ended June 30, 2018. The remaining amounts reported as deferred outflows or deferred inflows of resources will be recognized as an increase or decrease to pension expense over a five year period. Pension expense resulting from deferred outflows and deferred inflows of resources will be recognized as follows:

Year Ended June 30	Deferred Outflows of Resources		Deferred Inflows of Resources		Net Effect on Expenses
	CalSTRS	CalPERS	CalSTRS	CalPERS	
2018	\$ 8,855,801	\$ 5,559,939	\$ (783,060)	\$ (1,855,104)	\$ 11,777,576
2019	181,669	2,775,712	(783,059)	(1,855,104)	319,218
2020	181,670	2,775,712	(779,427)	(416,178)	1,761,777
2021	177,747	1,571,663	(656)	-	1,748,754
Total	<u>\$ 9,396,887</u>	<u>\$ 12,683,026</u>	<u>\$ (2,346,202)</u>	<u>\$ (4,126,386)</u>	<u>\$ 15,607,325</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

c. Actuarial Assumptions

The total pension liabilities in the June 30, 2017 actuarial valuations were determined using the following actuarial assumptions:

	<u>CalSTRS</u>	<u>CalPERS</u>
Valuation Date	June 30, 2015	June 30, 2015
Measurement Date	June 30, 2016	June 30, 2016
Actuarial Cost Method	Entry Age - Normal Cost Method	Entry Age - Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.60%	7.65%
Inflation	3.0%	2.75%
Payroll Growth	3.75%	3.00%
Projected Salary Increase	0.05%-5.6% (1)	3.20%-10.80% (1)
Investment Rate of Return	7.60% (2)	7.65% (2)
Mortality	.013%-0.435% (3)	0.00125-0.45905 (3)

(1) Depending on age, service and type of employment

(2) Net of pension plan investment expenses, including inflation

(3) Industry standard published by the Society of Actuaries

d. Discount Rate

The discount rate used to measure the total pension liability was 7.60% for CalSTRS and 7.65% for CalPERS. The projection of cash flows used to determine the discount rate assumed the contributions from plan members, employers, and state contributing agencies will be made at statutory contribution rates. To determine whether the District bond rate should be used in the calculation of a discount rate for each plan, CalSTRS and CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current discount rates are adequate and the use of the District bond rate calculation is not necessary for either plan. The stress test results are presented in a detailed report that can be obtained from the CalPERS and CalSTRS websites

The CalPERS discount rate was increased from 7.50% in 2015 to correct for an adjustment to exclude administrative expenses. There have been no other changes to discount rate for either CalPERS or CalSTRS.

According to Paragraph 30 of GASB Statement No. 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The investment return assumption used in the accounting valuations is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalSTRS and CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalSTRS and CalPERS are scheduled to review all actuarial assumptions as part of their regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require board action and proper stakeholder outreach. For these reasons, CalSTRS and CalPERS expect to continue using a discount rate net of administrative expenses for GASB 67 and GASB 68 calculations through at least the 2017-18 fiscal year. CalSTRS and CalPERS will continue to check the materiality of the difference in calculation until such time as they have changed their methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

In determining the long-term expected rate of return, CalSTRS and CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest quarter of one percent

The tables below reflect the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

CalSTRS

<u>Asset Class</u>	<u>Assumed Allocation 06/30/2016</u>	<u>Long Term Expected Return*</u>
Global Equity	47.00%	6.30%
Fixed Income	12.00%	0.30%
Real Estate	13.00%	5.20%
Private Equity	13.00%	9.30%
Absolute Return	9.00%	2.90%
Inflation Sensitive	4.00%	3.80%
Cash/Liquidity	2.00%	-1.00%

*20 year geometric average used for long term expected real rate of return

CalPERS

<u>Asset Class</u>	<u>Assumed Allocation 06/30/2016</u>	<u>Real Return Years 1-10(1)</u>	<u>Real Return Years 11+(2)</u>
Global Equity	51.00%	5.25%	5.71%
Global Debt Securities	20.00%	0.99%	2.43%
Inflation Assets	6.00%	0.45%	3.36%
Private Equity	10.00%	6.83%	6.95%
Real Estate	10.00%	4.50%	5.13%
Infrastructure	2.00%	4.50%	5.09%
Liquidity	1.00%	-0.55%	-1.05%

(1) An expected inflation of 2.5% used for this period

(2) An expected inflation of 3.0% used for this period

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

e. Sensitivity to Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following represents the District's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>CalSTRS</u>	<u>CalPERS</u>
1% Decrease	6.60%	6.65%
Net Pension Liability	\$ 140,752,379	\$ 44,948,676
Current Discount Rate	7.60%	7.65%
Net Pension Liability	\$ 97,797,306	\$ 30,126,345
1% Increase	8.60%	8.65%
Net Pension Liability	\$ 62,121,318	\$ 17,783,840

f. Total Pension Liability, Pension Plan Fiduciary Net Position and Net Pension LiabilityCalSTRS

	<u>Increase (Decrease)</u>				
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a) - (b)</u>	<u>State's Share of Net Pension Liability (c)</u>	<u>District's Share of Net Pension Liability (a) - (b) - (c)</u>
Balance at June 30, 2016 (Previously Reported)	\$ 504,359,934	\$ 373,331,667	\$ 131,028,267	\$ 50,492,934	\$ 80,535,333
Changes for the year:					
Change in Proportionate share	2,827,501	2,092,941	734,560	(134,648)	869,208
Service Cost	11,496,284	-	11,496,284	4,393,752	7,102,532
Interest	37,835,576	-	37,835,576	14,460,336	23,375,240
Differences between expected and actual experience	(2,366,191)	-	(2,366,191)	(904,332)	(1,461,859)
Contributions:					
Employer	-	6,636,970	(6,636,970)	(2,536,576)	(4,100,394)
Employee	-	5,788,211	(5,788,211)	(2,212,190)	(3,576,021)
State On Behalf Payments	-	3,796,674	(3,796,674)	(1,451,046)	(2,345,627)
Net Investment Income	-	4,511,143	(4,511,143)	(1,724,109)	(2,787,034)
Other Income	-	81,259	(81,259)	(31,056)	(50,203)
Benefit Payments, including refunds of employee contributions	(25,733,668)	(25,733,668)	-	-	-
Administrative expenses	-	(352,396)	352,396	134,682	217,714
Other Expenses	-	(29,809)	29,809	11,393	18,416
Net Changes	24,059,502	(3,208,677)	27,268,179	10,006,206	17,261,973
Balance at June 30, 2017	\$ 528,419,436	\$ 370,122,990	\$ 158,296,446	\$ 60,499,140	\$ 97,797,306

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2017

CalPERS

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at June 30, 2016 (Previously Reported)	\$ 103,715,812	\$ 82,379,366	\$ 21,336,446
Changes for the year:			
Adjustment for Change in Proportionate Share Service Cost	5,579,428	4,431,626	1,147,802
Interest	2,618,585	-	2,618,585
Differences between expected and actual experience	8,300,993	-	8,300,993
Changes in Assumptions	610,309	-	610,309
Contributions - Employer	-	-	-
Contributions - Employee	-	2,188,359	(2,188,359)
Net Plan to Plan Resource Movement	-	1,298,302	(1,298,302)
Net Investment Income	-	16	(16)
Benefit Payments, including refunds of employee contributions	-	453,821	(453,821)
Administrative expenses	(5,410,273)	(5,410,273)	-
	-	(52,708)	52,708
Net Changes	<u>11,699,042</u>	<u>2,909,143</u>	<u>8,789,899</u>
Balance at June 30, 2017	<u>\$ 115,414,854</u>	<u>\$ 85,288,509</u>	<u>\$ 30,126,345</u>

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalSTRS and CalPERS financial reports.

P. 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 824 eligible active employees and 78 eligible retirees. The District does not provide any retiree health benefits beyond age 65 or after a period of 10 years, if earlier.

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 2016-17, the District contributed \$979,045 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, 2017

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	\$ 3,072,111
Interest on net OPEB obligation	108,365
Adjustment to annual required contribution	<u>(615,759)</u>
Annual OPEB cost (expense)	2,564,717
Contribution made	<u>(979,045)</u>
Increase in net OPEB obligation	1,585,672
Net OPEB obligation, beginning of year	<u>10,582,541</u>
Net OPEB obligation, end of year	<u>\$ 12,168,213</u>

The annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the years ended June 30, 2015, 2016, and 2017 are as follows:

Year Ended June 30,	Annual OPEB Cost	Percentage Contributed	Net OPEB Obligation
2015	\$ 1,802,625	41.01%	\$ 9,148,229
2016	2,444,597	58.67%	10,582,541
2017	2,564,717	38.20%	12,168,213

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.

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 June 30, 2015 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.

The June 30, 2017 actuarial valuation report was not completed at the time the audit was issued.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

Medical cost trend rates ranged from an initial rate of 7.0% reduced to a rate of 5.0% after six years. The UAAL is being amortized at a level dollar method with the remaining amortization period at June 30, 2017 of 21 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.

Q. Adjustment to Beginning Net Position

With the implementation of GASB Statement No 68 & 71 the District relied upon information provided by CalSTRS and CalPERS in order to calculate their proportion of the net pension liability, deferred outflows of resources - pension related, and deferred inflows of resources - pension related. Proportionate share was determined based on the calculated proportionate share provided by CalSTRS and CalPERS. During the current year the district calculated proportionate share by taking contributions to the CalSTRS and CalPERS plans and dividing by plan total contributions. The result was a small change to proportionate share based on rounding variances in the proportionate share. Additionally, CalSTRS auditors made audit adjustments to CalSTRS records which affected beginning net position for the District and is also being adjusted.

Net Position, Beginning (As Originally Stated)	\$ 15,628,167
Adjustments for:	
Net Pension Liability Corrections	242,710
Deferred Inflows of Resources - Pension Related Corrections	<u>16,497</u>
Net Position, Beginning (As Restated)	<u>\$ 15,887,374</u>

R. Components of Ending Fund Balance

As of June 30, 2017 ending fund balance consisted of the following:

	Major Governmental Funds				Total Governmental Funds
	General Fund	Building Fund	Blended Component Unit Fund	Nonmajor Governmental Funds	
Nonspendable Fund Balances					
Revolving Cash	\$ 175,354	\$ -	\$ -	\$ -	\$ 175,354
Stores Inventories	207	-	-	39,644	39,851
Prepaid Items	4,543	-	-	343,982	348,525
Restricted Fund Balances					
California Clean Energy	576,891	-	-	-	576,891
Educational Programs	604,342	-	-	-	604,342
Capital Projects	-	-	-	19,127	19,127
Educator Effectiveness	165,215	-	-	-	165,215
Lottery: Instructional Materials	1,348,265	-	-	-	1,348,265
Assigned Fund Balances					
Capital Projects	-	100,782,354	39,935,890	1,875,410	142,593,654
Basic Air Reserve	5,579,715	-	-	-	5,579,715
Debt Service	-	-	-	12,205,393	12,205,393
Other	-	-	-	22,843	22,843
Donation Carryover	938,722	-	-	-	938,722
Deferred Maintenance	-	-	-	3,211	3,211
Unassigned Fund Balances					
For Economic Uncertainty	15,918,373	-	-	-	15,918,373
Total Fund Balance	<u>\$ 25,311,627</u>	<u>\$ 100,782,354</u>	<u>\$ 39,935,890</u>	<u>\$ 14,509,610</u>	<u>\$ 180,539,481</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2017

S. 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 view 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.

T. Construction Commitments

As of June 30, 2017 the District had the following commitments with respect to unfinished capital projects:

Construction in Process:	Commitment	*Expected Date of Final Completion	Percentage Complete
Canyon Crest Academy Building B	\$ 13,283,892	08/21/2017	71%
Earl Warren Middle School New Campus	45,643,158	08/21/2018	88%
San Dieguito HS Academy Math and Science Building	19,214,309	08/21/2017	82%

* Expected date of final completion subject to change

U. Subsequent Events

Implementation of New Accounting Guidance

The District has adopted accounting policies compliant with new pronouncements issued by the Government Accounting Standards Board (GASB) that are effective for the fiscal year ended June 30, 2018. Those newly implemented pronouncements are as follows:

GASB Statement No. 75 - Accounting and Financial Reporting for Postemployment Benefits Other than Pensions

The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

This Statement replaces the requirements of Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB. Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, establishes new accounting and financial reporting requirements for OPEB plans.

The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

In addition, this Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided with defined contribution OPEB. This Statement also addresses certain circumstances in which a nonemployer entity provides financial support for OPEB of employees of another entity.

Financial impact of implementing GASB Statement No. 75 has not yet been determined; however, it is expected that the Net OPEB Obligation will significantly increase. The District is currently in contact with an actuary to determine the complete fiscal impact.

GASB Statement No. 81 - Irrevocable Split-Interest Agreements

The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

Split-interest agreements are a type of giving agreement used by donors to provide resources to two or more beneficiaries, including governments. Split-interest agreements can be created through trusts—or other legally enforceable agreements with characteristics that are equivalent to split-interest agreements—in which a donor transfers resources to an intermediary to hold and administer for the benefit of a government and at least one other beneficiary. Examples of these types of agreements include charitable lead trusts, charitable remainder trusts, and life-interests in real estate.

This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period.

As of the date this audit report is issued, the District does not have any split-interest agreements. Consequently, implementation of GASB No 81 is not expected to have a financial or reporting impact on the District.

GASB Statement No. 85 - Omnibus 2017

The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). Specifically, this Statement addresses the following topics:

1. Blending a component unit in circumstances in which the primary government is a business-type activity that reports in a single column for financial statement presentation.
2. Reporting amounts previously reported as goodwill and “negative” goodwill.
3. Classifying real estate held by insurance entities.
4. Measuring certain money market investments and participating interest-earning investment contracts at amortized cost.
5. Timing of the measurement of pension or OPEB liabilities and expenditures recognized in financial statements prepared using the current financial resources measurement focus.
6. Recognizing on-behalf payments for pensions or OPEB in employer financial statements.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

7. Presenting payroll-related measures in required supplementary information for purposes of reporting by OPEB plans and employers that provide OPEB.
8. Classifying employer-paid member contributions for OPEB.
9. Simplifying certain aspects of the alternative measurement method for OPEB.
10. Accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans.

Financial impact of implementing GASB Statement No. 85 has not yet been determined.

GASB Statement No. 86 - Certain Debt Extinguishment Issues

The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt - are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

Statement No. 7, Advance Refundings Resulting in Defeasance of Debt, requires that debt be considered defeased in substance when the debtor irrevocably places cash or other monetary assets acquired with refunding debt proceeds in a trust to be used solely for satisfying scheduled payments of both principal and interest of the defeased debt. The trust also is required to meet certain conditions for the transaction to qualify as an in-substance defeasance. This Statement establishes essentially the same requirements for when a government places cash and other monetary assets acquired with only existing resources in an irrevocable trust to extinguish the debt. However, in financial statements using the economic resources measurement focus, governments should recognize any difference between the reacquisition price (the amount required to be placed in the trust) and the net carrying amount of the debt defeased in substance using only existing resources as a separately identified gain or loss in the period of the defeasance.

Governments that defease debt using only existing resources should provide a general description of the transaction in the notes to financial statements in the period of the defeasance. In all periods following an in-substance defeasance of debt using only existing resources, the amount of that debt that remains outstanding at period-end should be disclosed.

For governments that extinguish debt, whether through a legal extinguishment or through an insubstance defeasance, this Statement requires that any remaining prepaid insurance related to the extinguished debt be included in the net carrying amount of that debt for the purpose of calculating the difference between the reacquisition price and the net carrying amount of the debt.

One of the criteria for determining an in-substance defeasance is that the trust hold only monetary assets that are essentially risk-free. If the substitution of essentially risk-free monetary assets with monetary assets that are not essentially risk-free is not prohibited, governments should disclose that fact in the period in which the debt is defeased in substance. In subsequent periods, governments should disclose the amount of debt defeased in substance that remains outstanding for which that risk of substitution exists.

As of the date this audit report was issued, the District did not have any defeasance of debt. Consequently, the implementation of GASB Statement No. 86 is not expected to have a fiscal impact on the District.

ITEM 19

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**GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2017

ITEM 19

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
LCFF Sources:				
State Apportionment or State Aid	\$ 3,933,347	\$ 4,470,477	\$ 2,097,808	\$ (2,372,669)
Education Protection Account Funds	2,493,800	2,493,800	2,481,470	(12,330)
Local Sources	97,723,245	97,270,496	99,482,163	2,211,667
Federal Revenue	4,204,260	4,258,241	4,163,847	(94,394)
Other State Revenue	13,249,282	15,368,355	15,373,247	4,892
Other Local Revenue	6,587,273	7,725,811	10,206,955	2,481,144
Total Revenues	<u>128,191,207</u>	<u>131,587,180</u>	<u>133,805,490</u>	<u>2,218,310</u>
Expenditures:				
Current:				
Certificated Salaries	68,559,283	68,824,482	69,269,371	(444,889)
Classified Salaries	21,023,575	21,058,818	20,192,913	865,905
Employee Benefits	27,064,115	27,401,422	27,502,336	(100,914)
Books And Supplies	3,563,180	6,679,385	4,510,612	2,168,773
Services And Other Operating Expenditures	13,138,927	13,890,420	12,862,943	1,027,477
Other Outgo	649,678	667,370	691,013	(23,643)
Capital Outlay	24,500	1,309,093	1,407,855	(98,762)
Debt Service:				
Principal	765,588	765,589	765,588	1
Interest	822,231	822,231	822,197	34
Total Expenditures	<u>135,611,077</u>	<u>141,418,810</u>	<u>138,024,828</u>	<u>3,393,982</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,419,870)</u>	<u>(9,831,630)</u>	<u>(4,219,338)</u>	<u>5,612,292</u>
Other Financing Sources (Uses):				
Transfers In	765,589	765,589	1,426,017	660,428
Transfers Out	<u>(30,000)</u>	<u>(30,000)</u>	<u>(60,604)</u>	<u>(30,604)</u>
Total Other Financing Sources (Uses)	<u>735,589</u>	<u>735,589</u>	<u>1,365,413</u>	<u>629,824</u>
Net Change in Fund Balance	(6,684,281)	(9,096,041)	(2,853,925)	6,242,116
Fund Balance, July 1	<u>25,660,502</u>	<u>25,660,502</u>	<u>25,660,502</u>	-
Fund Balance, June 30	<u>\$ 18,976,221</u>	<u>\$ 16,564,461</u>	<u>\$ 22,806,577</u>	<u>\$ 6,242,116</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS-OTHER POST EMPLOYMENT BENEFITS

YEAR ENDED JUNE 30, 2017

ITEM 19

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%
6/30/11	-	15,210,567	15,210,567	-	60,639,000	25.1%
6/30/13	-	16,153,467	16,153,467	-	51,334,000	31.5%
6/30/15	-	26,746,596	26,746,596	-	51,854,000	51.6%

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS *

EXHIBIT B-2

ITEM 19

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
District's proportion of the net pension liability (asset)	0.1209%	0.1196%	0.1263%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the net pension liability (asset)	\$ 97,797,306	\$ 80,535,333	\$ 73,782,939	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
State's proportionate share of the net pension liability (asset) associated with the District	60,499,140	50,492,934	46,983,210	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	\$ 158,296,446	\$ 131,028,267	\$ 120,766,149	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
District's covered-employee payroll	\$ 68,951,765	\$ 60,074,753	\$ 55,280,293	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	141.83%	134.06%	133.47%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	70.04%	74.02%	76.52%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

See Accompanying Notes to Required Supplementary Information

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTION
CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM
LAST TEN FISCAL YEARS *

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually required contribution	\$ 8,674,132	\$ 6,446,021	\$ 4,908,890	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Contributions in relation to the contractually required contribution	(8,674,132)	(6,446,021)	(4,908,890)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 68,951,765	\$ 60,074,753	\$ 55,280,293	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Contributions as a percentage of covered-employee payroll	12.58%	10.73%	8.88%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

See Accompanying Notes to Required Supplementary Information

EXHIBIT B-4

ITEM 19

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTSCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS *

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
District's proportion of the net pension liability (asset)	0.1525%	0.1448%	0.1476%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the net pension liability (asset)	\$ 30,126,345	\$ 21,336,448	\$ 16,750,628	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
District's covered-employee payroll	\$ 20,047,717	\$ 18,471,841	\$ 16,097,264	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	150.27%	115.51%	104.06%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	73.90%	79.43%	83.38%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

See Accompanying Notes to Required Supplementary Information

EXHIBIT B-5

ITEM 19

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTSCHEDULE OF DISTRICT CONTRIBUTIONS
CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS *

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually required contribution	\$ 2,784,227	\$ 2,188,359	\$ 1,894,809	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Contributions in relation to the contractually required contribution	(2,784,227)	(2,188,359)	(1,894,809)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 20,047,717	\$ 18,471,841	\$ 16,097,264	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Contributions as a percentage of covered-employee payroll	13.888%	11.847%	11.771%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

See Accompanying Notes to Required Supplementary Information

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE YEAR ENDED JUNE 30, 2017

ITEM 19

Budgetary Comparison Schedule - General Fund

As described in Note A to these financial statements, for purposes of reporting in conformity with GASB Statement No. 54, the District's Special Reserve Fund for Other than Capital Outlay (Fund 17) was included with the General Fund. The Budgetary Comparison Schedule included in the Required Supplementary Information is based on the legally adopted budget for the General Fund only.

General Fund - Fund Financial Statements Ending Fund Balance	\$	25,311,627
Less Fund 17 Fund Balance		<u>2,505,050</u>
General Fund - Budgetary Comparison Schedule Ending Fund Balance	\$	<u><u>22,806,577</u></u>
General Fund - Fund Financial Statements Net Change in Fund Balance	\$	(2,828,447)
Change in Fund Balance attributed to Fund 17		<u>(25,478)</u>
General Fund - Budgetary Comparison Schedule Change in Fund Balance	\$	<u><u>(2,853,925)</u></u>

Excess of Expenditures Over Appropriations

As of June 30, 2017, expenditures exceeded appropriations in individual budgeted funds as follows:

<u>Appropriations Category</u>	<u>Excess Expenditures</u>	<u>Reason for Excess Expenditures</u>
General Fund:		
Certificated Salaries \$	444,899	Unexpected increase in salaries for the year
Employee Benefits	100,914	Unexpected increase in costs for the year
Other Outgo	23,643	Indirect costs waived/Special Education expense excess
Capital Outlay	98,762	Additional California Clean Energy jobs cost

Schedule of District's Proportionate Share - California State Teachers Retirement System

- 1) Benefit Changes: In 2015, 2016 & 2017 there were no changes to benefits
- 2) Changes in Assumptions: In 2015, 2016 & 2017 there were no changes in assumptions

ITEM 19

Schedule of District's Contributions - California State Teachers Retirement System

The total pension liability was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2014 & 2015, and rolling forward the total pension liability to June 30, 2015 & 2016. The financial reporting actuarial valuation as of June 30, 2014, June 30, 2015, and June 30, 2016 used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2014	June 30, 2015	June 30, 2016
Experience Study	07/01/06 - 06/30/10	07/01/07 - 06/30/11	07/01/08 - 06/30/12
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.60%	7.60%	7.60%
Consumer Price Inflation	3.00%	3.00%	3.00%
Wage Growth (Average)	3.75%	3.75%	3.75%
Post-retirement Benefit Increase:	2.00% Simple	2.00% Simple	2.00% Simple

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its RP2000 series tables adjusted to fit CalSTRS experience. RP 2000 series tables are an industry standard of mortality rates published by the Society of Actuaries. See CalSTRS July 1, 2006 - June 30, 2010, July 1, 2007 - June 30, 2011 and July 1, 2008 - June 30, 2012 Experience Analysis for more information.

Schedule of District's Proportionate Share - California Public Employees Retirement System

- 1) Benefit Changes: In 2015, 2016 & 2017 there were no changes to benefits
- 2) Changes in Assumptions: In 2015 and 2017 there were no changes in assumptions. In 2016 the discount rate was changed from 7.5% to 7.65% to correct for an adjustment to exclude administrative expense.

Schedule of District's Contributions - California Public Employees' Retirement System

The total pension liability was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2014 & 2015, and rolling forward the total pension liability to June 30, 2015 & 2016. The financial reporting actuarial valuation as of June 30, 2014, June 30, 2015, and June 30, 2016 used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2014	June 30, 2015
Experience Study	07/01/96 - 06/30/10	07/01/97 - 06/30/11
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.50%	7.50%
Consumer Price Inflation	2.75%	2.75%
Wage Growth (Average)	3.00%	3.00%
Post-retirement Benefit Increase:	2.00% Simple	2.00% Simple

The mortality table used was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using the Society of Actuaries Scale BB. For more details on this table, please refer to the April 2013 experience study (based on demographic data from 1996 through 2010), the April 2014 experience study (based on demographic data from 1997 to 2011) and the April 2015 experience study (based on demographic data from 1998 to 2012) available on the CalPERS website.

ITEM 19

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 DISTRICTCOMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

ITEM 19

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
ASSETS:				
Cash in County Treasury	\$ 319,942	\$ 12,205,484	\$ 1,520,406	\$ 14,045,832
Cash on Hand and in Banks	142,490	-	-	142,490
Accounts Receivable	82,861	-	455,239	538,100
Due from Other Funds	31,324	-	-	31,324
Stores Inventories	39,644	-	-	39,644
Prepaid Expenditures	-	-	343,982	343,982
Total Assets	<u>616,261</u>	<u>12,205,484</u>	<u>2,319,627</u>	<u>15,141,372</u>
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Accounts Payable	\$ 22,133	\$ -	\$ 81,108	\$ 103,241
Due to Other Funds	408,131	-	-	408,131
Unearned Revenue	120,390	-	-	120,390
Total Liabilities	<u>550,654</u>	<u>-</u>	<u>81,108</u>	<u>631,762</u>
Fund Balance:				
Nonspendable Fund Balances:				
Stores Inventories	39,644	-	-	39,644
Prepaid Items	-	-	343,982	343,982
Restricted Fund Balances	-	-	19,127	19,127
Assigned Fund Balances	<u>25,963</u>	<u>12,205,484</u>	<u>1,875,410</u>	<u>14,106,857</u>
Total Fund Balance	<u>65,607</u>	<u>12,205,484</u>	<u>2,238,519</u>	<u>14,509,610</u>
Total Liabilities and Fund Balances	<u>\$ 616,261</u>	<u>\$ 12,205,484</u>	<u>\$ 2,319,627</u>	<u>\$ 15,141,372</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTCOMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

ITEM 19

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenues:				
Federal Revenue	\$ 485,422	\$ -	\$ -	\$ 485,422
Other State Revenue	31,368	61,375	586	93,329
Other Local Revenue	2,092,909	14,075,199	1,363,979	17,532,087
Total Revenues	<u>2,609,699</u>	<u>14,136,574</u>	<u>1,364,565</u>	<u>18,110,838</u>
Expenditures:				
Current:				
Pupil Services	2,871,432	-	-	2,871,432
General Administration	-	-	38,948	38,948
Plant Services	-	-	548,572	548,572
Capital Outlay	-	-	620,719	620,719
Debt Service:				
Principal	-	10,305,000	288,040	10,593,040
Interest	-	15,058,853	55,942	15,114,795
Total Expenditures	<u>2,871,432</u>	<u>25,363,853</u>	<u>1,552,221</u>	<u>29,787,506</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(261,733)</u>	<u>(11,227,279)</u>	<u>(187,656)</u>	<u>(11,676,668)</u>
Other Financing Sources (Uses):				
Transfers In	30,604	6,847,340	-	6,877,944
Other Sources	-	2,764,497	-	2,764,497
Total Other Financing Sources (Uses)	<u>30,604</u>	<u>9,611,837</u>	<u>-</u>	<u>9,642,441</u>
Net Change in Fund Balance	(231,129)	(1,615,442)	(187,656)	(2,034,227)
Fund Balance, July 1	296,736	13,820,926	2,426,175	16,543,837
Fund Balance, June 30	<u>\$ 65,607</u>	<u>\$ 12,205,484</u>	<u>\$ 2,238,519</u>	<u>\$ 14,509,610</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTCOMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2017

ITEM 19

	Adult Education Fund	Cafeteria Fund
ASSETS:		
Cash in County Treasury	\$ 106,712	\$ 187,421
Cash on Hand and in Banks	-	142,490
Accounts Receivable	151	82,556
Due from Other Funds	720	30,604
Stores Inventories	-	39,644
Total Assets	<u>107,583</u>	<u>482,715</u>
LIABILITIES AND FUND BALANCE:		
Liabilities:		
Accounts Payable	\$ -	\$ 22,133
Due to Other Funds	107,583	300,548
Unearned Revenue	-	120,390
Total Liabilities	<u>107,583</u>	<u>443,071</u>
Fund Balance:		
Nonspendable Fund Balances:		
Stores Inventories	-	39,644
Assigned Fund Balances	-	-
Total Fund Balance	<u>-</u>	<u>39,644</u>
Total Liabilities and Fund Balances	<u>\$ 107,583</u>	<u>\$ 482,715</u>

EXHIBIT C-3

ITEM 19

Deferred Maintenance Fund	Pupil Transportation Equipment Fund	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
\$ 3,201	\$ 22,608	\$ 319,942
-	-	142,490
10	144	82,861
-	-	31,324
-	-	39,644
<u>3,211</u>	<u>22,752</u>	<u>616,261</u>
\$ -	\$ -	\$ 22,133
-	-	408,131
-	-	120,390
<u>-</u>	<u>-</u>	<u>550,654</u>
-	-	39,644
<u>3,211</u>	<u>22,752</u>	<u>25,963</u>
<u>3,211</u>	<u>22,752</u>	<u>65,607</u>
<u>\$ 3,211</u>	<u>\$ 22,752</u>	<u>\$ 616,261</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTCOMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

ITEM 19

	Adult Education Fund	Cafeteria Fund
	<u> </u>	<u> </u>
Revenues:		
Federal Revenue	\$ -	\$ 485,422
Other State Revenue	-	31,368
Other Local Revenue	-	2,091,901
Total Revenues	<u>-</u>	<u>2,608,691</u>
Expenditures:		
Current:		
Pupil Services	-	2,771,622
Total Expenditures	<u>-</u>	<u>2,771,622</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(162,931)</u>
Other Financing Sources (Uses):		
Transfers In	-	30,604
Total Other Financing Sources (Uses)	<u>-</u>	<u>30,604</u>
Net Change in Fund Balance	-	(132,327)
Fund Balance, July 1	<u>-</u>	<u>171,971</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 39,644</u>

EXHIBIT C-4

ITEM 19

Deferred Maintenance Fund	Pupil Transportation Equipment Fund	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
\$ -	\$ -	\$ 485,422
-	-	31,368
<u>32</u>	<u>976</u>	<u>2,092,909</u>
<u>32</u>	<u>976</u>	<u>2,609,699</u>
-	99,810	2,871,432
<u>-</u>	<u>99,810</u>	<u>2,871,432</u>
32	(98,834)	(261,733)
-	-	30,604
<u>-</u>	<u>-</u>	<u>30,604</u>
32	(98,834)	(231,129)
3,179	121,586	296,736
<u>\$ 3,211</u>	<u>\$ 22,752</u>	<u>\$ 65,607</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTCOMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2017

ITEM 19

	Bond Interest & Redemption	Blended Component Unit	Total Nonmajor Debt Service Funds (See Exhibit C-1)
ASSETS:			
Cash in County Treasury	\$ 12,205,484	\$ -	\$ 12,205,484
Total Assets	<u>12,205,484</u>	<u>-</u>	<u>12,205,484</u>
LIABILITIES AND FUND BALANCE:			
Liabilities:			
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:			
Assigned Fund Balances	\$ 12,205,484	\$ -	\$ 12,205,484
Total Fund Balance	<u>12,205,484</u>	<u>-</u>	<u>12,205,484</u>
Total Liabilities and Fund Balances	<u>\$ 12,205,484</u>	<u>\$ -</u>	<u>\$ 12,205,484</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTCOMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

ITEM 19

	Bond Interest & Redemption	Blended Component Unit	Total Nonmajor Debt Service Funds (See Exhibit C-2)
Revenues:			
Other State Revenue	\$ 61,375	\$ -	\$ 61,375
Other Local Revenue	14,075,199	-	14,075,199
Total Revenues	<u>14,136,574</u>	<u>-</u>	<u>14,136,574</u>
Expenditures:			
Current:			
Debt Service:			
Principal	7,010,000	3,295,000	10,305,000
Interest	11,506,513	3,552,340	15,058,853
Total Expenditures	<u>18,516,513</u>	<u>6,847,340</u>	<u>25,363,853</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,379,939)</u>	<u>(6,847,340)</u>	<u>(11,227,279)</u>
Other Financing Sources (Uses):			
Transfers In	-	6,847,340	6,847,340
Other Sources	2,764,497	-	2,764,497
Total Other Financing Sources (Uses)	<u>2,764,497</u>	<u>6,847,340</u>	<u>9,611,837</u>
Net Change in Fund Balance	(1,615,442)	-	(1,615,442)
Fund Balance, July 1	13,820,926	-	13,820,926
Fund Balance, June 30	<u>\$ 12,205,484</u>	<u>\$ -</u>	<u>\$ 12,205,484</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTCOMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2017

ITEM 19

	Capital Facilities Fund	County School Facilities Fund	Special Reserve Capital Outlay Fund	Total Nonmajor Capital Projects Funds (See Exhibit C-1)
ASSETS:				
Cash in County Treasury	\$ 1,473,992	\$ 19,070	\$ 27,344	\$ 1,520,406
Accounts Receivable	455,101	57	81	455,239
Prepaid Expenditures	343,982	-	-	343,982
Total Assets	<u>2,273,075</u>	<u>19,127</u>	<u>27,425</u>	<u>2,319,627</u>
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Accounts Payable	\$ 81,108	\$ -	\$ -	\$ 81,108
Total Liabilities	<u>81,108</u>	<u>-</u>	<u>-</u>	<u>81,108</u>
Fund Balance:				
Nonspendable Fund Balances:				
Prepaid Items	343,982	-	-	343,982
Restricted Fund Balances	-	19,127	-	19,127
Assigned Fund Balances	1,847,985	-	27,425	1,875,410
Total Fund Balance	<u>2,191,967</u>	<u>19,127</u>	<u>27,425</u>	<u>2,238,519</u>
Total Liabilities and Fund Balances	<u>\$ 2,273,075</u>	<u>\$ 19,127</u>	<u>\$ 27,425</u>	<u>\$ 2,319,627</u>

EXHIBIT C-8

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTCOMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

ITEM 19

	Capital Facilities Fund	County School Facilities Fund	Special Reserve Capital Outlay Fund	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
Revenues:				
Other State Revenue	\$ 586	\$ -	\$ -	\$ 586
Other Local Revenue	1,363,507	194	278	1,363,979
Total Revenues	<u>1,364,093</u>	<u>194</u>	<u>278</u>	<u>1,364,565</u>
Expenditures:				
Current:				
General Administration	38,948	-	-	38,948
Plant Services	548,572	-	-	548,572
Capital Outlay	620,719	-	-	620,719
Debt Service:				
Principal	288,040	-	-	288,040
Interest	55,942	-	-	55,942
Total Expenditures	<u>1,552,221</u>	<u>-</u>	<u>-</u>	<u>1,552,221</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(188,128)</u>	<u>194</u>	<u>278</u>	<u>(187,656)</u>
Net Change in Fund Balance	(188,128)	194	278	(187,656)
Fund Balance, July 1	2,380,095	18,933	27,147	2,426,175
Fund Balance, June 30	<u>\$ 2,191,967</u>	<u>\$ 19,127</u>	<u>\$ 27,425</u>	<u>\$ 2,238,519</u>

ITEM 19

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.

ITEM 19

Supplementary Information Section

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTLOCAL EDUCATION AGENCY
ORGANIZATION STRUCTURE
JUNE 30, 2017

ITEM 19

The San Dieguito Union School District was established in 1936 and is comprised of an area of approximately 85 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 five comprehensive middle schools for grades seven through eight, four comprehensive high schools for grades nine through twelve, and one continuation high school. The district also operates an adult education program.

<u>Governing Board</u>		
<u>Name</u>	<u>Office</u>	<u>Term and Term Expiration</u>
Amy Herman	President	Four Year Term Expires December 2018
Joyce Dalessandro	Vice President	Four Year Term Expires December 2020
Beth Hergesheimer	Clerk	Four Year Term Expires December 2020
John Salazar	Trustee	Four Year Term Expires December 2018
Maureen "Mo" Muir	Trustee	Four Year Term Expires December 2018

<u>Administration</u>
Eric R. Dill Superintendent
Vacant Associate Superintendent Business Services
Michael Grove, Ed. D. Associate Superintendent Educational Services
Mark Miller Associate Superintendent Administrative Services
Torrie Norton Associate Superintendent Human Resources

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTSCHEDULE OF AVERAGE DAILY ATTENDANCE
YEAR ENDED JUNE 30, 2017

TABLE D-1

ITEM 19

	Second Period Report		Annual Report	
	Original	Revised	Original	Revised
Grades 7 and 8:				
Regular ADA	3,920.22	N/A	3,911.29	N/A
Extended Year Special Education	2.83	N/A	2.83	N/A
Nonpublic, Nonsectarian Schools	11.79	N/A	10.23	N/A
Extended Year - Nonpublic	1.55	N/A	1.55	N/A
Grades 7 and 8 Totals	<u>3,936.39</u>	<u>N/A</u>	<u>3,925.90</u>	<u>N/A</u>
Grades 9-12:				
Regular ADA	8,422.26	N/A	8,353.04	N/A
Extended Year Special Education	6.61	N/A	6.61	N/A
Nonpublic, Nonsectarian Schools	34.87	N/A	30.14	N/A
Extended Year - Nonpublic	5.51	N/A	5.48	N/A
Grades 9-12 Totals	<u>8,469.25</u>	<u>N/A</u>	<u>8,395.27</u>	<u>N/A</u>
ADA Totals	<u>12,405.64</u>	<u>N/A</u>	<u>12,321.17</u>	<u>N/A</u>

N/A - There were no audit findings which resulted in necessary revisions to attendance.

Average daily attendance is a measurement of the number of pupils attending classes of the district or charter school. 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 and charter schools. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTSCHEDULE OF INSTRUCTIONAL TIME
YEAR ENDED JUNE 30, 2017

TABLE D-2

ITEM 19

<u>Grade Level</u>	<u>Ed. Code 46207 Minutes Requirement</u>	<u>2016-17 Actual Minutes</u>	<u>Number of Days Traditional Calendar</u>	<u>Number of Days Multitrack Calendar</u>	<u>Status</u>
Grade 7	54,000	60,615	180	-	Complied
Grade 8	54,000	60,615	180	-	Complied
Grade 9	64,800	65,422	180	-	Complied
Grade 10	64,800	65,422	180	-	Complied
Grade 11	64,800	65,422	180	-	Complied
Grade 12	64,800	65,422	180	-	Complied

School districts and charter schools must maintain their instructional minutes as defined in Education Code Section 46207. 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. The District met or exceeded its target funding.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTSCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
YEAR ENDED JUNE 30, 2017

TABLE D-3

ITEM 19

General Fund	Budget 2018 (See Note 1)	2017	2016	2015
Revenues and other financial sources	\$ 130,149,789	\$ 135,231,507	\$ 128,005,715	\$ 115,167,696
Expenditures, other uses and transfers out	137,556,457	138,085,432	123,745,499	113,371,198
Change in fund balance (deficit)	(7,406,668)	(2,853,925)	4,260,216	1,796,498
Ending fund balance	\$ 15,399,909	\$ 22,806,577	\$ 25,660,502	\$ 21,400,286
Available reserves (See Note 2)	\$ 12,705,196	\$ 19,931,760	\$ 23,190,296	\$ 19,723,539
Available reserves as a percentage of total outgo (See Note 3)	9.2%	14.4%	18.7%	17.9%
Total long-term debt	\$ 574,105,316	\$ 582,850,701	\$ 476,207,572	\$ 471,221,300
Average daily attendance at P-2	12,617	12,406	12,211	12,119

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 balance has increased by \$3,202,789 over the past three years. The fiscal year 2017-18 budget projects a decrease of \$7,406,668. 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).

Total long-term debt has increased by \$111,629,401 over the past two years.

Average daily attendance has increased by 287 over the past two years.

Notes:

- Budget 2018 is included for analytical purposes only and has not been subjected to audit.
- Available reserves consist of all assigned fund balances, unassigned fund balances, and all funds reserved for economic uncertainties contained within the General Fund.
- 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.
- On behalf payments of \$5,145,466, \$3,986,733, and \$3,075,827, have been excluded from the calculation of available reserves for the fiscal years ending June 30, 2017, 2016, and 2015.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICTRECONCILIATION OF ANNUAL FINANCIAL AND BUDGET
REPORT WITH AUDITED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**TABLE D-4****ITEM 19**

	General Fund	Special Reserve Fund for Other Than Capital Outlay (Fund 17)
June 30, 2017, annual financial and budget report fund balances	\$ 22,806,577	\$ 2,505,050
Adjustments and reclassifications:		
Increasing (decreasing) the fund balance:		
Inclusion for reporting purposes under GASB 54	2,505,050	(2,505,050)
Net adjustments and reclassifications	2,505,050	(2,505,050)
June 30, 2017, audited financial statement fund balances	\$ 25,311,627	\$ -
	Schedule of Long-Term Debt	
June 30, 2017 annual financial and budget report total liabilities	\$ 557,026,822	
Adjustments and reclassifications:		
Increase (decrease) in total liabilities:		
General obligation bonds overstatement	(433,387)	
Special tax bonds understatement	448,405	
Net pension liability understatement	25,808,861	
Net adjustments and reclassifications	25,823,879	
June 30, 2017 audited financial statement total liabilities	\$ 582,850,701	

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, 2017

TABLE D-5

ITEM 19

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 DISTRICTSCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

TABLE D-6

ITEM 19

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass- Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
CHILD NUTRITION CLUSTER:				
<u>U. S. Department of Agriculture</u>				
Passed Through State Department of Education:				
School Breakfast Program	10.553	13525	\$ -	\$ 112,869
Non-Cash Commodities	10.555	13396	-	92,184
National School Lunch Section 11	10.555	13396	-	233,890
National School Lunch Section 4	10.555	13523	-	45,489
Total Passed Through State Department of Education			-	484,432
Total U. S. Department of Agriculture			-	484,432
Total Child Nutrition Cluster			-	484,432
SPECIAL EDUCATION (IDEA) CLUSTER:				
<u>U. S. Department of Education</u>				
Passed Through State Department of Education:				
Special Education Early Intervention	84.027	10119	-	79,073
Special Education	84.027	13379	-	1,797,935
Special Education Mental Health	84.027	14468	-	140,885
Total Passed Through State Department of Education			-	2,017,893
Total U. S. Department of Education			-	2,017,893
Total Special Education (IDEA) Cluster			-	2,017,893
OTHER PROGRAMS:				
<u>U. S. Department of Education</u>				
Passed Through State Department of Education:				
Title I Part A	84.010	14109	-	829,203
Vocational Education	84.048	14894	-	130,631
Workability	84.158	10006	-	213,679
Advanced Placement Testing	84.330	14831	-	15,922
Title III Limited English Proficiency	84.365	14346	-	53,219
Title III Immigrant Education	84.365	15146	-	30,766
Title II Teacher Quality	84.367	14341	-	197,264
Title II Administrator	84.367	14344	-	4,468
Total Passed Through State Department of Education			-	1,475,152
Total U. S. Department of Education			-	1,475,152
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ -	\$ 3,977,477

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, 2017

ITEM 19

Basis of Presentation

The accompanying schedule of expenditures of federal awards ("the Schedule") includes the federal grant activity of San Dieguito Union High School District. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore, some amounts may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Indirect Cost Rate

Indirect costs were calculated in accordance with 2 CFR §200.412 Direct and Indirect Costs. The District used an indirect cost rate of 4.77% based on the rate approved by the California Department of Education for each program which did not have a pre-defined allowable indirect cost rate. The School did not elect to use the 10% de minimis cost rate as covered in 2 CFR §200.414 Indirect Costs. The following programs utilized a lower indirect cost rate based on program restrictions or other factors determined by the District:

<u>Program</u>	<u>CFDA #</u>	<u>Indirect Cost Rate</u>
Title III Limited English Proficiency	84.365	2.00%
Carl D. Perkins	84.048	3.50%

Schoolwide Program

The District does not operate a schoolwide program at any site.

ITEM 19

Other Independent Auditor's Reports

P. Robert Wilkinson, CPA
Brian K. Hadley, CPA



Aubrey W. King, CPA
Kevin A. Sproul, CPA

ITEM 19

Independent Auditor's 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, in accordance with the 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, 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, 2017, and the related notes to the financial statements, which collectively comprise San Dieguito Union High School District's basic financial statements, and have issued our report thereon dated December 13, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the San Dieguito Union High School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the San Dieguito Union High School District's internal control.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the San Dieguito Union High School District's financial statements are free from 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*.

Purpose of this Report

ITEM 19

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wilkinson Hadley King & Co., LLP

El Cajon, California
December 13, 2017

P. Robert Wilkinson, CPA
Brian K. Hadley, CPA



Aubrey W. King, CPA
Kevin A. Sproul, CPA

ITEM 19

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

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

Members of the Board of Trustees:

Report on Compliance for Each Major Federal Program

We have audited the San Dieguito Union High School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the San Dieguito Union High School District's major federal programs for the year ended June 30, 2017. 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.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of San Dieguito Union High School District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 the 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the San Dieguito Union High School District's compliance.

Opinion on Each Major Federal Program

In our opinion, the San Dieguito Union High School District complied, in all material respects, with the types of 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, 2017.

Report on Internal Control Over Compliance

ITEM 19

Management of the San Dieguito Union High School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the San Dieguito Union High School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 the San Dieguito Union High School District's internal control over compliance.

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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Wilkinson Hadley King & Co., LLP

El Cajon, California
December 13, 2017



P. Robert Wilkinson, CPA
Brian K. Hadley, CPA

Aubrey W. King, CPA
Kevin A. Sproul, CPA

ITEM 19

Independent Auditor's Report on State Compliance

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

Members of the Board of Trustees:

Report on State Compliance

We have audited the District's compliance with the types of compliance requirements described in the *2016-17 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, Section 19810 that could have a direct and material effect on each of the District's state programs identified below for the fiscal year ended June 30, 2017.

Management's Responsibility for State Compliance

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each applicable program as identified in the State's audit guide, *2016-17 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* prescribed in Title 5, *California Code of Regulations*, Section 19810. 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 the State's audit guide, *2016-17 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, Section 19810. Those standards and audit guide 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 direct and material effect on the state programs noted 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:

	Procedures in Audit Guide Performed?
--	--

**LOCAL EDUCATION AGENCIES
OTHER THAN CHARTER SCHOOLS:**

Attendance Accounting:	
Attendance Reporting	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	N/A
Independent Study	No
Continuation Education	Yes

Instructional Time	Yes
Instructional Materials.....	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	N/A
GANN Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	N/A
Middle or Early College High Schools	N/A
K-3 Grade Span Adjustment	N/A
Transportation Maintenance of Effort	Yes
Mental Health Expenditures	Yes

SCHOOL DISTRICTS, COUNTY OFFICES OF EDUCATION, AND CHARTER SCHOOLS:

Educator Effectiveness	Yes
California Clean Energy Jobs Act	Yes
After School Education and Safety Program:	
After School	N/A
Before School	N/A
General Requirements	N/A
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	N/A
Immunizations	Yes

CHARTER SCHOOLS:

Attendance	N/A
Mode of Instruction	N/A
Nonclassroom-Based Instruction/Independent Study	N/A
Determination of Funding for Nonclassroom-Based Instruction	N/A
Annual Instructional Minutes - Classroom Based	N/A
Charter School Facility Grant Program	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. The procedure was not required to be performed since the ADA was below that which requires testing.

Opinion on State Compliance

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, 2017.

Purpose of This Report

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The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion of the effectiveness of the entity's internal control or on compliance outside of the items tested as noted above. This report is an integral part of an audit performed in accordance with the *2016-17 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* prescribed in Title 5, *California Code of Regulations*, Section 19810 in considering the entity's compliance. Accordingly, this communication is not suitable for any other purpose.

Wilkinson Hadley King & Co., LLP

El Cajon, California
December 13, 2017

ITEM 19

Findings and Recommendations Section

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017

ITEM 19

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weaknesses identified? Yes NoOne or more significant deficiencies identified that are not considered to be material weaknesses? Yes None ReportedNoncompliance material to financial statements noted? Yes No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified? Yes NoOne or more significant deficiencies identified that are not considered to be material weaknesses? Yes None ReportedType of auditor's report issued on compliance for major programs: UnmodifiedAny audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200? Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555 84.027, 84.173	Child Nutrition Cluster Special Education Cluster

Dollar threshold used to distinguish between type A and type B programs: \$750,000Auditee qualified as low-risk auditee? Yes No

3. State Awards

Any audit findings disclosed that are required to be reported in accordance with the state's Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting? Yes NoType of auditor's report issued on compliance for state programs: Unmodified

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017

ITEM 19

B. Financial Statement Findings

NONE

C. Federal Award Findings and Questioned Costs

NONE

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, 2017

ITEM 19

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>Management's Explanation If Not Implemented</u>
<p>Finding 2016-001 (30000) Student Body Funds</p> <p>In our review of the receipts and deposits at Pacific Trails Middle School, we noted five out of six deposits had inadequate support for the cash collected as no cash transmittal forms or other support for the deposits were available. The point of sale system is not being utilized properly and effectively for the collection and documentation of individual sales and fundraiser receipts. Also sales of merchandise do not have proper support documentation such as cash transmittal forms.</p> <p>Provide inservice training on the point of sale system to the individuals involved in daily student body account operations, including clerks and advisors. Ensure all individual student sales are processed and receipted through the point of sale system and establish procedures to utilize a proper cash transmittal form for all other group fundraiser and event sales. All other outside fundraiser and event sales should have proper support in the form of a cash transmittal completed and signed by the individual collecting the funds with an additional verification signature by the individual receiving the funds for subsequent deposit. All outside fundraiser and event sales should also be posted to the point of sale system upon receipt.</p>	<p>Implemented</p>	

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 11, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Douglas B. Gilbert, Director of Purchasing/Risk Mgt.
Tina Douglas, Associate Superintendent of Business

SUBMITTED BY: Eric R. Dill, Superintendent

SUBJECT: **ADOPTION OF RESOLUTION / TAX-EXEMPT
LEASE PURCHASE AGREEMENT**

EXECUTIVE SUMMARY

On December 20, 2017, eight proposals were received for a Tax-Exempt Lease Purchase Agreement for the lease purchase of six (6) school buses to replace aging equipment and resolve infrastructure issues related to the equipment. The proposals were reviewed by district staff for compliance and scored according to what would be the lowest overall cost for the District. The total cost of the equipment is \$856,145.98 plus costs of issuance of approximately \$10,250.00 for an estimated total of \$866,395.98. The District is in the process of seeking credit approval for \$871,000.00 to allow for a small contingency in the event additional costs are incurred. US Bancorp Government Leasing and Finance, Inc. submitted the best overall financing based on price, terms and certainty of meeting the District's objectives. The Tax-Exempt Lease Purchase Agreement calls for a 6 year, fixed interest rate loan with an all-inclusive cost (includes interest cost and costs of issuance) of 3.20%. Annual payments on \$866,395.98 are approximately \$158,000.00 for a total repayment of approximately \$948,000.00. The lease purchase obligation is "callable" on any payment date at 103% of principal outstanding after payment date.

RECOMMENDATION:

Adopt the attached resolution authorizing a Tax-Exempt Lease Purchase Agreement with US Bancorp Government Leasing and Finance, Inc., for the lease purchase of six school buses at the pricing structure, terms, and conditions stated in the agreement, and authorize Douglas B. Gilbert, Tina M. Douglas, or Eric R. Dill to execute any necessary documents.

FUNDING SOURCE:

General Fund 01-00

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**RESOLUTION OF THE BOARD OF TRUSTEES OF SAN DIEGUITO UNION
HIGH SCHOOL DISTRICT AUTHORIZING THE EXECUTION AND DELIVERY
OF A MASTER LEASE/PURCHASE AGREEMENT WITH RESPECT TO THE
ACQUISITION, PURCHASE, FINANCING AND LEASING OF CERTAIN
EQUIPMENT FOR THE PUBLIC BENEFIT; AUTHORIZING THE EXECUTION
AND DELIVERY OF DOCUMENTS REQUIRED IN CONNECTION
THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS
NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS
CONTEMPLATED HEREBY**

WHEREAS, the San Dieguito Union High School District ("District") desires to obtain certain equipment ("Equipment") described in the Equipment Schedule to the Master Tax-Exempt Lease Purchase Agreement (collectively, the "Agreement") proposed to be entered into with U.S. Bancorp Government Leasing and Finance, Inc. ("Bank"); and

WHEREAS, the Equipment is essential for the Lessee to perform its governmental functions;
and

WHEREAS, the District has taken the necessary steps, including those relating to any applicable legal bidding requirements, to arrange for the acquisition of the Equipment and has by separate action on the date hereof approved the purchase of the Equipment; and

WHEREAS, in order to acquire the financing for such Equipment, the District proposes to enter into the Agreement, the form of which has been presented to the District Board at this meeting, along with associated schedules and exhibits, and if necessary, an Escrow Agreement to be entered into by and among the District, the Lessor, and U.S. Bank National Association, as escrow agent (the "Escrow Agreement" and, collectively with the Agreement, the "Financing Agreements"); and

WHEREAS, the Board deems it for the benefit of the District and for the efficient and effective administration thereof to enter into the Financing Agreements and the documentation related to the financing of the Equipment on the terms and conditions therein provided.

Now, therefore, be it hereby resolved by the Board of Trustees as follows:

Section 1. *Best Interest of District.* The Board finds and determines pursuant to Education Code section 17597 et seq. that the Equipment is a major item of equipment and that financing of the Equipment is the most economical means of providing the Equipment to the District.

Section 2. *Approval of Documents.* The form, terms and provisions of the Financing Agreements are hereby approved in substantially the forms presented at this meeting, with such insertions, omissions and changes as shall be approved by the Superintendent, the Associate Superintendent, Business Services, the Director of Purchasing of the District or other members of the governing body of the District executing the same, the execution of such documents being conclusive evidence of such approval; and the Superintendent and Associate Superintendent, Business Services and the Director of Purchasing of the District are hereby authorized and directed to execute, and the President or Clerk of the Board is hereby authorized and directed to attest, the Financing Agreements and any related Exhibits or Certificates attached thereto and to deliver the Financing Agreements (including such Exhibits or Certificates) to the respective parties thereto. In no event shall the total principal amount of the financing exceed \$871,000 nor shall the interest rate on the financing exceed 3.2%.

Section 3. *Other Actions Authorized.* The officers and employees of the District shall take all action necessary or reasonably required by the parties to the Financing Agreements to

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carry out, give effect to and consummate the transactions contemplated thereby (including selection of an escrow agent, and the execution and delivery of acceptance certificates, closing certificates, disbursement requests and any tax certificate and agreement reasonably required by the Lessor or as contemplated in the Financing Agreements) and to take all action necessary in conformity therewith.

Section 4. *No General Liability.* Nothing contained in this Resolution, the Financing Agreements nor any other instrument shall be construed with respect to the District as incurring a pecuniary liability or charge upon the general credit of the District or against its taxing power, nor shall the breach of any agreement contained in this Resolution, the Financing Agreements or any other instrument or document executed in connection therewith impose any pecuniary liability upon the District or any charge upon its general credit or against its taxing power, except to the extent that the Rental Payments payable under the Agreement are limited obligations of the District, subject to annual appropriation by its governing body, as provided in the Agreement.

Section 5. *Appointment of Authorized District Representatives.* The Superintendent and Associate Superintendent, Business Services of the District are each hereby designated to act as authorized representatives of the District for purposes of the Financing Agreements until such time as the governing body of the District shall designate any other or different authorized representative for purposes of said Agreements.

Section 6. *Severability.* If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. *Effective Date.* This Resolution shall be effective immediately upon its approval and adoption.

Adopted and Approved by the governing body of the District this 18th day of January, 2018.

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

San Dieguito Union High School District

By: _____
Beth Hergesheimer
President of the Board of Trustees

Attest:

By: _____
Eric R. Dill
Secretary, Board of Trustees

ITEM 20

Master Tax-Exempt Lease/Purchase Agreement

Between: U.S. Bancorp Government Leasing and Finance, Inc. (the "Lessor")
13010 SW 68th Parkway, Suite 100
Portland, OR 97223

And: San Dieguito Union High School District (the "Lessee")
710 Encinitas Blvd.
Encinitas, CA 92024
Attention: Delores Perley
Telephone: 760-753-6491x5561

Dated: January 31, 2018

ARTICLE I DEFINITIONS

The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"**Agreement**" means this Master Tax-Exempt Lease/Purchase Agreement, including all exhibits and schedules attached hereto.

"**Code**" is defined in Section 3.01(f).

"**Commencement Date**" is the date when the term of a Property Schedule and Lessee's obligation to pay rent thereunder commences, which date shall be set forth in such Property Schedule.

"**Event of Default**" is defined in Section 13.01.

"**Lease Payments**" means the Lease Payments payable by Lessee under Article VI of this Agreement and each Property Schedule, as set forth in each Property Schedule.

"**Lease Payment Dates**" means the Lease Payment dates for the Lease Payments as set forth in each Property Schedule.

"**Lease Term**" means, with respect to a Property Schedule, the Original Term and all Renewal Terms. The Lease Term for each Property Schedule executed hereunder shall be set forth in such Property Schedule, as provided in Section 4.02.

"**Lessee**" means the entity identified as such in the first paragraph hereof, and its permitted successors and assigns.

"**Lessor**" means the entity identified as such in the first paragraph hereof, and its successors and assigns.

"**Nonappropriation Event**" is defined in Section 6.06.

"**Original Term**" means, with respect to a Property Schedule, the period from the Commencement Date until the end of the budget year of Lessee in effect at the Commencement Date.

"**Property**" means, collectively, the property lease/purchased pursuant to this Agreement, and with respect to each Property Schedule, the property described in such Property Schedule, and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to Section 8.01 or Article IX.

"**Property Schedule**" means a Property Schedule in the form attached hereto for Property Schedule 1. Subsequent Property Schedules pursuant to this Agreement shall be numbered consecutively, beginning with Property Schedule 2.

"**Purchase Price**" means the amount that Lessee may, in its discretion, pay to Lessor to purchase the Property under a Property Schedule, as provided in Section 11.01 and as set forth in the Property Schedule.

"**Renewal Terms**" means the renewal terms of a Property Schedule, each having a duration of one year and a term coextensive with Lessee's budget year.

"**State**" means the state where Lessee is located.

"**Vendor**" means the manufacturer or contractor of the Property as well as the agents or dealers of the manufacturer or contractor from whom Lessor or Lessee purchased or is purchasing all or any portion of the Property.

ARTICLE II

2.01 Property Schedules Separate Financings. Each Property Schedule executed and delivered under this Agreement shall be a separate financing, distinct from other Property Schedules. Without limiting the foregoing, upon the occurrence of an Event of Default or a Nonappropriation Event with respect to a Property Schedule, Lessor shall have the rights and remedies specified herein with respect to the Property financed and the Lease Payments payable under such Property Schedule, and except as expressly provided in Section 12.02 below, Lessor shall have no rights or remedies with respect to Property financed or Lease Payments payable under any other Property Schedules unless an Event of Default or Nonappropriation Event has also occurred under such other Property Schedules.

ARTICLE III

3.01 Covenants of Lessee. As of the Commencement Date for each Property Schedule executed and delivered hereunder, Lessee shall be deemed to represent, covenant and warrant for the benefit of Lessor as follows:

- (a) Lessee is a public body corporate and politic duly organized and existing under the constitution and laws of the State with full power and authority to enter into this Agreement and the Property Schedule and the transactions contemplated thereby and to perform all of its obligations thereunder.
- (b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic. To the extent Lessee should merge with another entity under the laws of the State, Lessee agrees that as a condition to such merger it will require that the remaining or resulting entity shall be assigned Lessee's rights and shall assume Lessee's obligations hereunder.
- (c) Lessee has been duly authorized to execute and deliver this Agreement and the Property Schedule by proper action by its governing body, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Agreement and the Property Schedule, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the Property Schedule and the acquisition by Lessee of the Property thereunder. On or before the Commencement Date for the Property Schedule, Lessee shall cause to be delivered an opinion of counsel in substantially the form attached to the form of the Property Schedule as Exhibit 2.

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- (d) During the Lease Term for the Property Schedule, the Property thereunder will perform and will be used by Lessee only for the purpose of performing essential governmental uses and public functions within the permissible scope of Lessee's authority.
- (e) Lessee will provide Lessor with current financial statements, budgets and proof of appropriation for the ensuing budget year and other financial information relating to the ability of Lessee to continue this Agreement and the Property Schedule in such form and containing such information as may be requested by Lessor.
- (f) Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), including Sections 103 and 148 thereof, and the regulations of the Treasury Department thereunder, from time to time proposed or in effect, in order to maintain the excludability from gross income for federal income tax purposes of the interest component of Lease Payments under the Property Schedule and will not use or permit the use of the Property in such a manner as to cause a Property Schedule to be a "private activity bond" under Section 141(a) of the Code. Lessee covenants and agrees that it will use the proceeds of the Property Schedule as soon as practicable and with all reasonable dispatch for the purpose for which the Property Schedule has been entered into, and that no part of the proceeds of the Property Schedule shall be invested in any securities, obligations or other investments except for the temporary period pending such use nor used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of the Agreement, would have caused any portion of the Property Schedule to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) or Section 148 of the Code and the regulations of the Treasury Department thereunder proposed or in effect at the time of such use and applicable to obligations issued on the date of issuance of the Property Schedule.
- (g) The execution, delivery and performance of this Agreement and the Property Schedule and compliance with the provisions hereof and thereof by Lessee does not conflict with or result in a violation or breach or constitute a default under, any resolution, bond, agreement, indenture, mortgage, note, lease or other instrument to which Lessee is a party or by which it is bound by any law or any rule, regulation, order or decree of any court, governmental agency or body having jurisdiction over Lessee or any of its activities or properties resulting in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any property or assets of Lessee or to which it is subject.
- (h) Lessee's exact legal name is as set forth on the first page of this Agreement. Lessee will not change its legal name in any respect without giving thirty (30) days prior notice to Lessor.

ARTICLE IV

4.01 Lease of Property. On the Commencement Date of each Property Schedule executed hereunder, Lessor will be deemed to demise, lease and let to Lessee, and Lessee will be deemed to rent, lease and hire from Lessor, the Property described in such Property Schedule, in accordance with this Agreement and such Property Schedule, for the Lease Term set forth in such Property Schedule.

4.02 Lease Term. The term of each Property Schedule shall commence on the Commencement Date set forth therein and shall terminate upon payment of the final Lease Payment set forth in such Property Schedule and the exercise of the Purchase Option described in Section 11.01, unless terminated sooner pursuant to this Agreement or the Property Schedule.

4.03 Delivery, Installation and Acceptance of Property. Lessee shall order the Property, shall cause the Property to be delivered and installed at the locations specified in the applicable Property Schedule and shall pay all taxes, delivery costs and installation costs, if any, in connection therewith. To the extent funds are deposited under an escrow agreement or trust agreement for the acquisition of the Property, such funds shall be disbursed as provided therein. When the Property described in such Property Schedule is delivered, installed and accepted as to Lessee's specifications, Lessee shall immediately accept the Property and evidence said acceptance by executing and delivering to Lessor the Acceptance Certificate substantially in the form attached to the Property Schedule.

ARTICLE V

5.01 Enjoyment of Property. Lessee shall during the Lease Term peaceably and quietly have, hold and enjoy the Property, without suit, trouble or hindrance from Lessor, except as expressly set forth in this Agreement. Lessor shall not interfere with such quiet use and enjoyment during the Lease Term so long as Lessee is not in default under the subject Property Schedule.

5.02 Location; Inspection. The Property will be initially located or based at the location specified in the applicable Property Schedule. Lessor shall have the right at all reasonable times during business hours to enter into and upon the property of Lessee for the purpose of inspecting the Property.

ARTICLE VI

6.01 Lease Payments to Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Lease Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional, statutory or charter limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the faith and credit or taxing power of Lessee. Upon the appropriation of Lease Payments for a fiscal year, the Lease Payments for said fiscal year, and only the Lease Payments for said current fiscal year, shall be a binding obligation of Lessee; provided that such obligation shall not include a pledge of the taxing power of Lessee.

6.02 Payment of Lease Payments. Lessee shall promptly pay Lease Payments under each Property Schedule, exclusively from legally available funds, in lawful money of the United States of America, to Lessor in such amounts and on such dates as described in the applicable Property Schedule, at Lessor's address set forth on the first page of this Agreement, unless Lessor instructs Lessee otherwise. Lessee shall pay Lessor a charge on any delinquent Lease Payments under a Property Schedule in an amount sufficient to cover all additional costs and expenses incurred by Lessor from such delinquent Lease Payment. In addition, Lessee shall pay a late charge of five cents per dollar or the highest amount permitted by applicable law, whichever is lower, on all delinquent Lease Payments and interest on said delinquent amounts from the date such amounts were due until paid at the rate of 12% per annum or the maximum amount permitted by law, whichever is less.

6.03 Interest Component. A portion of each Lease Payment due under each Property Schedule is paid as, and represents payment of, interest, and each Property Schedule hereunder shall set forth the interest component (or method of computation thereof) of each Lease Payment thereunder during the Lease Term.

6.04 Lease Payments to be Unconditional. SUBJECT TO SECTION 6.06, THE OBLIGATIONS OF LESSEE TO PAY THE LEASE PAYMENTS DUE UNDER THE PROPERTY SCHEDULES AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS CONTAINED HEREIN SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON, INCLUDING WITHOUT LIMITATION, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE PROPERTY OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES. THIS PROVISION SHALL NOT LIMIT LESSEE'S RIGHTS OR ACTIONS AGAINST ANY VENDOR AS PROVIDED IN SECTION 10.02.

6.05 Continuation of Lease by Lessee. Lessee intends to continue all Property Schedules entered into pursuant to this Agreement and to pay the Lease Payments thereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Lease Payments during the term of all Property Schedules can be obtained. Lessee agrees that its staff will provide during the budgeting process for each budget year to the governing body of Lessee notification of any Lease Payments due under the Property Schedules during the following budget year. Notwithstanding this covenant, if Lessee fails to appropriate the Lease Payments for a Property Schedule pursuant to Section 6.06, such Property Schedule shall terminate at the end of the then current Original Term or Renewal Term. Although Lessee has made this covenant, in the event that it fails to provide such notice, no remedy is provided and Lessee shall not be liable for any damages for its failure to so comply.

6.06 Nonappropriation. If during the then current Original Term or Renewal Term, sufficient funds are not appropriated to make Lease Payments required under a Property Schedule for the following fiscal year, Lessee shall be deemed to not have renewed such Property Schedule for the following fiscal year and the Property Schedule shall terminate at the end of the then current Original Term or Renewal Term and Lessee shall not be obligated to make Lease Payments under said Property Schedule beyond the then current fiscal year for which funds have been appropriated. Upon the occurrence of such nonappropriation (a "Nonappropriation Event") Lessee shall, no later than the end of the fiscal year for which Lease Payments have been appropriated, deliver possession of the Property under said Property Schedule to Lessor. If Lessee fails to deliver possession of the Property to Lessor upon termination of said Property Schedule by reason of a Nonappropriation Event, the termination shall nevertheless be effective but Lessee shall be responsible for the payment of damages in an amount equal to the portion of Lease Payments thereafter coming due that is attributable to the number of days after the termination during which the Lessee fails to deliver possession and for any other loss suffered by Lessor as a result of Lessee's failure to deliver possession as required. In addition, Lessor may, by written instructions to any escrow agent who is holding proceeds of the Property Schedule, instruct such escrow agent to

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release all such proceeds and any earnings thereon to Lessor, such sums to be credited to Lessee's obligations under the Property Schedule and this Agreement. Lessee shall notify Lessor in writing within seven (7) days after the failure of the Lessee to appropriate funds sufficient for the payment of the Lease Payments, but failure to provide such notice shall not operate to extend the Lease Term or result in any liability to Lessee.

6.07 Defeasance of Lease Payments. Lessee may at any time irrevocably deposit in escrow with a defeasance escrow agent for the purpose of paying all of the principal component and interest component accruing under a Property Schedule, a sum of cash and non-callable securities consisting of direct obligations of, or obligations the principal of an interest on which are unconditionally guaranteed by, the United States of America or any agency or instrumentality thereof, in such aggregate amount, bearing interest at such rates and maturing on such dates as shall be required to provide funds sufficient for this purpose. Upon such defeasance, all right, title and interest of Lessor in the Property under said Property Schedule shall terminate. Lessee shall cause such investment to comply with the requirements of federal tax law so that the exclusion from gross income of the interest component of Lease Payments on said Property Schedule is not adversely affected.

6.08 Gross-Up. If an Event of Taxability occurs with respect to a Property Schedule, the interest component of Lease Payments on the Property Schedule shall thereafter be payable at the Taxable Rate, and Lessee shall pay to Lessor promptly following demand an amount sufficient to supplement prior Lease Payments on such Property Schedule so that Lessor receives the interest component of such Lease Payments, retroactive to the date as of which the interest component is determined to be includable in the gross income of Lessor for federal income tax purposes, calculated at the Taxable Rate, together with any penalties and interest actually imposed on Lessor as a result of the Event of Taxability. For purposes of this Section, "Event of Taxability" means, with respect to a Property Schedule, (a) a final determination by the Internal Revenue Service or a court of competent jurisdiction that the interest component of Lease Payments on the Property Schedule is includable for federal income tax purposes in the gross income of Lessor, or (b) receipt by Lessor of a written opinion of a nationally recognized public finance lawyer or law firm to the effect that there exists substantial doubt whether the interest component of Lease Payments on the Property Schedule is excludable for federal income tax purposes from the gross income of Lessor, in each case due to any action or failure to take action by Lessee. "Taxable Rate" means the interest rate at which the interest component of Lease Payments on a Property Schedule was originally calculated, divided by 0.79.

ARTICLE VII

7.01 Title to the Property. Upon acceptance of the Property by Lessee and unless otherwise required by the laws of the State, title to the Property shall vest in Lessee, subject to Lessor's interests under the applicable Property Schedule and this Agreement.

7.02 Personal Property. The Property is and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Property or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. If requested by Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Property from any party having an interest in any such real estate or building.

7.03 Security Interest. To the extent permitted by law and to secure the performance of all of Lessee's obligations under this Agreement with respect to a Property Schedule, including without limitation all Property Schedules now existing are hereafter executed, Lessee grants to Lessor, for the benefit of Lessor and its successors and assigns, a security interest constituting a first lien on Lessee's interest in all of the Property under the Property Schedule, whether now owned or hereafter acquired, all additions, attachments, alterations and accessions to the Property, all substitutions and replacements for the Property, and on any proceeds of any of the foregoing, including insurance proceeds. Lessee shall execute any additional documents, including financing statements, affidavits, notices and similar instruments, in form and substance satisfactory to Lessor, which Lessor deems necessary or appropriate to establish, maintain and perfect a security interest in the Property in favor of Lessor and its successors and assigns. Lessee hereby authorizes Lessor to file all financing statements which Lessor deems necessary or appropriate to establish, maintain and perfect such security interest.

ARTICLE VIII

8.01 Maintenance of Property by Lessee. Lessee shall keep and maintain the Property in good condition and working order and in compliance with the manufacturer's specifications, shall use, operate and maintain the Property in conformity with all laws and regulations concerning the Property's ownership, possession, use and maintenance, and shall keep the Property free and clear of all liens and claims, other than those created by this Agreement. Lessee shall have sole responsibility to maintain and repair the Property. Should Lessee fail to maintain, preserve and keep the Property in good repair and working order and in accordance with manufacturer's specifications, and if requested by Lessor, Lessee will enter into maintenance contracts for the Property in form approved by Lessor and with approved providers.

8.02 Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee shall keep the Property free of all levies, liens and encumbrances, except for the interest of Lessor under this Agreement. The parties to this Agreement contemplate that the Property will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Property will be exempt from all property taxes. The Lease Payments payable by Lessee under this Agreement and the Property Schedules hereunder have been established to reflect the savings resulting from this exemption from taxation. Lessee will take such actions necessary under applicable law to obtain said exemption. Nevertheless, if the use, possession or acquisition of the Property is determined to be subject to taxation or later becomes subject to such taxes, Lessee shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to the Property. Lessee shall pay all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Property. Lessee shall pay such taxes or charges as the same may become due; provided that, with respect to any such taxes or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during the then current fiscal year of the Lease Term for such Property.

8.03 Insurance. At its own expense, Lessee shall maintain (a) casualty insurance insuring the Property against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount equal to at least the outstanding principal component of Lease Payments, and (b) liability insurance that protects Lessor from liability in all events in an amount reasonably acceptable to Lessor, and (c) worker's compensation insurance covering all employees working on, in, near or about the Property; provided that Lessee may self-insure against all such risks. All insurance proceeds from casualty losses shall be payable as hereinafter provided in this Agreement. All such insurance shall be with insurers that are authorized to issue such insurance in the State. All such liability insurance shall name Lessor as an additional insured. All such casualty insurance shall contain a provision making any losses payable to Lessor and Lessee as their respective interests may appear. All such insurance shall contain a provision to the effect that such insurance shall not be canceled or modified without first giving written notice thereof to Lessor and Lessee at least thirty (30) days in advance of such cancellation or modification. Such changes shall not become effective without Lessor's prior written consent. Lessee shall furnish to Lessor, on or before the Commencement Date for each Property Schedule, and thereafter at Lessor's request, certificates evidencing such coverage, or, if Lessee self-insures, a written description of its self-insurance program together with a certification from Lessee's risk manager or insurance agent or consultant to the effect that Lessee's self-insurance program provides adequate coverage against the risks listed above.

8.04 Advances. In the event Lessee shall fail to either maintain the insurance required by this Agreement or keep the Property in good repair and working order, Lessor may, but shall be under no obligation to, purchase the required insurance and pay the cost of the premiums thereof or maintain and repair the Property and pay the cost thereof. All amounts so advanced by Lessor shall constitute additional rent for the Lease Term for the applicable Property Schedule and shall be due and payable on the next Lease Payment Date and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the date such amounts are advanced until paid at the rate of 12% per annum or the maximum amount permitted by law, whichever is less.

ARTICLE IX

9.01 Damage or Destruction. If (a) the Property under a Property Schedule or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty, or (b) title to, or the temporary use of, the Property under a Property Schedule or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, Lessor and Lessee will cause the Net Proceeds (as hereinafter defined) of any insurance claim, condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Property, unless Lessee shall have exercised its right to defease the Property Schedule as provided herein, or unless Lessee shall have exercised its option to purchase Lessor's interest in the Property if the Property Schedule so provides. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee. For purposes of Section 8.03 and this Article IX, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim, condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof.

9.02 Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 9.01, Lessee shall (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds and, if Lessee shall make any payments pursuant to this Section, Lessee shall not be entitled to any reimbursement therefor from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Section 6.02, or (b) defease the Property Schedule pursuant to Section 6.07, or (c) exercise its option to purchase

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Lessor's interest in the Property pursuant to the optional purchase provisions of the Property Schedule, if any. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after such defeasance or purchase may be retained by Lessee.

ARTICLE X

10.01 Disclaimer of Warranties. LESSOR MAKES NO (AND SHALL NOT BE DEEMED TO HAVE MADE ANY) WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE DESIGN, OPERATION OR CONDITION OF, OR THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE PROPERTY, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE STATE OF TITLE THERETO OR ANY COMPONENT THEREOF, THE ABSENCE OF LATENT OR OTHER DEFECTS (WHETHER OR NOT DISCOVERABLE), AND LESSOR HEREBY DISCLAIMS THE SAME; IT BEING UNDERSTOOD THAT THE PROPERTY IS LEASED TO LESSEE "AS IS" ON THE DATE OF THIS AGREEMENT OR THE DATE OF DELIVERY, WHICHEVER IS LATER, AND ALL SUCH RISKS, IF ANY, ARE TO BE BORNE BY LESSEE. Lessee acknowledges that it has made (or will make) the selection of the Property from the Vendor based on its own judgment and expressly disclaims any reliance upon any statements or representations made by Lessor. Lessee understands and agrees that (a) neither the Vendor nor any sales representative or other agent of Vendor, is (i) an agent of Lessor, or (ii) authorized to make or alter any term or condition of this Agreement, and (b) no such waiver or alteration shall vary the terms of this Agreement unless expressly set forth herein. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement, the Property Schedules, or the existence, furnishing, functioning or use of any item, product or service provided for in this Agreement or the Property Schedules.

10.02 Vendor's Warranties. Lessor hereby irrevocably assigns to Lessee all rights that Lessor may have to assert from time to time whatever claims and rights (including without limitation warranties) related to the Property against the Vendor. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Property, and not against Lessor, nor shall such matter have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties of the Vendor of the Property.

10.03 Use of the Property. Lessee will not install, use, operate or maintain the Property improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement and the applicable Property Schedule. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Property. In addition, Lessee agrees to comply in all respects with all laws of the jurisdiction in which its operations involving any item of Property may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the items of the Property; provided that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Property or its interest or rights under this Agreement. Lessee shall promptly notify Lessor in writing of any pending or threatened investigation, inquiry, claim or action by any governmental authority which could adversely affect this Agreement, any Property Schedule or the Property thereunder.

10.04 Modifications. Subject to the provisions of this Section, Lessee shall have the right, at its own expense, to make alterations, additions, modifications or improvements to the Property. All such alterations, additions, modifications and improvements shall thereafter comprise part of the Property and shall be subject to the provisions of this Agreement. Such alterations, additions, modifications and improvements shall not in any way damage the Property, substantially alter its nature or cause it to be used for purposes other than those authorized under the provisions of state and federal law; and the Property, on completion of any alterations, additions, modifications or improvements made pursuant to this Section, shall be of a value which is equal to or greater than the value of the Property immediately prior to the making of such alterations, additions, modifications and improvements. Lessee shall, at its own expense, make such alterations, additions, modifications and improvements to the Property as may be required from time to time by applicable law or by any governmental authority.

ARTICLE XI

11.01 Option to Purchase. Lessee shall have the option to purchase Lessor's entire interest in all of the Property subject to a Property Schedule and to terminate any restrictions herein on the Property under such Property Schedule on the last day of the Lease Term for a Property Schedule, if the Property Schedule is still in effect on such day, upon payment in full of the Lease Payments due thereunder plus payment of One (1) Dollar to Lessor. Upon exercise of the purchase option as set forth in this Section 11.01 and payment of the purchase price under the applicable Property Schedule, and performance by Lessee of all other terms, conditions and provisions hereof, Lessor shall deliver to Lessee all such documents and instruments as Lessee may reasonably require to evidence the transfer, without warranty by or recourse to Lessor, of all of Lessor's right, title and interest in and to the Property subject to such Property Schedule to Lessee.

11.02 Option to Prepay. Lessee shall have the option to prepay in whole the Lease Payments due under a Property Schedule, but only if the Property Schedule so provides, and on the terms set forth in the Property Schedule. Lessee shall give written notice to Lessor of its intent to purchase Lessor's interest in the Property at least sixty (60) days prior to the last day of the Lease Term for applicable Property Schedule.

ARTICLE XII

12.01 Assignment by Lessor. Lessor's right, title and interest in, to and under each Property Schedule and the Property under such Property Schedule may be assigned and reassigned in whole or in part to one or more assignees or subassignees by Lessor without the necessity of obtaining the consent of Lessee; provided that any assignment shall not be effective until Lessee has received written notice, signed by the assignor, of the name, address and tax identification number of the assignee. Lessee shall retain all such notices as a register of all assignees and shall make all payments to the assignee or assignees designated in such register. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interests in this Agreement and the Property Schedules.

12.02 Property Schedules Separate Financings. Assignees of the Lessor's rights in one Property Schedule shall have no rights in any other Property Schedule unless such rights have been separately assigned.

12.03 Assignment and Subleasing by Lessee. NONE OF LESSEE'S RIGHT, TITLE AND INTEREST IN, TO AND UNDER THIS AGREEMENT AND IN THE PROPERTY MAY BE ASSIGNED, SUBLEASED OR ENCUMBERED BY LESSEE FOR ANY REASON, WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR.

12.04 Release and Indemnification Covenants. To the extent permitted by applicable law, Lessee shall indemnify, protect, hold harmless, save and keep harmless Lessor from and against any and all liability, obligation, loss, claim and damage whatsoever, regardless of cause thereof, and all expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest (collectively, "Losses") arising out of or resulting from the entering into this Agreement, any Property Schedules hereunder, the ownership of any item of the Property, the loss of federal tax exemption of the interest on any of the Property Schedules, the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Property or any accident in connection with the operation, use, condition, possession, storage or return of any item of the Property resulting in damage to property or injury to or death to any person; provided, however, that Lessee shall not be required to indemnify Lessor for Losses arising out of or resulting from Lessor's own willful or negligent conduct, or for Losses arising out of or resulting from Lessor's preparation of disclosure material relating to certificates of participation in this Agreement and any Property Schedule (other than disclosure material provided to Lessor by Lessee). The indemnification arising under this Section shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement, or the applicable Property Schedule, or the termination of the Lease Term for such Property Schedule for any reason.

ARTICLE XIII

13.01 Events of Default Defined. Any of the following shall constitute an "Event of Default" under a Property Schedule:

- (a) Failure by Lessee to pay any Lease Payment under the Property Schedule or other payment required to be paid with respect thereto at the time specified therein;
- (b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed with respect to the Property Schedule, other than as referred to in subparagraph (a) above, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; provided that, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

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- (c) Any statement, representation or warranty made by Lessee in or pursuant to the Property Schedule or its execution, delivery or performance shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made;
- (d) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or
- (e) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 60 consecutive days.

The foregoing provisions of Section 13.01 are subject to the following limitation: if by reason of force majeure Lessee is unable in whole or in part to perform its agreements under this Agreement and the Property Schedule (other than the obligations on the part of Lessee contained in Article VI hereof) Lessee shall not be in default during the continuance of such inability. The term "force majeure" as used herein shall mean the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States or of the State or any of their departments, agencies or officials, or any civil or military authority; insurrections, riots, landslides, earthquakes, fires, storms, droughts, floods, explosions, breakage or accident to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of Lessee.

A Nonappropriation Event is not an Event of Default.

13.02 Remedies on Default. Whenever any Event of Default exists with respect to a Property Schedule, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

- (a) Without terminating the Property Schedule, and by written notice to Lessee, Lessor may declare all Lease Payments and other amounts payable by Lessee thereunder to the end of the then-current budget year of Lessee to be due, including without limitation delinquent Lease Payments under the Property Schedule from prior budget years, and such amounts shall thereafter bear interest at the rate of 12% per annum or the maximum rate permitted by applicable law, whichever is less;
- (b) Lessor may terminate the Property Schedule, may enter the premises where the Property subject to the Property Schedule is located and retake possession of the Property, or require Lessee, at Lessee's expense, to promptly return any or all of the Property to the possession of Lessor at such place within the United States as Lessor shall specify, and Lessor may thereafter dispose of the Property in accordance with Article 9 of the Uniform Commercial Code in effect in the State; provided, however, that any proceeds from the disposition of the property in excess of the sum required to (i) pay off any outstanding principal component of Lease Payments, (ii) pay any other amounts then due under the Property Schedule, and (iii) pay Lessor's costs and expenses associated with the disposition of the Property (including attorneys fees), shall be paid to Lessee or such other creditor of Lessee as may be entitled thereto, and further provided that no deficiency shall be allowed against Lessee except with respect to unpaid costs and expenses incurred by Lessor in connection with the disposition of the Property;
- (c) By written notice to any escrow agent who is holding proceeds of the Property Schedule, Lessor may instruct such escrow agent to release all such proceeds and any earnings thereon to Lessor, such sums to be credited to payment of Lessee's obligations under the Property Schedule;
- (d) Lessor may take any action, at law or in equity, that is permitted by applicable law and that may appear necessary or desirable to enforce or to protect any of its rights under the Property Schedule and this Agreement.

Notwithstanding the foregoing, if the proceeds are insufficient to pay items (i) to (iii) in Section 13.02(b) in whole, Lessee shall remain obligated after application of proceeds to items (i) and (ii), to pay in whole the amounts for item (iii).

13.03 No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice, other than such notice as may be required in this Article.

13.04 Costs and Attorney Fees. Upon the occurrence of an Event of Default by Lessee in the performance of any term of this Agreement, Lessee agrees to pay to Lessor or reimburse Lessor for, in addition to all other amounts due hereunder, all of Lessor's costs of collection, including reasonable attorney fees, whether or not suit or action is filed thereon. Any such costs shall be immediately due and payable upon written notice and demand given to Lessee, shall be secured by this Agreement until paid and shall bear interest at the rate of 12% per annum or the maximum amount permitted by law, whichever is less. In the event suit or action is instituted to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover from the other party such sum as the court may adjudge reasonable as attorneys' fees at trial or on appeal of such suit or action or in any bankruptcy proceeding, in addition to all other sums provided by law.

ARTICLE XIV

14.01 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by certified mail, postage prepaid, to the parties hereto at the addresses as specified on the first page of this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party), to any assignee at its address as it appears on the registration books maintained by Lessee.

14.02 Arbitrage Certificates. Unless a separate Arbitrage Certificate is delivered on the Commencement Date, Lessee shall be deemed to make the following representations and covenants as of the Commencement Date for each Property Schedule:

- (a) The estimated total costs, including taxes, freight, installation, and cost of issuance, of the Property under the Property Schedule will not be less than the total principal amount of the Lease Payments.
- (b) The Property under the Property Schedule has been ordered or is expected to be ordered within six months after the Commencement Date and the Property is expected to be delivered and installed, and the Vendor fully paid, within eighteen months from the Commencement Date. Lessee will pursue the completion of the Property and the expenditure of the net proceeds of the Property Schedule with due diligence.
- (c) Lessee has not created or established, and does not expect to create or establish, any sinking fund or other similar fund (i) that is reasonably expected to be used to pay the Lease Payments under the Property Schedule, or (ii) that may be used solely to prevent a default in the payment of the Lease Payments under the Property Schedule.
- (d) The Property under the Property Schedule has not been and is not expected to be sold or otherwise disposed of by Lessee, either in whole or in major part, prior to the last maturity of the Lease Payments under the Property Schedule.
- (e) There are no other obligations of Lessee which (i) are being sold within 15 days of the Commencement Date of the Property Schedule; (ii) are being sold pursuant to the same plan of financing as the Property Schedule; and (iii) are expected to be paid from substantially the same source of funds.
- (f) The officer or official who has executed the Property Schedule on Lessee's behalf is familiar with Lessee's expectations regarding the use and expenditure of the proceeds of the Property Schedule. To the best of Lessee's knowledge, information and belief, the facts and estimates set forth in herein are accurate and the expectations of Lessee set forth herein are reasonable.

14.03 Further Assurances. Lessee agrees to execute such other and further documents, including, without limitation, confirmatory financing statements, continuation statements, certificates of title and the like, and to take all such action as may be necessary or appropriate, from time to time, in the reasonable opinion of Lessor, to perfect, confirm, establish, reestablish, continue, or complete the interests of Lessor in this Agreement and the Property Schedules, to consummate the transactions contemplated hereby and thereby, and to carry out the purposes and intentions of this Agreement and the Property Schedules.

14.04 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

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14.05 Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

14.06 Waiver of Jury Trials. Lessee and Lessor hereby irrevocably waive all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the actions of Lessor or Lessee in the negotiation, administration, performance or enforcement hereof.

14.07 Amendments, Changes and Modifications. This Agreement may be amended in writing by Lessor and Lessee to the extent the amendment or modification does not apply to outstanding Property Schedules at the time of such amendment or modification. The consent of all assignees shall be required to any amendment or modification before such amendment or modification shall be applicable to any outstanding Property Schedule.

14.08 Execution in Counterparts. This Agreement and the Property Schedules hereunder may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

14.09 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

14.10 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

Lessor: U.S. Bancorp Government Leasing and Finance, Inc.
By:
Name:
Title:

Lessee: San Dieguito Union High School District
By:
Name: Tina Douglas
Title: Assoc. Superintendent of Business

Attest:
By:
Name: Beth Hergesheimer
Title: President, Board of Trustees

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**ADDENDUM (CALIFORNIA SCHOOL DISTRICTS)
Master Tax-Exempt Lease/Purchase Agreement**

THIS ADDENDUM, which is entered into as of January 31, 2018 between U.S. Bancorp Government Leasing and Finance, Inc. ("Lessor") and San Dieguito Union High School District ("Lessee"), is intended to modify and supplement Schedule No. 1 (the "Property Schedule") to the Master Tax-Exempt Lease/Purchase Agreement between Lessor and Lessee dated as of January 31, 2018 (the "Master Agreement"). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Master Agreement.

1. Effective immediately after Lessee acquires title to the Property described in the Property Schedule, Lessee hereby sells, transfers and conveys the Property to Lessor, and effective immediately thereafter, Lessor hereby demises, leases and lets the Property to Lessee pursuant to the Master Agreement and the Property Schedule. In connection with such sale, transfer and conveyance, Lessee covenants and agrees that (a) Lessee is the owner of the Property; (b) the Property is free of all encumbrances; (c) Lessee has a good right and title to sell the Property; and (d) Lessee will warrant and forever defend the sale against the lawful claims and demands of all persons whomsoever.

2. In addition to the representations, warranties and covenants of Lessee set forth in the Master Agreement, Lessee, as of the Commencement Date for the Property Schedule, represents, covenants and warrants for the benefit of the Lessor, as follows:

(a) The resolution of the governing body of Lessee which authorized the execution and delivery of the Property Schedule contained a finding of the governing body to the effect that the Property thereunder was either a major item of equipment, a relocatable building or data processing equipment, and the sale and leaseback of such Property was the most economical means of providing the Property to Lessee.

(b) Lessee has not filed during the current or prior fiscal year a qualified or negative certification as required by California Education Code § 42131, as has been or may be amended from time to time, with the County Superintendent or California Department of Education. Lessee covenants that so long as the Master Agreement is in effect, Lessee shall send to copies to Lessor in a timely manner of all certificates made by Lessee in accordance with California Education Code § 42131, as may be amended from time to time.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Addendum to be executed in their names by their duly authorized representatives as of the date first above written.

Lessor: U.S. Bancorp Government Leasing and Finance, Inc.
By:
Name:
Title:

Lessee: San Dieguito Union High School District
By:
Name: Tina Douglas
Title: Assoc. Superintendent of Business

Attest:
By
Name: Beth Hergesheimer
Title: President, Board of Trustees

Property Schedule No. 1**Master Tax-Exempt Lease/Purchase Agreement**

This **Property Schedule No. 1** is entered into as of the Commencement Date set forth below, pursuant to that certain Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement"), dated as of January 31, 2018, between U.S. Bancorp Government Leasing and Finance, Inc., and San Dieguito Union High School District.

1. Interpretation. The terms and conditions of the Master Agreement are incorporated herein by reference as if fully set forth herein. Reference is made to the Master Agreement for all representations, covenants and warranties made by Lessee in the execution of this Property Schedule, unless specifically set forth herein. In the event of a conflict between the provisions of the Master Agreement and the provisions of this Property Schedule, the provisions of this Property Schedule shall control. All capitalized terms not otherwise defined herein shall have the meanings provided in the Master Agreement.
2. Commencement Date. The Commencement Date for this Property Schedule is January 31, 2018.
3. Property Description and Payment Schedule. The Property subject to this Property Schedule is described in Exhibit 1 hereto. Lessee shall not remove such property from the locations set forth therein without giving prior written notice to Lessor. The Lease Payment Schedule for this Property Schedule is set forth in Exhibit 1.
4. Opinion. The Opinion of Lessee's Counsel is attached as Exhibit 2.
5. Lessee's Certificate. The Lessee's Certificate is attached as Exhibit 3.
6. Proceeds. Exhibit 4 is intentionally omitted.
7. Acceptance Certificate. Exhibit 5 is intentionally omitted.
8. Additional Purchase Option Provisions. In addition to the Purchase Option provisions set forth in the Master Agreement, Lease Payments payable under this Property Schedule shall be subject to prepayment in whole at any time by payment of the applicable Termination Amount set forth in Exhibit 1 (Payment Schedule) and payment of all accrued and unpaid interest through the date of prepayment.
9. Private Activity Issue. Lessee understands that among other things, in order to maintain the exclusion of the interest component of Lease Payments from gross income for federal income tax purposes, it must limit and restrict the rights private businesses (including, for this purpose, the federal government and its agencies and organizations described in the Code § 501(c)(3)) have to use the Property. Each of these requirements will be applied beginning on the later of the Commencement Date or date each portion of the Property is placed in service and will continue to apply until earlier of the end of the economic useful life of the property or the date the Agreement or any tax-exempt obligation issued to refund the Property Schedule is retired (the "Measurement Period"). Lessee will comply with the requirements of Section 141 of the Code and the regulations thereunder which provide restrictions on special legal rights that users other than Lessee or a state or local government or an agency or instrumentality of a state or a local government (an "Eligible User") may have to use the Property. For this purpose, special legal rights may arise from a management or service agreement, lease, research agreement or other arrangement providing any entity except an Eligible User the right to use the Property. Any use of the Property by a user other than an Eligible User is referred to herein as "Non-Qualified Use". Throughout the Measurement Period, all of the Property is expected to be owned by Lessee. Throughout the Measurement Period, Lessee will not permit the Non-Qualified Use of the Property to exceed 10%.
10. Bank Qualification and Arbitrage Rebate. Attached as Exhibit 6.
11. Expiration. Lessor, at its sole determination, may choose not to accept this Property Schedule if the fully executed, original Master Agreement (including this Property Schedule and all ancillary documents) is not received by Lessor at its place of business by February 16, 2018.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Property Schedule to be executed in their names by their duly authorized representatives as of the Commencement Date above.

Lessor: U.S. Bancorp Government Leasing and Finance, Inc.
By:
Name:
Title:

Lessee: San Dieguito Union High School District
By:
Name: Tina Douglas
Title: Assoc. Superintendent of Business

Attest:
By
Name: Beth Hergesheimer
Title: President, Board of Trustees

ITEM 20

EXHIBIT A

Property Description

Six (6) School Buses

(VIN #'s To Be Determined)

EXHIBIT 3

Lessee's General and Incumbency Certificate

GENERAL CERTIFICATE

Re: **Property Schedule No. 1** dated as of January 31, 2018 to the Master Tax-Exempt Lease/Purchase Agreement dated January 31, 2018 between U.S. Bancorp Government Leasing and Finance, Inc. and San Dieguito Union High School District.

The undersigned, being the duly elected, qualified and acting Associate Superintendent of Business
(Title of Person to Execute Lease/Purchase Agreement)
of the San Dieguito Union High School District ("Lessee") does hereby certify, as of January 31, 2018, as follows:

1. Lessee did, at a meeting of the governing body of the Lessee, by resolution or ordinance duly enacted, in accordance with all requirements of law, approve and authorize the execution and delivery of the above-referenced Property Schedule (the "Property Schedule") and the Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement") by the undersigned.

2. The meeting(s) of the governing body of the Lessee at which the Master Agreement and the Property Schedule were approved and authorized to be executed was duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, and the enactment approving the Master Agreement and the Property Schedule and authorizing the execution thereof has not been altered or rescinded. All meetings of the governing body of Lessee relating to the authorization and delivery of Master Agreement and the Property Schedule have been: (a) held within the geographic boundaries of the Lessee; (b) open to the public, allowing all people to attend; (c) conducted in accordance with internal procedures of the governing body; and (d) conducted in accordance with the charter of the Lessee, if any, and the laws of the State.

3. No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default or a Nonappropriation Event (as such terms are defined in the Master Agreement) exists at the date hereof with respect to this Property Schedule or any other Property Schedules under the Master Agreement.

4. The acquisition of all of the Property under the Property Schedule has been duly authorized by the governing body of Lessee.

5. Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Lease Payments scheduled to come due during the current budget year under the Property Schedule and to meet its other obligations for the current budget year and such funds have not been expended for other purposes.

6. As of the date hereof, no litigation is pending, (or, to my knowledge, threatened) against Lessee in any court (a) seeking to restrain or enjoin the delivery of the Master Agreement or the Property Schedule or of other agreements similar to the Master Agreement; (b) questioning the authority of Lessee to execute the Master Agreement or the Property Schedule, or the validity of the Master Agreement or the Property Schedule, or the payment of principal or of interest on, the Property Schedule; (c) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the execution of the Master Agreement and the Property Schedule; or (d) affecting the provisions made for the payment of or security for the Master Agreement and the Property Schedule.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of January 31, 2018.

San Dieguito Union High School District

By _____
Signature of Person to Execute Lease/Purchase Agreement

Tina Douglas, Assoc. Superintendent of Business
Print Name and Title of Person to Execute Lease/Purchase Agreement

ITEM 20

INCUMBENCY CERTIFICATE

Re: **Property Schedule No. 1** dated as of January 31, 2018 to the Master Tax-Exempt Lease/Purchase Agreement dated as of January 31, 2018 between U.S. Bancorp Government Leasing and Finance, Inc. and San Dieguito Union High School District.

The undersigned, being the duly elected, qualified and acting Secretary or Clerk of the San Dieguito Union High School District (“Lessee”) does hereby certify, as of January 31, 2018, as follows:

As of the date of the meeting(s) of the governing body of the Lessee at which the above-referenced Master Agreement and the Property Schedule were approved and authorized to be executed, and as of the date hereof, the below-named representative of the Lessee held and holds the office set forth below, and the signature set forth below is his/her true and correct signature.

(Signature of Person to Execute Lease/Purchase Agreement)

Tina Douglas, Assoc. Superintendent of Business
(Print Name and Title)

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of January 31, 2018.

Secretary/Clerk

Print Name
and Title: Eric R. Dill
Secretary, Board of Trustees

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 11, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Douglas B. Gilbert, Director of Purchasing/Risk Mgt.
Tina Douglas, Associate Superintendent of Business

SUBMITTED BY: Eric R. Dill, Superintendent

SUBJECT: ADOPTION OF RESOLUTION / COOPERATIVE BID

EXECUTIVE SUMMARY

South County Support Services Agency (“Agency”) went to bid to obtain competitive pricing for school buses in accordance with public bidding procedures mandated by the State of California and made the bid available for use by any public school district within the State of California. The Agency’s bid allows our District to purchase or contract under that bid at the same prices and upon the same terms and conditions as the Agency.

Pursuant to District Board Policies 3310 and 3311, Purchasing Procedures and Bids, respectively, and to ensure these policies are being followed. District Staff is requesting the Board adopt the attached resolution authorizing contracting pursuant to bid and award documents from South County Support Services Agency, for the purchase of school buses.

RECOMMENDATION:

Adopt the attached resolution authorizing contracting pursuant to bid and award documents from South County Support Services Agency, for the purchase of school buses from Creative Bus Sales, Inc., per the pricing structure, terms, and conditions stated in the bid documents, to be expended from the fund to which the purchases are charged, and authorize Douglas B. Gilbert, Tina Douglas, or Eric R. Dill to execute any necessary documents.

FUNDING SOURCE:

Fund to which the purchases are charged

**RESOLUTION AUTHORIZING CONTRACTING PURSUANT TO COOPERATIVE BID AND
AWARD DOCUMENTS FROM SOUTH COUNTY SUPPORT SERVICES AGENCY AND
APPROVING PURCHASE OF SCHOOL BUSES**

WHEREAS, San Dieguito Union High School District ("District") desires to purchase school buses to support school operations; and

WHEREAS, pursuant to Public Contract Code section 20118, a school board that has determined it to be in the best interest of the district, may acquire equipment, materials, or supplies in excess of the bid limit without competitive bidding, by availing itself of an existing publicly bid contract conducted by another authorized local agency on the terms and conditions described in Public Contract Code section 20118; and

WHEREAS, the South County Support Services Agency has conducted a bid process for the acquisition of school buses in accordance with public bidding procedures mandated by the State of California and awarded a contract to the lowest bidder, Creative Bus Sales, Inc., which contract has been made available to all public school districts within the State of California empowered to expend public funds, the purchase of buses under that bid at the same price and upon the same terms and conditions as said Agency; and

WHEREAS, this Board has determined it to be in the best interests of the District to procure or contract for the above stated items from the bid awarded to Creative Bus Sales, Inc. by South County Support Services Agency, and to approve such contract.

NOW THEREFORE the Governing Board of the San Dieguito Union High School District hereby finds, determines, declares, orders, and resolves as follows:

1. The purchase of six (6) school buses from Creative Bus Sales, Inc., is hereby approved, such terms to be in accordance with the terms, conditions, and documents as specified in the South County Support Services Agency bid and award documents. The Board hereby declares that it is in the best interests of the District that the buses be procured in this manner.

2. The Superintendent, Associate Superintendent of Business Services, and Director of Purchasing are each hereby designated to act as authorized representatives of the District for purposes of carrying out the directives of this resolution and finalizing and executing all necessary agreements.

3. This Resolution shall be effective immediately upon its approval and adoption.

Adopted and Approved by the governing body of the District this 18th day of January, 2018.

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

San Dieguito Union High School District

By: _____
Beth Hergesheimer
President of the Board of Trustees

Attest:

By: _____
Eric R. Dill
Secretary, Board of Trustees

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 8, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: John Addleman, Exec. Director Planning Services
Tina Douglas, Assoc. Supt. of Business Services

SUBMITTED BY: Eric R. Dill, Superintendent

SUBJECT: COMMUNITY FACILITIES DISTRICT 95-2
ANNEXATION NO. 21 / ADOPTION OF
RESOLUTION OF ANNEXATION / AZURE /
AN 8-UNIT SINGLE FAMILY SUBDIVISION
AT HYMETTUS AVE IN ENCINITAS / CITIMARK
HYMETTUS LLC

EXECUTIVE SUMMARY

At the December 14, 2017 Board meeting, the Board adopted a "Resolution of Intention to Annex Territory to the San Dieguito Union High School District Community Facilities District No. 95-2, Authorizing the Levy of a Special Tax and Calling an Election" in order to annex the CitiMark Hymettus LLC, Azure, into Community Facilities District 95-2 and to call a special election for February 27, 2018. The CitiMark Hymettus LLC property is located in the Diegueño MS/La Costa Canyon HS attendance area. At this Board meeting, it is necessary to hold a public hearing allowing comments from the public regarding the annexation, and adopt the attached Resolution which determines that the prior proceedings were valid, that protests were not filed, fewer than twelve registered voters are registered to vote and request the Election be conducted by the Election Official.

RECOMMENDATION:

It is recommended that the Board hold a Public Hearing, allowing comments from the public on the Board's intention to annex the property into Community Facilities District No. 95-2, and adopt the attached Resolution of the Board of Trustees of the San Dieguito Union High School District Acting as the Legislative Body of the San Dieguito Union High School District Community Facilities District No. 95-2.

FUNDING SOURCE:

Mello Roos Funds subject to reimbursement by the developer.

**RESOLUTION OF ANNEXATION OF THE BOARD OF TRUSTEES OF
THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
ACTING AS THE LEGISLATIVE BODY OF THE
SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
COMMUNITY FACILITIES DISTRICT NO. 95-2**

WHEREAS, the Board of Trustees (the “Board”) of San Dieguito Union High School District Community Facilities District No. 95-2 (the “District”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, consisting of Sections 53311, et seq., of the California Government Code (the “Act”); and

WHEREAS, the Board, acting as the legislative body of the District, adopted a Resolution of Intention to Annex Territory to the San Dieguito Union High School District Community Facilities District No. 95-2, Authorizing the Levy of a Special Tax and Calling an Election stating its intention to annex certain territory into the District (the “Annexed Territory No. 21”) and calling a special election for February 27, 2018 (the “Election”); and

WHEREAS, the Board held a public hearing as required by law relative to the annexation of the proposed territory into the District January 18, 2018 (the “Hearing”); and

WHEREAS, at the Hearing all persons desiring to be heard on all matters pertaining to the annexation of the proposed territory into the District, the levy of the special tax, the proposed bond issue and the types of facilities to be financed by the District were heard and a full and fair hearing was held; and

WHEREAS, at the Hearing evidence was presented to the Board on the matters before it.

NOW THEREFORE, THE BOARD OF TRUSTEES OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The Board finds and determines that all prior proceedings in connection with the annexation of the Annexed Territory No. 21 into the District were valid and in conformity with the Act. This determination shall be final and conclusive upon all persons.

Section 2. Written protests against the proposed annexation of the Annexed Territory No. 21 into the District have not been filed by either (i) 50 percent or more of the registered voters, or six registered voters, whichever is more, residing within the territory of the District or within the Annexed Territory No. 21, or (ii) the owners of one-half or more of the land within the District or within the Annexed Territory No. 21.

ITEM 22

Section 3. The Board hereby finds and determines that there are fewer than twelve registered voters registered to vote within the territory of the Annexed Territory No. 21.

Section 4. The Election Official conducting the Election (the “Election Official”) is hereby requested to continue to take any and all steps necessary for the holding of the Election consistent with the Resolution of Intention.

Section 5. The Secretary of the Board is hereby directed to transmit a copy of this Resolution to the Election Official no later than three days from the date thereof.

Section 6. The members of the Board and their authorized representatives are, and each of them acting alone is, hereby authorized to execute any and all documents and agreements and do perform any and all acts and things, from time to time, consistent with this Resolution and necessary or appropriate to carry the same into effect and to carry out its purposes.

ADOPTED, SIGNED AND APPROVED, this 18th day of January, 2018.

BOARD OF TRUSTEES OF THE
SAN DIEGUITO UNION HIGH
SCHOOL DISTRICT ACTING AS
THE LEGISLATIVE BODY OF
COMMUNITY FACILITIES
DISTRICT NO. 95-2.

By: _____
Title: President

ATTEST:

By: _____
Title: Recording Secretary

ITEM 22

STATE OF CALIFORNIA)
)
COUNTY OF SAN DIEGO) ss

I, Beth Hergesheimer, President of the Board of Trustees of the San Dieguito Union High School District (the “Board”) do hereby certify that the foregoing Resolution was duly adopted by the Board of said San Dieguito Union High School District at a meeting of said Board held on the 18th day of January, 2018, and that it was so adopted by the following vote:

AYES: MEMBERS:
NOES: MEMBERS:
ABSTAIN: MEMBERS:
ABSENT: MEMBERS:

President of the Board of Trustees

**COMMUNITY FACILITIES DISTRICT NO. 95-2
ANNEXATION NO. 21
“Azure”**

ANNEXATION SCHEDULE

December 14, 2017 Board Meeting

Adopt Resolution of Intention

December 22, 2017

Deadline to record map

January 11, 2018*

Deadline to Publish Notice of Public Hearing

January 18, 2018 Board Meeting*

Public Hearing

Adopt Resolution of Annexation

February 27, 2018*

Special Election

February 28, 2018 - Board Meeting

Certify Election Results

March 12, 2018

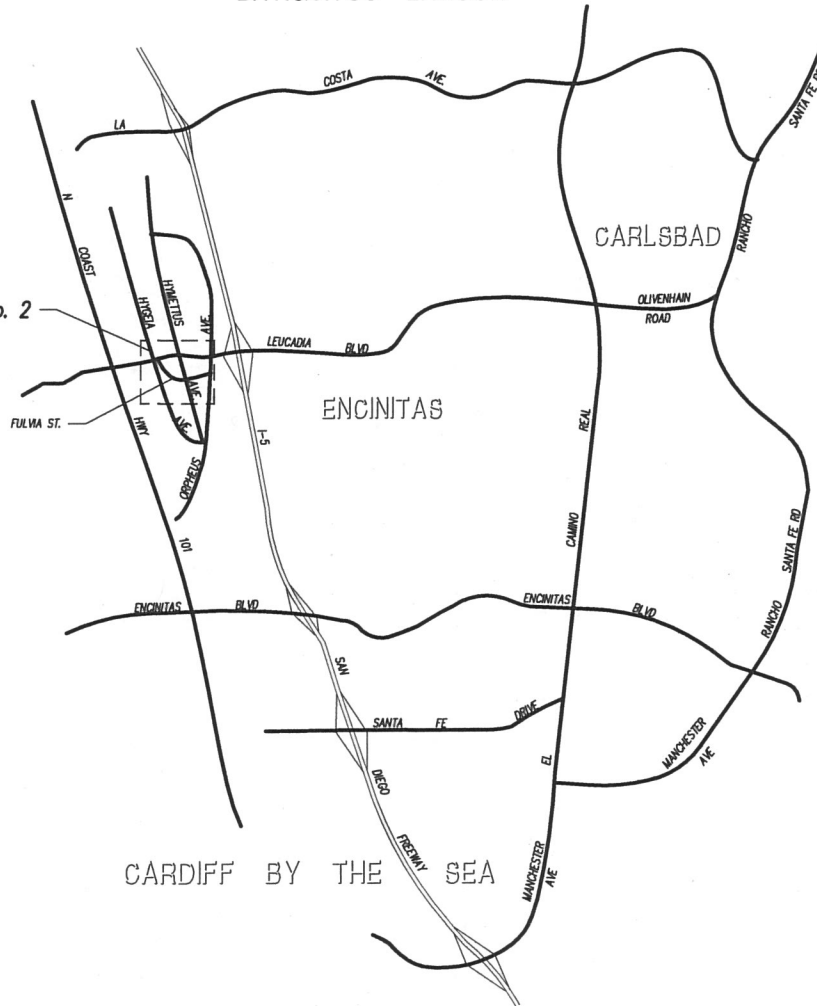
Deadline to record Notice of Special Tax Lien

*Dates specifically identified in the Resolution of Intention that would take additional Board action to change/amend.

AMENDED
MAP OF BOUNDARIES OF COMMUNITY FACILITIES
DISTRICT No. 95-2 ANNEXATION No. 21
SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
COUNTY OF SAN DIEGO, STATE OF CALIFORNIA

BATIQUITOS LAGOON

REFER TO SHEET No. 2
FOR MAP SHEET



ANNEXATION NO. 21 PROPERTY DESCRIPTION

REFERENCE PARCEL NO. 1

LEGAL DESCRIPTION:

PARCEL A & B AS SHOWN ON CERTIFICATE OF COMPLIANCE, AS EVIDENCED BY DOCUMENT RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, APRIL 24, 2012 AS INSTRUMENT NO. 2010-0239587 OF OFFICIAL RECORDS.

ASSESSOR PARCEL NUMBER:

254-331-23
254-331-24

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT NO. 95-2 OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF TRUSTEES OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT AT A REGULAR MEETING THEREOF, HELD ON THE _____ DAY OF _____, 20____ BY ITS RESOLUTION NO. _____.

FILED IN THE OFFICE OF THE CLERK OF THE BOARD OF TRUSTEES OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT THIS _____ DAY OF _____, 20____.

THIS MAP AMENDS AND ADDS TO THE BOUNDARY MAP FOR COMMUNITY FACILITIES DISTRICT NO. 95-2 OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA ACCORDING TO MAP THEREOF FILED IN BOOK 29, PAGE 45, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY NOVEMBER 16, 1995.

BY: _____
CLERK OF THE BOARD OF TRUSTEES
SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

FILED THIS _____ DAY OF _____, 20____, AT THE HOUR OF _____ O'CLOCK _____ M. IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE _____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA.

NO. _____

FEE _____

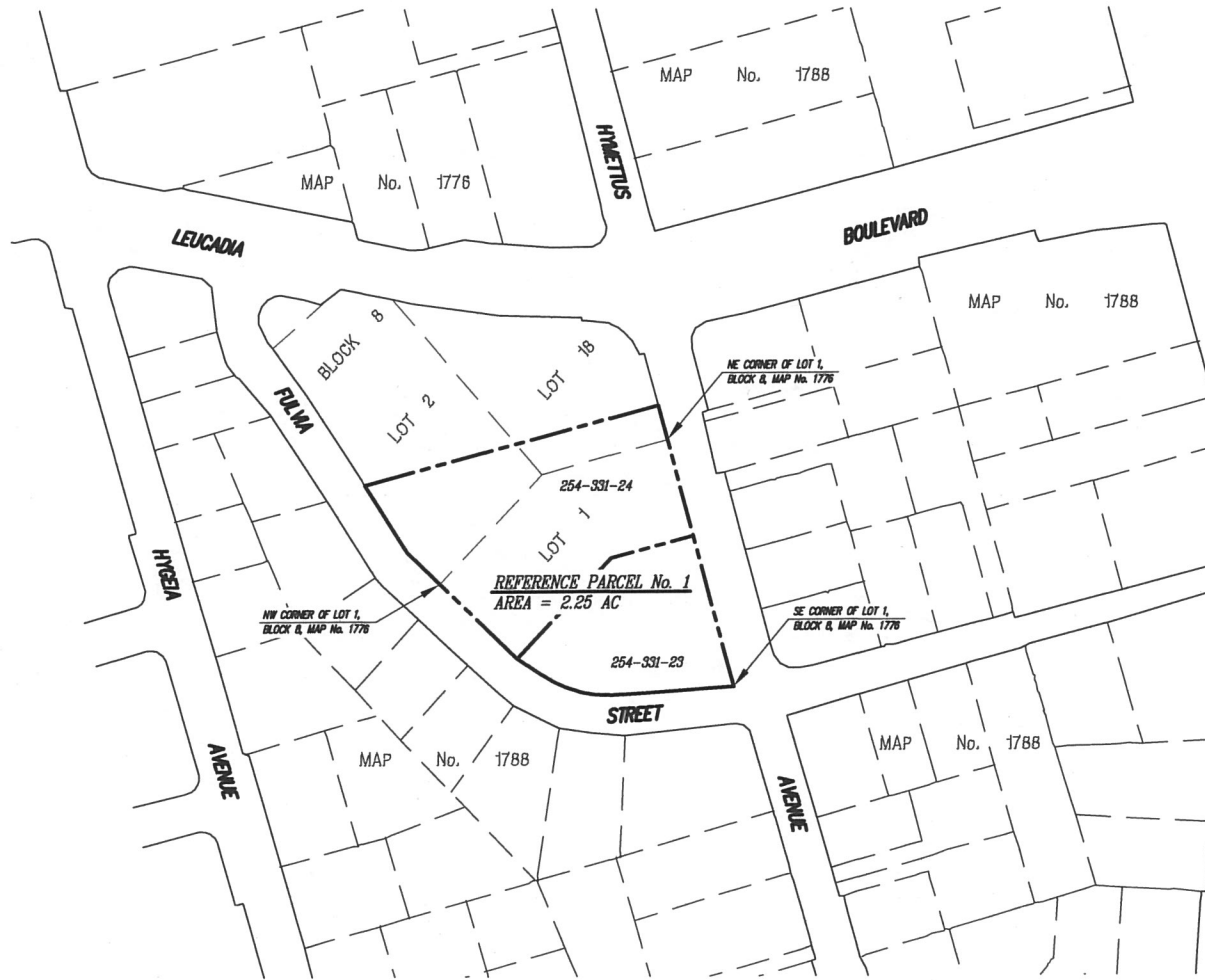
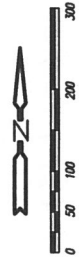
ERNEST J. DRONENBURG JR., COUNTY RECORDER

BY: _____, DEPUTY



JOB No. 17-058 12/14/17
SOWARDS & BROWN ENGINEERING
CONSULTING ENGINEERS
2127 NEWCASTLE AVENUE SUITE 108
CARDIFF BY THE SEA, CA, 92007
TEL. 760-488-8800 FAX 760-488-8808

AMENDED
MAP OF BOUNDARIES OF COMMUNITY FACILITIES
DISTRICT No. 95-2 ANNEXATION No. 21
SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
COUNTY OF SAN DIEGO, STATE OF CALIFORNIA



JOB No. 17-058 12/14/17
SOWARDS & BROWN ENGINEERING
CONSULTING ENGINEERS
2127 NEWCASTLE AVENUE SUITE 103
CARLSBAD BY THE SEA, CA., 92007
TEL. 760/438-8200 FAX 760/438-8208

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 9, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Cindy Frazee
Associate Superintendent/Human Resources

SUBMITTED BY: Eric R. Dill
Superintendent

SUBJECT: APPROVAL OF AMENDMENT TO
ASSOCIATE SUPERINTENDENT of
EDUCATIONAL SERVICES EMPLOYMENT
CONTRACT / EFFECTIVE JANUARY 1, 2018
THROUGH JUNE 30, 2021

EXECUTIVE SUMMARY

The Board of Trustees is asked to approve an amendment to the existing Employment Contract between San Dieguito Union High School District Board of Trustees and Associate Superintendent of Educational Services. The Associate Superintendent contracts are typically submitted for renewal on an annual basis.

The amendment to the contract would be in "Section 1, Term of Employment" with a term commencing January 1, 2018 through June 30, 2021. There would be no other changes to the contract.

RECOMMENDATION:

It is recommended that the Board approve the amendment to the Employment Contract for the Associate Superintendent of Educational Services, for the term commencing January 1, 2018 through June 30, 2021, as shown in the attached supplement.

FUNDING SOURCE:

District General Payroll Fund as Designated

**AMENDMENT TO
CONTRACT FOR EMPLOYMENT OF
ASSOCIATE SUPERINTENDENT, EDUCATIONAL SERVICES
BETWEEN
SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
AND
MICHAEL GROVE**

The CONTRACT FOR EMPLOYMENT OF ASSOCIATE SUPERINTENDENT, EDUCATIONAL SERVICES BETWEEN THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT AND MICHAEL GROVE, as approved by the Board of Trustees on January 14, 2016, is hereby amended by mutual agreement:

Section 1 – Term of Employment is amended as follows:

The term of this Agreement shall be from January 1, 2018 through June 30, 2021, and may be extended on an annual basis upon mutual agreement. In no event shall the term of this Agreement be longer than four (4) years. Any extension of this term shall be approved by the Board in open session.

IN WITNESS THEREOF, the parties hereto have duly approved and executed this Agreement to be effective January 1, 2018.

Date: _____

Joyce Dalessandro
Clerk of the Governing Board

Date: _____

Michael Grove
Associate Superintendent
Educational Services

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 9, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Cindy Frazee
Associate Superintendent/Human Resources

SUBMITTED BY: Eric R. Dill
Superintendent

SUBJECT: APPROVAL OF AMENDMENT TO
ASSOCIATE SUPERINTENDENT of
ADMINISTRATIVE SERVICES
EMPLOYMENT CONTRACT / EFFECTIVE
JANUARY 1, 2018 THROUGH JUNE 30, 2021

EXECUTIVE SUMMARY

The Board of Trustees is asked to approve an amendment to the existing Employment Contract between San Dieguito Union High School District Board of Trustees and Associate Superintendent of Administrative Services. The Associate Superintendent contracts are typically submitted for renewal on an annual basis.

The amendment to the contract would be in "Section 1, Term of Employment" with a term commencing January 1, 2018 through June 30, 2021. There would be no other changes to the contract.

RECOMMENDATION:

It is recommended that the Board approve the amendment to the Employment Contract for the Associate Superintendent of Administrative Services, for the term commencing January 1, 2018 through June 30, 2021, as shown in the attached supplement.

FUNDING SOURCE:

District General Payroll Fund as Designated

**AMENDMENT TO
CONTRACT FOR EMPLOYMENT OF
ASSOCIATE SUPERINTENDENT, ADMINISTRATIVE SERVICES
BETWEEN
SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
AND
MARK MILLER**

The CONTRACT FOR EMPLOYMENT OF ASSOCIATE SUPERINTENDENT, AMINISTRATIVE SERVICES BETWEEN THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT AND MARK MILLER, as approved by the Board of Trustees on June 16, 2016, is hereby amended by mutual agreement:

Section 1 – Term of Employment is amended as follows:

The term of this Agreement shall be from January 1, 2018 through June 30, 2021, and may be extended on an annual basis upon mutual agreement. In no event shall the term of this Agreement be longer than four (4) years. Any extension of this term shall be approved by the Board in open session.

IN WITNESS THEREOF, the parties hereto have duly approved and executed this Agreement to be effective January 1, 2018.

Date: _____

Joyce Dalessandro
Clerk of the Governing Board

Date: _____

Mark Miller
Associate Superintendent
Administrative Services

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: December 13, 2017

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Susan Dixon
Director of Classified Personnel
Cindy Frazee
Associate Superintendent Human Resources

SUBMITTED BY: Eric R. Dill
Superintendent

SUBJECT: Personnel Commission – Reestablished Classification, Salary Allocation “Director of Purchasing”, Adoption of Proposed Revised Board Policy #4341.1 Attachment A, “Management Salary Schedule”

EXECUTIVE SUMMARY

In response to a request from District administration, the Personnel Commission reestablished the classification of Director of Purchasing at its meeting on December 12, 2017. Furthermore, the Personnel Commission has recommended a salary allocation of Range 10 on the Management Salary Schedule. This salary allocation is recommended based on a review of similar classifications in comparison school districts as well as consideration of the salary differential between this assignment and the existing classification of Director of Purchasing & Risk Management as well as bargaining unit positions within the department.

RECOMMENDATION:

It is recommended that the Board of Trustees adopt the revised Board Policy #4341.1 Attachment A, “Management Salary Schedule,” as shown in the attached supplement.

FUNDING SOURCE:

District General Fund

Attachment

CLASSIFIED

DIRECTOR OF PURCHASING

OVERALL JOB PURPOSE STATEMENT

Under the direction of the Associate Superintendent, Business Services, the Director of Purchasing plans organizes and directs the district's purchasing, warehousing, and contracting functions; ensures that departmental work goals are met and that services are provided in an efficient and effective manner; ensures that staff utilize appropriate procedures and safe practices; receives and evaluates quotations and recommends and/or awards bids and contracts for the purchase of equipment, supplies and services.

DISTINGUISHING CHARACTERISTICS

The Director of Purchasing is a single-position, management classification responsible for planning, directing, supervising and controlling a District-wide program that ensures the integrity, comprehensiveness, accuracy, responsiveness, and applicability of all elements of District activities related to procuring, purchasing, warehousing, contracting and bidding for goods and services to meet the District's operational needs with respect to instruction, business services and operations, human resources, and construction/repair of facilities.

ESSENTIAL FUNCTIONS:

- Negotiates with outside vendors on terms and conditions as well as change order requests to secure necessary services and materials for the district within budget parameters and ensure compliance with district, local, State and Federal regulations.
- Manages warehouse, mail and related operations (e.g., receipt of merchandise, return of material, disposal of obsolete items, storage and delivery of standard supply items, delivery of mail) to ensure efficient and effective department operations and proper maintenance of district inventories.
- Recommends new hires, promotions, terminations and transfers within assigned department to maintain staffing needs and productivity of the work force.
- Trains, supervises, coaches, evaluates, and disciplines purchasing and warehouse department personnel to ensure that departmental work goals are achieved.
- Represents the district on various committees and boards to collaborate with other school districts, outside agencies, and governmental agencies.
- Researches new procedures (e.g., direct shipment of orders), products, materials, equipment, supplies, laws and regulations to recommend purchases and contracts and maintain district-wide services.
- Directs the solicitation of bid documents and quotations to provide cost information, make purchases and secure items and services.
- Assists district administration as may be required in formulating and developing relevant fiscal and other policies, procedures and programs.
- Assists district administration in planning for new facilities (e.g., contract deadlines, securing contracts for professional services, procurement of equipment to ensure effective and efficient planning and implementation of district construction projects.

CLASSIFIED

DIRECTOR OF PURCHASING

- Analyzes bids, proposals and change requests to make recommendations concerning effective and timely project completion and ensure compliance with district, local, State and Federal regulations.
- Authorizes purchase orders, contracts and agreements to ensure compliance with district, State and Federal regulations, policies and procedures.
- Develops and directs district capital inventory system and department procedures (e.g., the use of appropriate accounting practices) to ensure effective and efficient district operations.
- Assists school sites and office personnel concerning various purchasing, warehousing and contracting issues to provide support as needed.
- Develops department and district procedures to ensure efficient and effective contracting, purchasing, and warehousing operations and maintain compliance with district, local, State and Federal regulations.
- Prepares various documents (e.g., budgets, requisitions, time studies, productivity, evaluation reports, award of contract/agreement contracts) to provide necessary information to State/Federal agencies and appropriate district personnel and/or develop contract specifications.
- Presents various training programs to inform staff on appropriate procedures and practices.
- Assists other personnel as may be required for the purpose of ensuring an efficient and effective work environment.

JOB REQUIREMENTS: MINIMUM QUALIFICATIONS

KNOWLEDGE AND ABILITIES

The following are representative of the knowledge and abilities required of the classification. These may be modified in order to meet changing job conditions.

KNOWLEDGE OF:

- Legal and procedural requirements in the procurement and acquisition of public goods and services
- Current laws, codes and regulations related to purchasing warehousing
- Accounting practices and procedures
- Budget preparation and control
- Math functions related to practical applications in a business setting
- Standard business writing techniques including appropriate word usage, punctuation and grammar
- Assessment and evaluation practices and procedures
- Supervisory, coaching and leadership principles and techniques
- Training principles and practices

ABILITY TO:

- Plan, organize and direct the functions and operations of the purchasing department
- Train, supervise, coach, evaluate, and discipline assigned staff

CLASSIFIED

DIRECTOR OF PURCHASING

- Read, review and interpret highly technical materials
- Apply pertinent codes, policies, regulations and laws relating to purchasing, contracting and warehousing
- Plan and manage projects
- Prepare budgets and financial plans; perform standard bookkeeping/accounting procedures
- Prepare written materials including correspondence and reports
- Communicate effectively both orally and in writing
- Use job-related equipment including pertinent software applications
- Work with a significant diversity of individuals in a wide variety of circumstances
- Exercise tact, patience and diplomacy when working with internal and external clients
- Analyze data utilizing defined but different processes
- Work with data of widely varied types and purposes
- Identify issues, analyze options and create action plans
- Independently resolve problems
- Schedule a number of activities, meetings, and/or events
- Gather, collate, and/or classify data
- Prepare and maintain accurate records
- Be attentive to details
- Meet deadlines and schedules, set priorities and work under time constraints
- Maintain confidentiality
- Manage conflict resolution

RESPONSIBILITY

Responsibilities include working under limited supervision using standardized practices and/or methods; managing a department; and supervising the use of funds. Utilization of significant resources from other work units is routinely required to perform the job's functions. There is a continual opportunity to impact the organization's services.

WORKING ENVIRONMENT

The usual and customary methods of performing the job's functions require the following physical demands:

Physical Demands Frequency Definitions Based on an 8-Hour Day:

Never = 0%

Seldom = 1-10% (<45 minutes)

Occasionally = 11-33% (up to 3 hours)

Frequently = 34-66% (up to 6 hours)

Continuously = 67-100% (more than 6 hours)

Seldom lifting up to 25 lbs. at waist height, carrying up to 25 lbs. up to 10 feet, reach above shoulder, pushing and/or pulling

CLASSIFIED

DIRECTOR OF PURCHASING

Occasionally	handling/simple grasping
Frequently	fingering/fine manipulation

AUDITORY OR VISUAL REQUIREMENTS

Auditory ability to communicate with coworkers, staff, vendors and others contacted within the course of performing the essential functions of the job. Vision ability to see near, distant, color, depth and peripherally.

ENVIRONMENTAL CONDITIONS

This job is performed in a generally clean and healthy environment. In the course of performing assigned duties, the incumbent will occasionally be required to: walk on uneven ground, tolerate exposure to dust, gas, fumes, noise, vibration, extremes in temperature and humidity, biohazard materials such as sewage. Incumbents will be required to operate a motor vehicle requiring a California Class C driver's license to travel to and from various district work sites.

EXPERIENCE

A minimum of three years of purchasing and/or contracting experience in a public agency or school district is required. Experience must include a minimum of one year in a lead, supervisory, or management level capacity with responsibility for the work of others.

EDUCATION

Bachelor's degree in job related area (e.g. business administration, public administration, accounting, purchasing/ contracting, material management). Additional qualifying experience may substitute for the educational requirement on the basis of one year of experience for 24 semesters or 45 quarter units.

REQUIRED TESTING

Pre-employment testing and assessment to demonstrate minimum qualifications required for the position.

CERTIFICATES

Certification with National Association of Purchasing Managers or Certificated Public Purchasing Officer is desirable. Valid State of California Class C driver's license.

CONTINUING EDUCATION/TRAINING

Participation in ongoing job-related training as assigned.

CLEARANCES

California Department of Justice (DOJ) and Federal Bureau of Investigation (FBI) background (fingerprint) clearance; pre-employment physical examination including tuberculosis (TB) and drug screen clearances.

FLSA STATUS

Exempt

CLASSIFIED

DIRECTOR OF PURCHASING

SALARY RANGE

Management Range X (New Range Proposed)

PERSONNEL / MANAGEMENT

4341.1 Attachment A

MANAGEMENT SALARY SCHEDULE
Effective July 1, 2016 (+5.5%)

CERTIFICATED MANAGEMENT

GROUP	RANGE	TITLE	STEP 1	STEP 2	STEP 3	STEP 4	WORK DAYS
4	3	Principal, Sr. High School	147,868	154,586	161,632	169,041	220
4	4	Principal, Middle School	135,091	141,191	147,593	154,312	220
4	5	Asst. Principal, Sr. High School	127,213	132,937	138,952	145,267	210
4	6	Asst. Principal, Middle School	114,925	120,087	125,501	131,188	200
4	6	Program Supervisor – Special Education	114,925	120,087	125,501	131,188	200
4	17	Director of Accountability & Special Programs	135,091	141,191	147,593	154,312	220
4	8	Executive Director of Educational Services	151,308	158,368	165,779	173,561	222
4	10	Director of PPS and Alternative Programs	139,159	145,558	151,998	159,006	220
4	13	Coordinator of Special Education	124,589	130,314	136,318	142,623	220
4	13	Coordinator of Student Support Services	124,589	130,314	136,318	142,623	220
4	10	Director of School & Student Services	139,159	145,558	151,998	159,006	220
4	17	Director of Special Education	135,091	141,191	147,593	154,312	220
4	20	District Mental Health Support Provider	111,647	116,706	122,010	127,584	196

CLASSIFIED MANAGEMENT

GROUP	RANGE	TITLE	STEP 1	STEP 2	STEP 3	STEP 4	WORK YEAR
5	2	Chief Financial Officer	125,514	131,077	136,920	143,057	12 MO
5	2	Director of Classified Personnel	125,514	131,077	136,920	143,057	12 MO
5	2	Director of Human Resources	125,514	131,077	136,920	143,057	12 MO
5	2	Director of Planning Services	125,514	131,077	136,920	143,057	12 MO
5	2	Director of Technology Project Management	125,514	131,077	136,920	143,057	12 MO
5	2	Director of Maintenance, Operations & Transp.	125,514	131,077	136,920	143,057	12 MO
5	2	Director of Information Technology	125,131	131,077	136,920	143,057	12 MO
5	3	Construction Project Manager – II	99,504	103,971	108,662	113,587	12 MO
5	4	Director of Nutrition Services	109,513	114,480	119,698	125,174	12 MO
5	4	Director of Purchasing & Risk Management	109,513	114,480	119,698	125,174	12 MO
5	4	Director of Student Information Services	109,513	114,480	119,698	125,174	12 MO
5	8	Chief Facilities Officer	147,868	154,586	161,632	169,041	12 MO
5	8	Executive Director of Planning Services	147,868	154,586	161,632	169,041	12 MO
5	9	Construction Project Manager – I	87,886	91,772	95,853	100,138	12 MO
<u>5</u>	<u>10</u>	<u>Director of Purchasing</u>	<u>106,299</u>	<u>110,976</u>	<u>115,859</u>	<u>120,957</u>	<u>12 MO</u>

Credit for previous management experience will be given consideration toward initial placement on the management salary schedule. Twelve days of sick leave for each year shall be allowed each full-time manager during the period of time under active contract with the District. All classified managers shall be governed by the Classified Merit System Rules and Regulations.

LONGEVITY BENEFITS

An increment of \$3,090 for a 12 month, 8 hours per day, full-time employee at the end of 10, 15, 20, 25 and 30 years in the district, shall be added to the employee's annual salary. The longevity increment of those employees employed less than 12 months or less than 8 hours per day will be prorated in accordance with the number of months and/or hours or regular employment.

San Dieguito Union High School District

Policy Adopted: July 17, 2008
Policy Revised: February 7, 2013
Policy Revised: June 20, 2013
Policy Revised: August 22, 2013

Policy Revised: December 12, 2013
Policy Revised: January 16, 2014
Policy Revised: April 3, 2014
Policy Revised: June 19, 2014

Policy Revised: April 2, 2015
Policy Revised: May 7, 2015
Policy Revised: June 4, 2015
Policy Revised: January 14, 2016

Page 1 of 1
Policy Revised: June 30, 2016
Policy Revised: June 8, 2017
Policy Revised: January 18, 2018

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 8, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Mark Miller, Associate Superintendent of Administrative Services

SUBMITTED BY: Eric R. Dill, Superintendent

SUBJECT: PROPOSED REVISED BOARD POLICIES / EDUCATIONAL SERVICES

EXECUTIVE SUMMARY

As new and/or revised federal regulations and California Education Code become law and when legal cases affect board policies, the California School Boards Association (CSBA) provides school districts with samples of new or replacement policies to assist in maintaining updated policies.

The following Board Policies have been revised to align with the CSBA recommendations:

Current Policy Number	New Policy Number	Title	Comments
5111		Admission Requirements	Revised to align with CSBA recommendations
5111.1		District Residency	Revised to align with CSBA recommendations
5123		Promotion / Acceleration / Retention	Revised to align with CSBA recommendations
6179		Supplemental Instruction	Revised to align with CSBA recommendations

RECOMMENDATION:

PROPOSED REVISED BOARD POLICIES (4) / EDUCATIONAL SERVICES

- A. BP# 5111, ADMISSION REQUIREMENTS (REVISED)
- B. BP# 5111.1, DISTRICT RESIDENCY (REVISED)
- C. BP# 5123, PROMOTION / ACCELERATION / RETENTION (REVISED)
- D. BP# 6179, SUPPLEMENTAL INSTRUCTION (REVISED)

ITEM 25

Executive Summary
FIRST READING OF NEW / REVISED BOARD POLICIES
Page 2

This item is being presented for first read and will be resubmitted for action on February 8, 2018.

FUNDING SOURCE:

Not applicable.

STUDENTS**ADMISSION REQUIREMENTS****RESIDENT**

The Governing Board encourages the enrollment and appropriate placement of all school-aged children in school. The Superintendent or designee shall inform parents/guardians of children entering a district school at any grade level about admission requirements and shall assist them with enrollment procedures.

Before enrolling any child in a district school, the Superintendent or designee shall verify the child's age, residency, immunization, and other applicable eligibility criteria specified in law, the accompanying administrative regulation, or other applicable Board policy or administrative regulation.

The Superintendent or designee shall ensure that the enrollment of a homeless or foster child or a child of a military family is not delayed because of outstanding fees or fines owed to the child's last school or for his/her inability to produce previous academic, medical, or other records normally required for enrollment.

In addition, no child shall be denied enrollment in a district school solely on the basis of his/her arrest, adjudication by a juvenile court, formal or informal supervision by a probation officer, detention in a juvenile facility, enrollment in a juvenile court school, or other contact with the juvenile justice system.

The Superintendent or designee shall not inquire into or request documentation of a student's citizenship or immigration status, and shall not deny a student enrollment in a district school on the basis of the citizenship or immigration status of the student or his/her parents/guardians. Any information obtained about a student's or parent/guardian's citizenship or immigration status shall not be shared without parent/guardian consent or a lawful judicial order, in accordance with laws pertaining to the confidentiality of student records.

The district's enrollment application shall include information about the health care options and enrollment assistance available to families within the district. The district shall not discriminate against any child for not having health care coverage and shall not use any information relating to a child's health care coverage or his/her interest in learning about health care coverage in any manner that would harm the child or his/her family.

Legal References:**EDUCATION CODE**

46300	Computation of average daily attendance, inclusion of kindergarten and transitional kindergarten
46600	Agreements for admission of students desiring interdistrict attendance
48000	Minimum age of admission (kindergarten)
48002	Evidence of minimum age required to enter kindergarten or first grade
48010	Minimum age of admission (first grade)
48011	Admission from kindergarten or other school; minimum age
48050-48053	Nonresidents
48200	Children between ages of 6 and 18 years (compulsory full-time education)
48350-48361	Open Enrollment Act
48850-48859	Educational placement of homeless and foster youth

STUDENTS

- 48645.5 Enrollment of former juvenile court school students
- 49076 Access to records by persons without written consent or under judicial order
- 49408 Information of use in emergencies
- 49452.9 Health care coverage options and enrollment assistance
- 49700-49704 Education of children of military families

HEALTH AND SAFETY CODE

- 120325-120380 Education and child care facility immunization requirements
- 121475-121520 Tuberculosis tests for students

CODE OF REGULATIONS, TITLE 5

- 200 Promotion from kindergarten to first grade
- 201 Admission to high school

CODE OF REGULATIONS, TITLE 17

- 6000-6075 School attendance immunization requirements

UNITED STATES CODE, TITLE 5

- 552a Note Refusal to disclose social security number

UNITED STATES CODE, TITLE 42

- 11431-11435 McKinney-Vento Homeless Assistance Act

COURT DECISIONS

- Plyler v. Doe, 457 U.S. 202 (1982)

Management Resources:

CSBA PUBLICATIONS

Legal Guidance on Providing All Children Equal Access to Education, Regardless of Immigration Status, February 2017

U.S. DEPARTMENT OF JUSTICE CIVIL RIGHTS DIVISION AND U.S. DEPARTMENT OF EDUCATION OFFICE FOR CIVIL RIGHTS JOINT PUBLICATIONS

Fact Sheet: Information on the Rights of All Children to Enroll in School

Dear Colleague Letter: School Enrollment Procedures, May 8, 2014

WEB SITES

CSBA: <http://www.csba.org>

California Department of Education: <http://www.cde.ca.gov>

U.S. Department of Education, Office for Civil Rights: <http://www2.ed.gov/about/offices/list/ocr>

U.S. Department of Justice: <http://www.justice.gov>

ADMISSION REQUIREMENTS

RESIDENT

~~Students attending the schools of the District must reside within the boundaries of the San Dieguito-~~

STUDENTS

~~Union High School District.~~

~~The admission of pupils shall be strictly in accordance with the provisions of the Education Code.~~

~~The approval of the Superintendent is required for the admission of non-resident pupils.~~

IMMUNIZATION

~~In accordance with state law, each student is required to provide proof of immunization against diphtheria, pertussis (whooping cough), tetanus, poliomyelitis and measles. Exemptions may be granted only in strict conformance with the Health and Safety Code.~~

~~Students who are fully immunized shall be admitted to school without condition. Students who are not fully immunized may be admitted on condition that they obtain the necessary immunizations within the time periods specified by law. Students who fail to comply within the prescribed time period shall be excluded from school until the required documentation is filed with the school.~~

~~**Exemptions:** Students may be exempted from the immunization requirements for medical reasons or personal beliefs. If the exemption is for medical reasons, a statement by a licensed physician is required. If the exemption is based on personal beliefs, the parent must sign a statement to that effect.~~

LEGAL REFERENCES**EDUCATION CODE**

~~46600 — Agreements for Admission of Pupils Desiring Interdistrict Attendance~~
~~48000 — Minimum Age of Admission (kindergarten)~~
~~48002 — Evidence of Minimum Age Required to Enter Kindergarten or First Grade~~
~~48010 — Minimum Age of Admission (first grade)~~
~~48011 — Admission from Kindergarten or Other School; Minimum Age~~
~~48050 — 48053 — Nonresidents~~
~~48200 — Children Between ages of 6 and 18 Years (compulsory full time education)~~
~~48211 — Habits and Disease~~
~~48221 — Physical or Mental Condition~~
~~49076 — Access to Records by Persons Without Written Consent or Under Judicial Order~~
~~49408 — Information of Use in Emergencies~~

HEALTH & SAFETY CODE

~~3380 — 3390 — Immunization Against Communicable Diseases~~
~~3400 — 3409 — Tuberculosis Tests for Pupils~~

CODE OF REGULATIONS, TITLE 5

~~200 — Promotion from Kindergarten to First Grade~~
~~201 — Admission to High School~~

CODE OF REGULATIONS, TITLE 17

~~6000 — 6075 — School Attendance Immunization Requirements~~

TITLE VII, SUBTITLE B, THE MCKINNEY ACT OF 1987**Management Resources****CDE MANAGEMENT ADVISORIES**

~~0900.90 — Changes in Law Concerning Eligibility for Admission to Kindergarten~~

DISTRICT RESIDENCY

The Governing Board desires to admit all students who reside within district boundaries or who fulfill the district residency requirements through other means as allowed by law. The Superintendent or designee shall develop procedures to facilitate the receipt and verification of students' proof of residency.

The Superintendent or designee shall annually notify parents/guardians of all existing attendance options available in the district, including, but not limited to, all options for meeting residency requirements for school attendance.

The Superintendent or designee shall require parents/guardians to provide documentation of the student's residency upon admission to a district school. A copy of the document or written statement offered as verification of residency shall be maintained in the student's mandatory permanent record.

When establishing a student's residency for enrollment purposes, the Superintendent or designee shall not inquire into a student's citizenship or immigration status.

A student's enrollment may be denied when the submitted documentation is insufficient to establish district residency. In any such case, the Superintendent or designee shall notify the parent/guardian in writing, including specific reasons for the denial.

INVESTIGATION OF RESIDENCY

When the Superintendent or designee reasonably believes that a student's parent/guardian has provided false or unreliable evidence of residency, he/she may make reasonable efforts to determine that the student meets district residency requirements. An investigation may be initiated when the Superintendent or designee is able to identify specific, articulable facts supporting the belief that the parent/guardian has provided false or unreliable evidence of residency.

1. The Superintendent/designee shall identify the circumstances upon which the District may initiate an investigation, which shall, at a minimum, require the District employee to be able to identify specific, articulable facts supporting the belief that the parent/legal guardian of the pupil has provided false or unreliable evidence of residency. Examples of such situations include, but are not limited to: altered documents; credible information from the property owner or neighbor that the student does not reside at the address provided; results of a home visit by a District employee indicating the student does not reside at the address provided; credible information from the student stating he/she does not reside at the address provided; and/or mail sent by the school returned from the address provided.
2. The Superintendent/designee may use reasonable investigatory methods, as appropriate, to determine residency. These methods may include, but are not limited to:
 - a. Examination of records;
 - b. Home visit by District personnel;
 - c. Interview of student and parent/legal guardian;
 - d. Contacting the landlord or neighbors regarding whether or not the student resides at the

STUDENTS

address provided.

3. If necessary, the Superintendent or designee may employ the services of a private investigator to conduct the investigation. Before hiring a private investigator, the Superintendent or designee shall make other reasonable efforts to determine whether the student resides in the district.
4. For any investigation conducted pursuant to this policy, the District shall:
 - a. Not include the surreptitious collection of photographic or videographic images of persons or places subject to the investigation. However, the use of technology is not prohibited if done in open and public view. (Education Code 48204.2) For purposes of this policy, “surreptitious photographing or video- recording” means the covert collection of photographic or videographic images of persons or places subject to an investigation. For purposes of this policy, the collection of images is not covert if the technology is used in open and public view.
 - b. Require that any employee or contractor of the District engaged in the investigation shall truthfully identify himself/herself as an investigator to individuals contacted or interviewed during the course of the investigation.

APPEAL OF ENROLLMENT DENIAL

If the Superintendent or designee, upon investigation, determines that a student does not meet district residency requirements and denies the student's enrollment in the district, he/she shall provide the student's parent/guardian an opportunity to appeal that determination.

The Superintendent or designee shall send the student's parent/guardian written notice specifying the basis for the district's determination. This notice shall also inform the parent/guardian that he/she may, within 10 school days, appeal the decision and provide new evidence of residency.

The burden shall be on the parent/guardian to show why the district's determination to deny enrollment should be overruled.

A student who is currently enrolled in the district shall be allowed to remain in attendance at his/her school pending the results of the appeal. A student who is not currently enrolled in the district shall not be permitted to attend any district school unless his/her appeal is successful.

In an appeal to the Superintendent's designee of a determination that district residency requirements were not met, the Superintendent shall review any evidence provided by the parent/guardian or obtained during the district's investigation and shall make a decision within 10 school days of receipt of the parent/guardian's request for the appeal. The Superintendent's decision shall be final.

ENROLLMENT NOT REQUIRING DISTRICT RESIDENCY

District residency is not required for enrollment in a regional occupational center or program if there are openings in the program or class.

LEGAL REFERENCE:

San Dieguito Union High School District

Policy Adopted: August 6, 1987

Policy Revised: September 5, 2013

Policy Revised: December 8, 2016,

Policy Draft: January 18, 2018, 1st Read

STUDENTS**EDUCATION CODE**

220	Prohibition of discrimination
35160.5	Intradistrict open enrollment
35351	Assignment of students to particular schools
46600-46611	Interdistrict attendance permits
48050-48054	Nonresidents
48200-48208	Compulsory education law, especially:
48204	Residency requirements
48204.1-48204.2	Evidence of residency
48300-48316	Student attendance alternatives, school district of choice program
48350-48361	Open Enrollment Act transfers
48645.5	Former juvenile court school students, enrollment
48852.7	Education of homeless students; immediate enrollment
48853.5	Education of foster youth; immediate enrollment
48980	Notifications at beginning of term
52317	Regional occupational program, admission of persons including nonresidents

FAMILY CODE

6550-6552	Caregivers
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GOVERNMENT CODE

6205-6210	Confidentiality of residence for victims of domestic violence
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CODE OF REGULATIONS, TITLE 5

432	Retention of student records
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UNITED STATES CODE, TITLE 42

11431-11435	McKinney-Vento Homeless Assistance Act
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COURT DECISIONS

Katz v. Los Gatos-Saratoga Joint Union High School District, (2004) 117 Cal.App.4th 47

Management Resources:**CSBA PUBLICATIONS**

Legal Guidance on Providing All Children Equal Access to Education, Regardless of Immigration Status, February 2017

Legal Guidance Regarding International Student Exchange Placement Organizations, April 2014

U.S. DEPARTMENT OF JUSTICE CIVIL RIGHTS DIVISION AND U.S. DEPARTMENT OF EDUCATION OFFICE FOR CIVIL RIGHTS JOINT PUBLICATIONS

Fact Sheet: Information on the Rights of All Children to Enroll in School

Dear Colleague Letter: School Enrollment Procedures, May 8, 2014

WEB SITES

CSBA: <http://www.csba.org>

California Department of Education: <http://www.cde.ca.gov>

California Secretary of State, Safe at Home Program: <http://www.sos.ca.gov/safeathome>

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U.S. Department of Education, Office for Civil Rights: <http://www2.ed.gov/ocr>

U.S. Department of Justice: <http://www.justice.gov>

DISTRICT RESIDENCY

~~The Governing Board desires to admit all students who reside within district boundaries or who fulfill the district residency requirements through other means as allowed by law. The Superintendent or designee shall develop procedures to facilitate the receipt and verification of students' proof of residency.~~

~~The Superintendent or designee shall annually notify parents/guardians of all existing attendance options available in the district, including, but not limited to, all options for meeting residency requirements for school attendance.~~

~~The Superintendent or designee shall require parents/guardians to provide documentation of the student's residency upon admission to a district school. In addition, annual residency verification will be required for each student to continue attending district schools. A copy of the document or written statement offered as verification of residency shall be maintained in the student's mandatory permanent record.~~

~~When establishing a student's residency for enrollment purposes, the Superintendent or designee shall not inquire into a student's citizenship or immigration status.~~

~~A student's enrollment may be denied when the submitted documentation is insufficient to establish district residency. In any such case, the Superintendent or designee shall notify the parent/guardian in writing, including specific reasons for the denial.~~

INVESTIGATION OF RESIDENCY

~~In the event the Superintendent/designee reasonably believes false or unreliable evidence of residency has been provided by a parent/legal guardian, the following procedures apply:~~

- ~~1. The Superintendent/designee shall identify the circumstances upon which the District may initiate an investigation, which shall, at a minimum, require the District employee to be able to identify specific, articulable facts supporting the belief that the parent/legal guardian of the pupil has provided false or unreliable evidence of residency. Examples of such situations include, but are not limited to: altered documents; credible information from the property owner or neighbor that the student does not reside at the address provided; results of a home visit by a District employee indicating the student does not reside at the address provided; credible information from the student stating he/she does not reside at the address provided; and/or mail sent by the school returned from the address provided.~~
- ~~2. The Superintendent/designee may use reasonable investigatory methods, as appropriate, to determine residency. These methods may include, but are not limited to:
 - ~~a. Review of documentation;~~
 - ~~b. Home visit by District personnel;~~
 - ~~c. Interview of student and parent/legal guardian;~~~~

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- d. ~~Contacting the landlord or neighbors regarding whether or not the student resides at the address provided.~~
3. ~~The Superintendent/designee may hire a private investigator if the investigatory methods described above are inconclusive to determine whether the pupil resides in the school district.~~
4. ~~For any investigation conducted pursuant to this policy, the District shall:~~
- a. ~~Prohibit the surreptitious photographing or video recording of pupils who are being investigated. For purposes of this policy, "surreptitious photographing or video recording" means the covert collection of photographic or videographic images of persons or places subject to an investigation. For purposes of this policy, the collection of images is not covert if the technology is used in open and public view.~~
- b. ~~Require that the employees and contractors of the District engaged in the investigation must identify themselves truthfully as such to individuals contacted or interviewed during the course of the investigation.~~

APPEAL OF ENROLLMENT DENIAL

~~If the Superintendent or designee, upon investigation, determines that a student does not meet district residency requirements and denies the student's enrollment in the district, he/she shall provide the student's parent/guardian an opportunity to appeal that determination.~~

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~~The burden shall be on the parent/guardian to show why the district's determination to deny enrollment should be overruled.~~

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~~In an appeal to the Superintendent's designee of a determination that district residency requirements were not met, the Superintendent shall review any evidence provided by the parent/guardian or obtained during the district's investigation and shall make a decision within 10 school days of receipt of the parent/guardian's request for the appeal. The Superintendent's decision shall be final.~~

ENROLLMENT NOT REQUIRING DISTRICT RESIDENCY

~~District residency is not required for enrollment in a regional occupational center or program if there are openings in the program or class.~~

LEGAL REFERENCE**EDUCATION CODE**

~~220 _____ Prohibition of discrimination~~

STUDENTS

5111.1

35160.5 Intradistrict open enrollment
35351 Assignment of students to particular schools
46600-46611 Interdistrict attendance permits
48050-48054 Nonresidents
48200-48208 Compulsory education law, especially:
48204 Residency requirements
48204.1-48204.2 Evidence of residency
48300-48316 Student attendance alternatives, school district of choice program
48350-48361 Open Enrollment Act transfers
48852.7 Education of homeless students; immediate enrollment
48853.5 Education of foster youth; immediate enrollment
48980 Notifications at beginning of term
52317 Regional occupational program, admission of persons including nonresidents

FAMILY CODE

6550-6552 Caregivers

GOVERNMENT CODE

6205-6210 Confidentiality of residence for victims of domestic violence

CODE OF REGULATIONS, TITLE 5

432 Retention of student records

UNITED STATES CODE, TITLE 42

11431-11435 McKinney-Vento Homeless Assistance Act

COURT DECISIONS

Katz v. Los Gatos-Saratoga Joint Union High School District, (2004) 117 Cal.App.4th 47

MANAGEMENT RESOURCES

CSBA PUBLICATIONS

Legal Guidance Regarding International Student Exchange Placement Organizations, April 2014

OFFICE FOR CIVIL RIGHTS, U.S. DEPARTMENT OF EDUCATION PUBLICATIONS

Information on the Rights of All Children to Enroll in School: Questions and Answers for States, School Districts and Parents, 2012

WEB SITES

CSBA: <http://www.csba.org>

California Department of Education: <http://www.cde.ca.gov>

California Secretary of State, Safe at Home Program: <http://www.sos.ca.gov/safeathome>

U.S. Department of Education, Office for Civil Rights: <http://www2.ed.gov/ocr>

STUDENTS**5123****PROMOTION/ACCELERATION/RETENTION**

The Governing Board expects students to progress through each grade level within one school year. Toward this end, instruction shall be designed to accommodate the variety of ways that students learn and provide strategies for addressing academic deficiencies as needed.

Students shall progress through the grade levels by demonstrating growth in learning and meeting grade-level standards of expected student achievement.

1. Between the end of the intermediate grades and the beginning of the middle school grades
2. Between the end of the middle school grades and the beginning of the high school grades

Students shall be identified for retention on the basis of failure to meet minimum levels of proficiency, as indicated by grades and the following additional indicators of academic achievement:

Students shall be identified for retention on the basis of failure to meet minimum levels of proficiency, as indicated by the results of state assessments administered pursuant to Education Code 60640-60649 and the following additional indicators of academic achievement:

- Grades
- Completion of required courses
- SDUHSD Direct Writing Assessment
- Minimum proficiency on California Assessment of Student Performance and Progress (CAASPP)
- English Language Proficiency Assessment for California (ELPAC) for English Learners
- IEP Goals for students receiving Special Education services

When a student in grades 2-9 is retained or recommended for retention, the Superintendent or designee shall offer an appropriate program of remedial instruction to assist the student in meeting grade-level expectations. The district also may offer supplemental instruction to a student in grades 2-6 who is identified as being at risk for retention.

LEGAL REFERENCE**EDUCATION CODE**

37252-37254.1	Supplemental instruction
41505-41508	Pupil Retention Block Grant
46300	Method of computing average daily attendance
48010	Admittance to first grade
48011	Promotion/retention following one year of kindergarten
48070-48070.5	Promotion and retention
56345	Elements of individualized education plan
60640-60649	California Assessment of Student Performance and Progress
60850-60859	Exit examination

STUDENTS**5123****CODE OF REGULATIONS, TITLE 5**

200-202 Admission and exclusion of students

MANAGEMENT RESOURCES

CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS

FAQs Promotion, Retention, and Grading (students with disabilities)

FAQs Pupil Promotion and Retention

Kindergarten Continuance Form

WEB SITESCSBA: <http://www.csba.org>California Department of Education: <http://www.cde.ca.gov>**STUDENTS****5123****STUDENT PROMOTION/INTERVENTION/ACCELERATION/RETENTION**

The Board of Trustees of the San Dieguito Union High School District is committed to supporting student academic growth. The Board expects students to progress through each grade within one school year. To accomplish this goal, instruction will meet or exceed the California State Standards and include strategies for addressing academic deficiencies when needed.

The Board of Trustees believes that early identification and intervention with strong parent support is essential to assure that all students meet the established grade level standards.

This policy is intended to foster school, home, and student accountability for academic achievement and school progress by defining expectations for grades 7-8. Progress toward high school graduation (9-12) shall be based on the students' completion of the required number of credits and the successful completion of the California High School Exit Exam (2006).

The Board of Trustees hereby authorizes the development of procedures to provide a strong support intervention program for students in danger of not meeting the established grade level standards. A variety of assessment measures will be used to determine the students' grade level competency:

STUDENTS**5123**

- ~~Grades~~
- ~~Completion of required courses~~
- ~~SDUHSD Direct Writing Assessment~~
- ~~Minimum proficiency on California Standards Tests in Reading, Language Arts, and Mathematics~~
- ~~CELDT (English Learners)~~
- ~~IEP Goals (Special Education Students)~~

~~When a student fails to make progress toward grade level standards in any grade, appropriate interventions will be provided. If a student does not fully reach grade level standards through an intervention program, he/she may be recommended for retention or may be promoted to the next grade with mandatory instructional assistance in accordance with law, Board policy, administrative regulation.~~

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT~~Policy Adopted: September 6, 1984~~ 1/1~~Policy Revised: April 18, 1985~~~~Policy Revised: January 16, 1997~~~~Policy Revised: April 1, 1999~~~~Policy Revised: March 4, 2004~~**STUDENTS****5123**

~~When high academic achievement is evident, the principal may recommend a student for acceleration into a higher grade level (7-8). The student's social and emotional growth shall be taken into consideration in making a determination to accelerate.~~

~~An appeal process will be provided to parents regarding any retention determination.~~

Legal Reference: EDUCATION CODE~~37252-37253.5 Supplemental instruction~~~~46300 Method of computing ADA~~~~48011 Admission on completing kindergarten; grade placement of pupils coming from other districts~~~~48070-48070.5 Promotion and retention~~~~48431.6 Required systematic review of students and grading~~~~56345 Elements of individualized education plan~~~~60641-60648 Standardized Testing and Reporting~~~~Program 60850-60856 Exit examination~~CODE OF REGULATIONS, TITLE 5~~200-202 Admission and exclusion of students~~

STUDENTS

5123

~~Management Resources: CDE MANAGEMENT ADVISORIES~~

~~0900.90 Changes in Law Concerning Eligibility for Admission to Kindergarten 90-10~~

~~LEGISLATIVE COUNSEL'S OPINION~~

~~Promotion and Retention #21610~~

~~CSBA POLICY ADVISORIES~~

~~0901.99 Social Promotion/Retention Policy Briefing: Considerations for English Language Learners~~

~~1112.98 Student Promotion/Retention Advisory~~

~~WEB SITES~~

~~CSBA: <http://www.csba.org>~~

~~CDE: <http://www.ede.ca.gov>~~

~~SAN DIEGUITO UNION HIGH SCHOOL DISTRICT~~

~~Policy Adopted: September 6, 1984~~ ~~2/2~~

~~Policy Revised: April 18, 1985~~

~~Policy Revised: January 16, 1997~~

~~Policy Revised: April 1, 1999~~

~~Policy Revised: March 4, 2004~~

INSTRUCTION

SUPPLEMENTAL INSTRUCTION

The Governing Board shall provide supplemental instructional programs to motivate and support students to overcome academic deficiencies, attain grade-level academic standards, or enhance critical skills.

Supplemental instructional programs shall be offered outside the regular school day. Such programs may be offered during the summer, before school, after school, on Saturday and/or during inter-sessions.

The Board shall offer direct, systematic and intensive supplemental instruction for students in grades 7 through 9 who have been retained or recommended for retention pursuant to Education Code 48070.5.

~~The Board shall offer direct, systematic and intensive supplemental instruction for students in grades 7 through 12 who do not demonstrate sufficient progress" toward passing the state exit examination required for high school graduation. (Education Code 37252, 60851)~~

~~For purposes of determining eligibility for supplemental instruction for students in the class of 2004 or later, "sufficient progress" toward passing the high school exit examination shall be determined by students' grades, results on the State Standardized Testing and Reporting Assessments, and other indicators of academic achievement designated by the Board.~~

~~These criteria shall also be used to determine the eligibility for supplemental instruction of high school students prior to the class of 2004, although these students are not subject to the high school exit examination requirement.~~

As funding, facilities and staffing permit, supplemental instruction may be offered to:

1. Students in grades 7 through 12 who seek enrichment in mathematics, science or other core academic areas designated by the Superintendent of Public Instruction
2. Students in grades 7 and 8 who need or desire intensive opportunities to practice skills in mathematics in accordance with standards specified in Education Code 53082
3. Students in grades 7 through 12, including English language learners, who need or desire intensive English language and literacy instruction

LEGAL REFERENCE

EDUCATION CODE

420-428 Intensive English language and literacy grants

INSTRUCTION

37200-37202 School calendar
37223 Weekend classes
37252-37253.5 Supplemental instruction
42239-42239.2 Supplemental instruction, apportionments
44259 Comprehensive reading program
46100 Length of school day
48070-48070.5 Promotion and retention
51210 Courses of study, elementary schools
51220 Courses of study, secondary schools
53025-53031 Intensive reading instruction
53081-53084 Intensive algebra instruction
60640-60648 Standardized Testing and Reporting Program
60850-60856 High school exit examination
99223 Algebra Academies Professional Development Institutes

CODE OF REGULATIONS, TITLE 5

11470-11472 Summer School

MANAGEMENT RESOURCES

WEBSITES

CDE: <http://www.cde.ca.gov>

CSBA: <http://www.csba.org>

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 8, 2018

BOARD MEETING DATE: January 18, 2018

PREPARED BY: Michael Grove, Ed.D.
Associate Superintendent / Educational Services

SUBMITTED BY: Eric R. Dill, Superintendent

SUBJECT: UNIFORM COMPLAINT QUARTERLY REPORT,
2017-18, 2nd QUARTER, OCTOBER –
DECEMBER, 2017

EXECUTIVE SUMMARY

State law requires school districts to submit reports to the San Diego County Office of Education (SDCOE) and to the district governing board on the number of complaints each district has received related to the Williams Settlement, i.e., instructional materials sufficiency, emergency facilities issues, and teacher vacancies and misassignments.

Attached is the report for the second quarter, 2017-18, from October through December, 2017.

RECOMMENDATION:

It is recommended that the Board review and accept the attached Uniform Complaint Report for the second quarter, from October through December, 2017, as shown in the attached supplement.

FUNDING SOURCE:

Not applicable.

COMMUNITY RELATIONS

1312.3/AR-1, ATTACHMENT C

**UNIFORM COMPLAINT PROCEDURES
QUARTERLY UNIFORM COMPLAINT REPORT SUMMARY**

For submission to School District Governing Board and County Office of Education

District Name: **San Dieguito Union High School District**

Quarter covered by this report (ex. Jan.- Mar. 2005): October, 2017 through December, 2017

Please fill in the following table; enter 0 in any cell that does not apply.

DESCRIPTION	NUMBER OF COMPLAINTS RECEIVED IN QUARTER	NUMBER OF COMPLAINTS RESOLVED	NUMBER OF COMPLAINTS UNRESOLVED EXPLANATION ATTACHED
Instructional Materials	0	0	0
Facilities	0	0	0
Teacher Vacancy and Misassignment	0	0	0
TOTAL	0	0	0

Submitted by: Michael Grove, Ed.D.
(Print Full Name)

Associate Superintendent
(Title)

Signature: 

Date: January 8, 2018

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 12, 2018

BOARD MEETING DATE: January 18, 2018

**PREPARED &
SUBMITTED BY:** Eric Dill, Superintendent

SUBJECT: DISCUSSION OF VIDEO RECORDING
MEETINGS OF THE BOARD OF
TRUSTEES

EXECUTIVE SUMMARY

The meetings of the Board of Trustees are currently audio recorded. The audio files have been uploaded to the district's website since the beginning of this fiscal year and have been shared upon request in prior years.

The minutes of the meetings of the Board of Trustees are the official record of the actions taken by the Board. There is no requirement to permanently maintain or post the audio records. Few school districts in San Diego County post the audio records of their meetings on their websites.

Similarly, there is no requirement to video record, broadcast, or maintain video archives of board meetings. Several large school districts in the county video record or broadcast their meetings via the internet or cable television. Professionally recording, broadcasting and archiving meetings by video would require a significant investment in equipment and personnel.

Board Member Salazar has requested that the Board consider video recording board meetings.

RECOMMENDATION:

It is recommended that the Board hold a discussion to consider investigation of video recording board meetings and provide direction to the Superintendent.

ITEM 27

FUNDING SOURCE:

General Fund