

**WILLITS UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES**

A regular meeting of the Willits Unified School District Board of Education will be held on **Wednesday, December 16, 2020**. The Board of Education will call the meeting to order at 4 p.m. via Zoom, at which time the Board of Education will move to Closed Session regarding the item listed under Closed Session. The public meeting will reconvene at **5:00 p.m.** via

Zoom: https://www.google.com/url?q=https://us04web.zoom.us/j/9782489039?pwd%3DV0U2cUtHZUMzQk5xR3d5Vy9wT1JkZz09&sa=D&source=calendar&ust=1607209710311000&usg=AOvVaw0NciTcDK_RHS7BkmCyJ7oV

You may also view the recorded meeting at: <https://www.youtube.com/channel/UCm14iSqMtl-7TKLnLP5NkFQ>

MODIFIED MEETING PROCEDURES DURING COVID-19 (CORONAVIRUS) PANDEMIC:

As per Executive Order N-29-20 from Governor Newsom, the Willits Unified School District Board of Education meeting scheduled for Wednesday, December 16, 2020, at 5:00 p.m. will be in a virtual/teleconferencing environment using Zoom at this link:

The purpose of the Governor's executive order is to control the spread of Coronavirus (COVID-19) and to reduce and minimize the risk of infection by "limiting attendance at public assemblies, conferences, or other mass events." The Governor's executive order on March 12, 2020, already waived the requirement for a majority of board members to physically participate in a public board meeting at the same location. The December 16th agenda contains only routine and time-sensitive items.

Public Comments- Individuals may address the Board on regular session agenda items at the time they are under consideration.

Agenda

1. Call Meeting to Order
2. Public Comments on the Closed Session Items
3. Recess to Closed Session
 - A. Consideration of Request to Use Sick Leave for Family Care (1) Classified (G.C. 54957)
 - B. Classified Leave of Absence Request (1) (G.C. 54957)
 - C. Certificated Leave of Absence Request (1) (G.C. 54957)
 - D. Pending Litigation, Doe v. WUSD
4. Reconvene to Open Session
5. Report out of Closed Session
6. Flag Salute
7. Agenda Approval
8. Special Order of Business
 - A. *Oath of Office, Elected Board Members
 - B. Organizational Meeting
 1. Election of Board President
 2. Election of Board Clerk
 3. Appointment of Board Secretary
 4. Appointment of Representatives to School Sites
9. Informational
 - A. *La Vida Charter School, Annual Report
 - B. *Willits Elementary Charter School, Annual Report
 - C. *Willits Charter School, Annual Report
 - D. *Bond Presentation: Finance Plan Overview, Adam Bauer, Fieldman/Rolapp and Associates
10. WTA Comments
11. CSEA Comments
12. Board Comments
13. Superintendent Comments

14. Action/ Discussion
 - A. Public Comments on Consent Agenda Items
 - B. Consent Agenda
 - 1) *Approval of Minutes of the Regular Meeting held on November 18, 2020
 - 2) *Approval of Warrant Registers from November 1, 2020 to November 30, 2020
 - 3) *Approval of Employee Status Changes (5)
 - 4) *Approval of 2nd/Final Read on BP/E 4112.9/42112.9/4312.9 Employee Notifications
 - 5) *Approval of 2nd/Final Read on BP /AR 4113 Assignment
 - 6) *Approval of 2nd/Final Read on BP/AR/E Exposure Control Plan for Bloodborne Pathogens
 - 7) *Approval of 2nd/Final Read on BP/AR 4119.43/4219.43/4319.43 Universal Precautions
 - 8) *Approval of 2nd /Final Read on BP 4151/4251/4351 Employee Compensations
 - 9) *Approval of 2nd/Final Read on BP 5141.5 Mental Health
 - 10) *Approval of 2nd/Final Read on BP 5145.3 Nondiscrimination/Harassment
 - 11) *Approval of 2nd /Final Read on BP/AR 6020 Parent Involvement
 - 12) *Approval of 2nd/Final Read on BP/AR 6115 Ceremonies and Observances
 - 13) *Approval of 2nd/Final Read on AR 6173.4 Title VI Indian Education Program
 - C. *Approval of Resolution 2020/21-5, Certification to Board of Supervisors Mendocino County
 - D. *Approval of Resolution 2020/21-6, Measure I Oversight Committee Governing Bylaws
 - E. *Approval of Resolution 2020/21-7, Issuance and Sale of General Obligation Bonds
 - F. *Approval of Bond Purchase Agreement, Stiffel, Nicholas & Company Incorporated
 - G. Approval of 1st Interim Budget 2020/21
 - H. Approval of Budget Overview for Parents
 - I. *Approval of Resolution 2020/21-8 Participation in CSFA K-12 Pooled TRAN
 - J. *First Read on BP 2121 Superintendent's Contract
 - K. *First Read on BP 3600 Consultants
 - L. Agenda Items for Next Regular Meeting
15. Public Comments for Items Not on the Agenda
16. Adjournment

Willits Unified School District staff and students, in partnership with parents and community members, provide a challenging, caring and safe educational environment, which prepares students to be positive members of the community, effective communicators, problem solvers, and lifelong learners.

Notice: Willits Unified School District adheres to the Americans with Disabilities Act. Should you require special accommodations, or more information about accessibility, please contact the Superintendent, (707) 459-5314. All efforts will be made for reasonable accommodations.

BOARD MEETINGS ARE RECORDED AND WILL BE AVAILABLE FOR VIEWING AT: www.willitsunifed.com. For technical assistance, please contact Jennifer Maples (707) 459-5314 ext. 1105

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Public Comments- Individuals may address the Board on regular session agenda items at the time they are under consideration.

AGENDA ANALYSIS

The Board reserves the right to change the Agenda order unless a specified time is listed for an item.

1. Call Meeting to Order
2. Public Comments on the Closed Session Items

At this time, comments from members of the public are accepted by the Board on items listed on the Closed Session Agenda and within the jurisdiction of the Board of Trustees. The Board is prohibited by law from taking action in Open Session on items on the Closed Session Agenda, but may ask questions to clarify the speaker's comments and refer the speaker to follow up with a specific staff member.

3. Recess to Closed Session
 - A. Consideration of Request to Use Sick Leave for Family Care (1) Classified (G.C. 54957)
 - B. Classified Leave of Absence Request (1) (G.C. 54957)
 - C. Certificated Leave of Absence Request (1) (G.C. 54957)
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10. WTA Comments
11. CSEA Comments
12. Board Comments
13. Superintendent Comments
14. Action Discussion
 - A. Public Comments on Consent Agenda Items
 - B. Consent Agenda

These items are routine in nature and do not typically require Board discussion.

- 1) * Approval of Minutes of the Regular Meeting held on November 18, 2020

Recommendation: Administration recommends the approval of the Minutes of the Regular Meeting held on November 18, 2020.

Attachments: Yes

2) * Approval of Warrant Registers from November 1, 2020 to November 30, 2020

Recommendation: Administration recommends the approval of the Warrant Registers from November 1, 2020 to November 30, 2020.

Attachments: Yes

3) * Approval of Employee Status Changes (5)

Background:

Classified Resignation:

Jodi Phillips, .75 FTE, Special Education Instructional Assistant, Blosser Lane Elementary School, 11/03/20

Classified New Hire:

Elizabeth Rountree, .75 FTE, Special Education Instructional Assistant, Baechtel Grove Middle School, 10/26/20

Leticia Nieto Ceja, .75 FTE, Special Education Instructional Assistant, Baechtel Grove Middle School, 11/30/20

Leticia Sanchez, .63 FTE, Instructional Assistant, Blosser Lane Elementary School, 11/30/20

Recommendation: Administration recommends the approval of the Employee Status Changes.

Attachments: Yes

4) *Approval of 2nd/Final Read on BP/E 4112.9/42112.9/4312.9 Employee Notifications

Background: Exhibit updates Section I (All Employees) to (1) delete cite to 2 CCR 11024 which does not directly include a sexual harassment notice requirement; (2) indicate that the notification regarding a public hearing on an alternative schedule for secondary grades is addressed in BP 6112 rather than the AR; (3) delete an item regarding the oath or affirmation for disaster service workers since law does not specifically require an employee notification; (4) indicate that the notification regarding AIDS and hepatitis B was moved from AR 4119.43/4219.43/4319.43 to the BP; (5) indicate that the notification of workers' compensation benefits is addressed in AR 4157.1/4257.1/4357.1 rather than the BP; and (6) indicate that the notification regarding the district's nondiscrimination policy and complaint procedures are addressed in AR 4030 rather than the BP. Section II (Certificated Employees) updated to expand legal cites for the reelection notice for probationary employees and broaden the item to apply to districts with less than 250 average daily attendance. Section III (Classified Employees) updated to (1) delete the dismissal notice for merit system districts since the personnel commission establishes dismissal procedures for such districts and the notice is not reflected in policy; (2) add another legal cite pertaining to the notice of employee drug testing requirements and indicate that the notification is addressed in AR 4112.42/4212.42/4312.42 rather than the BP; and (3) add a requirement to provide school bus drivers with information regarding post-accident procedures. Section V (Individual Employees Under Special Circumstances) updated to indicate that the notice on potential eligibility for workers' compensation benefits is addressed in AR 4157.1/4257.1/4357.1 rather than the BP.

Recommendation: Administration recommends the final approval on revised policies as presented

Attachments: Yes

5) *Approval of 2nd/Final Read on BP /AR 4113 Assignment

Background: Policy updated to reflect NEW LAW (AB 1219, 2019) which requires annual monitoring of the assignment of certificated employees at all schools, and requires the Commission on Teacher Credentialing (CTC) to administer a statewide system that produces an annual data file of vacancies and misassignments and provides districts an opportunity to submit additional evidence that an employee is legally authorized for the assignment. Policy also adds legal requirements to report misassignments in the school accountability report card and to use Williams uniform complaint procedures to address any complaint alleging teacher misassignment or vacancy.

Recommendation: Administration recommends the final approval on revised policies as presented

Attachments: Yes

6) *Approval of 2nd Final Read on BP/AR/E 4119.42/4219.42/4319.42 Exposure Control Plan for Bloodborne Pathogens

Background: Policy updated to add the requirement that the district's exposure control plan for bloodborne pathogens be consistent with the district's injury and illness prevention program established pursuant to Labor Code 6401.7. Legal cites added for training and hepatitis B vaccination requirements, and material deleted regarding the exemption of designated first aid providers from the pre-exposure hepatitis B vaccination, which is repeated in the AR. Paragraph added to include the district's responsibility to implement follow-up procedures in the event of an exposure incident. Regulation updated to add federal legal cites where applicable, add definition of personal protective equipment, and delete requirement to communicate hazards to employees through labels and signs, which is not applicable to school districts. Section on "Preventive Measures" expanded to include the provision of personal protective equipment,

observance of universal precautions, and compliance with state regulations for needleless systems, needle devices, and non-needle sharps. Regulation also adds more detail regarding the exemption of certain first aid providers from the pre-exposure hepatitis B vaccine and adds required components of staff training. Exhibit updated to clarify which employees are required to sign a statement when they decline to accept the hepatitis B vaccination offered by the district.

Recommendation: Administration recommends the final approval of policies as presented

Attachments: Yes

7) *Approval of 2nd and Final Read on BP/AR 4119.43/4219.43/4319.43 Universal Precautions

Background: Board Policy 4119.43/4219.43/4319.43 - Universal Precautions

Policy updated to include material formerly in the AR on the provision of information to employees regarding acquired immune deficiency syndrome (AIDS), AIDS-related conditions, and hepatitis B and appropriate methods to prevent exposure. Policy also adds optional paragraph regarding the inclusion of related information in employee handbooks.

Administrative Regulation 4119.43/4219.43/4319.43 - Universal Precautions

Regulation updated to add a definition of occupational exposure and delete other unnecessary definitions. Section on "Employee Information" moved to BP. Section on "Infection Control Practices" revised to delete detailed requirements that are specifically applicable to employees identified as having occupational exposure, which are addressed in BP/AR 4119.42 - Exposure Control Plan for Bloodborne Pathogens, and to delete items with limited applicability in school settings.

Recommendation: Administration recommends the final approval on revised policy as presented

Attachments: Yes

8) *Approval of 2nd Final read on BP 4151/4251/4351 Employee Compensations

Background: Policy updated to delete Labor Code citation that is not applicable to public agencies and instead reflect Education Code provisions related to overtime compensation for classified employees.

Recommendation: Administration recommends the final approval on revised policies as presented

Attachments: Yes

9) *Approval of 2nd Final read on BP 5141.5 Mental Health

Background: New policy addresses strategies and services to promote students' emotional well-being and mental health, including student instruction, staff training, crisis intervention, counseling services and referrals, Section 504 evaluation, and collaboration with mental health professionals, agencies, and organizations. Policy reflects NEW LAW (SB 75, 2019) which establishes the Mental Health Student Services Act for the purpose of supporting mental health partnerships among county mental health agencies and local educational agencies.

Recommendation: Administration recommends the final approval on revised policies as presented

Attachments: Yes

10) *Approval of 2nd Final read on BP 5145.3 Nondiscrimination/Harassment

Background: Policy updated to reflect law prohibiting discrimination based on medical condition and to reflect NEW LAW (AB 34, 2019) which requires the district, starting in the 2020-21 school year, to post its nondiscrimination policies, and specified state and federal laws regarding discrimination, bullying, and harassment, in a prominent location on the district's web site in a manner that is easily accessible to parents/guardians and students.

Recommendation: Administration recommends the final approval on revised policies as presented

Attachments: Yes

11) *Approval of 2nd Final read on BP/AR 6020 Parent Involvement

Background: Board Policy 6020 - Parent Involvement

Policy updated to reflect the requirements to work with parents/guardians and family members to jointly develop the district's parent involvement policy and to include strategies for family engagement in the local control and accountability plan (LCAP). For districts that receive federal Title IV funding for family engagement programs, policy adds the requirement to inform parents/guardians and organizations of the existence of the program. Policy also contains material formerly in the AR regarding the inclusion of the Title I local educational agency plan into the LCAP and the distribution of the district and school-level parent involvement policies.

Administrative Regulation 6020 - Parent Involvement

Regulation updated to revise the section on "District Strategies for Title I Schools," including moving and adding strategies under item #2 to reflect means by which the district may provide coordination, technical assistance, and other support to build school capacity for parent involvement activities, and adding strategies under item #5 to reflect means by which the district may use evaluation findings to design evidence-based strategies for more effective parent/guardian and family involvement. Section on "School-Level Strategies for Title I Schools" revises item #7 to

include strategies formerly in section on "District Strategies for Title I Schools." Minor changes made throughout section on "District Strategies for Non-Title I Schools" to more directly reflect law.

Recommendation: Administration recommends the final approval on revised policies as presented

Attachments: Yes

12) *Approval of 2nd Final read on BP/AR 6115 Ceremonies and Observances

Background: Board Policy 6115 - Ceremonies and Observances

Policy updated to add the board's authority to designate any day as a holiday, in addition to those holidays designated by law, and to revise the date upon which schools close in observance of any holiday except Veterans Day. Policy also adds optional language stating that the board may adopt a resolution to authorize the display of symbolic flags or banners in support of specific awareness days or months.

Administrative Regulation 6115 - Ceremonies and Observances

Regulation updated to reflect state law requiring schools to be closed on any day designated as a holiday by the President, Governor, or district board or negotiated with employee organizations. School closure on Cesar Chavez Day and Native American Day deleted from the body of the regulation since school closure on these holidays only applies to districts that have agreed to do so in a memorandum of understanding with employee bargaining units. Section on "Commemorative Exercises" expands Note to include additional days of significance on which schools are encouraged, but not required, to conduct commemorative exercises.

Recommendation: Administration recommends the final approval on revised policies as presented

Attachments: Yes

13) *Approval of 2nd Final read on AR 6173.4 Title VI Indian Education Program

Background: New regulation reflects major requirements for districts that receive federal Title VI Indian education funding, which supports local educational agencies, Indian tribes and organizations, and consortia in meeting the unique cultural, language, and educational needs of American Indian students and ensuring that all students meet challenging state academic standards. Districts receiving such funding are mandated to adopt procedures to ensure that the program will be operated and evaluated in consultation with, and with the involvement of, parents/guardians and family members of American Indian students and community representatives. Regulation also includes allowable expenditures of Title VI funds, the provision of professional development as needed, maintenance of student eligibility records, and distribution of program evaluation results.

Recommendation: Administration recommends the final approval on revised policies as presented

Attachments: Yes

C. *Approval of Resolution 2020/21-5, Certification to Board of Supervisors Mendocino County

Background: In accordance with California Ed Code Section 15274, the Board of Trustees must certify to the Board of Supervisors that proceedings of the District in connection with the Bond Election have been accomplished with respect to the election as recited herein.

Recommendation: Administration recommends approval of Resolution 2020/21-5

Attachments: Yes

D. *Approval of Resolution 2020/21-6, Measure I Oversight Committee Governing Bylaws

Background: The committee to oversee expenditures of Measure I bond proceeds is hereby established. The committee shall be administered pursuant to the Bylaws in the form on file with the Superintendent, which are hereby approved and adopted for the purpose of establishing the committee.

Recommendation: Administration recommends approval of Resolution 2020/21-6.

Attachments: Yes

E. *Approval of Resolution 2020/21-7, Issuance and Sale of General Obligation Bonds

Background: The District wishes at this time to initiate proceedings for the issuance of an initial series of Bonds pursuant to the authorization of the Bond Measure and the Bond Law, in the aggregate principal amount of not to exceed \$4,000,000,000.

Recommendation: Administration recommends approval of Resolution 2020/21-7

Attachments: Yes

F. *Approval of Bond Purchase Agreement, Stiffel, Nicholas & Company Incorporated

Background:

Recommendation: Administration recommends approval of bond purchase agreement as presented.

Attachments: Yes

G. Approval of 1st Interim Budget 2020/21

Background: No later than 45 days after the close of the reporting period, the district governing board shall approve and certify in writing whether the school district is able to meet its financial obligations for the remainder of the fiscal year and, based on current projections, for subsequent two fiscal years.

Recommendation: Administration recommends the approval of the 1st interim budget as presented.

Attachments: Currently not available, will publish when ready

H. Approval of Budget Overview for Parents

Background:

Recommendation: Administration recommends approval of budget overview for parents.

Attachments: Currently not available, will publish when ready

I. *Approval of Resolution 2020/21-8 Participation in CSFA K-12 Pooled TRAN

Background: The District currently projects that it will experience a cash flow shortfall during fiscal year 2020-21 created by timing differences between its anticipated expenditures and estimated receipt of revenues. This resolution authorizes a short term borrowing by the District to address this cash flow shortfall through the issuance of tax and revenue anticipation notes ("TRANs" or Notes") through the CSFA State Aid Intercept Notes Program.

Recommendation: Administration recommends approval of Resolution 2020/21-8 as presented.

Attachments: Yes

J. *First Read on BP 2121 Superintendent's Contract

Background: Policy updated to add professional development as an optional component that may be addressed in the superintendent's contract, consistent with CSBA's Superintendent Contract Template. Section on "Termination of Contract" deletes material related to maximum cash settlement requirements for contracts executed prior to January 1, 2016, since state law limits the term of the contract to a maximum of four years.

Recommendation: No action required, first read only

Attachments: Yes

K. *First Read on BP 3600 Consultants

Background: Policy updated to reflect NEW LAW (AB 5) which codifies a three-part test, established in *Dynamex Operations West Inc. v. Superior Court of Los Angeles*, to determine whether a person providing services for remuneration should be classified as an employee or an independent contractor. Policy also updates the statement on nondiscrimination to include additional protected categories, and reflects law regarding harassment of or by an independent contractor.

Recommendation: No action required, first read only

Attachments: Yes

L. *Agenda Items for Next Regular Meeting

Background: The board has asked that this item be a standing agenda item for all regular meetings. This will give the board an opportunity to publicly add items to the agenda.

Recommendation: Administration awaits direction from the board.

Attachments:

15. Public Comments for Items Not on the Agenda

This is an opportunity for citizens to address the School Board on any item that is not on the agenda and other school related matters, or suggest topics for future agendas. Because concerns expressed are not agendaized for tonight, the Board cannot take action on items introduced under the Public Comments Sections, per state law. The Board President may rule on the appropriateness of a topic. If the topic would be more suitably addressed at a later time, the president may indicate the time and place when it should be presented.

The Board shall not prohibit public criticism of its policies, procedures, programs, service, acts, or omissions (Government Code §54954.3). In addition, the Board may not prohibit public criticism of district employees. Please note: it is requested that statements critical of personnel or students, or specific actions of personnel or students, be made in accordance with Board Policy 1312.1.

Members of the public are asked to check with the Superintendent, Board President, or Clerk of the board regarding the District Complaint Procedure prior to making statements referring to personnel or students. Employees of the district who wish to make statements related to contractual issues need to file the appropriate grievance procedure statements. Speakers are cautioned that under California law, no person is immune from liability for making intentionally false or defamatory comments regarding any person simply because those comments are made at a public meeting.

16. Adjournment

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OATH OF OFFICE

for Governing Board Member

*(Government Code Sections 1360-1363, inclusive, 3105)
(Section 3, Article XX, State Constitution)*



*I, **ALEX A. BOWLDS**, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.*

(Board Member's Signature)

(Mailing Address)

(Term Expires)



*Subscribed and sworn to before me, this _____ day of _____, 2020,
proved to me on the basis of satisfactory evidence to be the person who appeared before me.*

*On behalf of the **WILLITS UNIFIED SCHOOL DISTRICT***

(Signature of Person Administering Oath)

(Title)

ORIGINAL – *Must be submitted through the County Superintendent of Schools office (will be forwarded to the County Elections Department)*

COPY – *On file at District Office*

(Prior to taking office, appointed/elected board members must take and subscribe to this Oath of Office before a governing board member, other school official, state or county officer, judicial officer, or notary public.)

OATH OF OFFICE

for Governing Board Member

(Government Code Sections 1360-1363, inclusive, 3105)
(Section 3, Article XX, State Constitution)



I, **DIANNE MCNEAL**, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

(Board Member's Signature)

(Mailing Address)

(Term Expires)

~~~~~  
Subscribed and sworn to before me, this \_\_\_\_ day of \_\_\_\_\_, 2020,  
proved to me on the basis of satisfactory evidence to be the person who appeared before me.

On behalf of the **WILLITS UNIFIED SCHOOL DISTRICT**

\_\_\_\_\_  
(Signature of Person Administering Oath)

\_\_\_\_\_  
(Title)

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REPORT TO THE WILLITS UNIFIED SCHOOL DISTRICT  
BOARD OF TRUSTEES  
DECEMBER 10, 2020

*La Vida Charter School*  
*2019-20 End of Year Report*



Students in grades 1 & 2 showing off the 3D Printed Shapes they made.

**Willits Unified School District**  
1277 Blosser Lane

Alex Bowlds, Member  
Robert Chavez, Member  
Jeanne King, Member  
Paula Nunez, Member  
Dianne McNeal, Member

Submitted to Mark Westerburg,  
Superintendent

LA VIDA CHARTER SCHOOL, 11785 ORCHARD LANE AKA  
16201 N. HWY 101, WILLITS CALIFORNIA, 95490, 707-459-6344  
ANN KELLY, EXECUTIVE DIRECTOR

La Vida Charter School, End of Year Report 2018-19

## PROGRESS TOWARD GOALS



*Keep On the Sunny Side*, was La Vida's theme song of the year which matched the 'Year of the Radiant Sun' theme. We sang that ol' American song a lot which was a good antidote for navigating one the strangest years in recent history. The twist of fate events started in October with two rounds of planned power outages and wildfires, which closed the school for six days. No one lost their homes this time, thankfully. There were several other power outage days later in the year as well which brought the year total of affected school days to eleven. Then in March the Coronavirus Global Pandemic closed the onsite program. La Vida stayed open one week longer than most other schools and then began virtual math classes to help keep up the educational momentum. All in all, the school program is set up to handle being at home and most everyone managed to keep going and thrived. Attendance rate was down a little, but actual numbers were higher than prior year and that level of attendance was maintained until the end of the year. The only students who fell of the map, so to speak, were the Native American students who live on Rancherias in which the communities were securely locked down to all outsiders.

POSITIVE  
PROGRESS  
TOWARD GOALS

80% GROWTH IN  
READING

65% GROWTH IN  
MATH

The Radiant Sun theme provided excellent educational opportunities. In the fall the focus was on the life giving force of the sun, which culminated in Farm Day, a full day experience sponsored by the School of Adaptive Agriculture, one of La Vida's neighbor's on Ridgewood Ranch. The Fall musical production was on the solar system entitled *Vacation on Mars*. Solar power was the focus for winter and the bank of solar panels on top of the newly constructed pergola went online. The heavy beam pergola was a gift from the Prop 39, Clean Energy Jobs Act. This new outdoor classroom space could not have been better timed. Who knew that outdoor meetings and classes would be the mandate of the future. For spring, the sun focus was telling time and navigation. We did not get to do the telling time problems for the all school Math Challenge because of Covid19. Nor did we do the field trips around big ships and shipwrecks in San Francisco and Point Cabrillo. All have been postponed until this spring 2021, hopefully. Students did however created mosaic panels with well known mosaicist Elizabeth Raybee to create a Human Sundial or annalemmatic sundial that was installed next to the pergola. Celebrations for these accomplishments are still to come.

80% RATING OF  
EXCEEDS  
STANDARDS  
ON BENCHMARK  
PROJECT

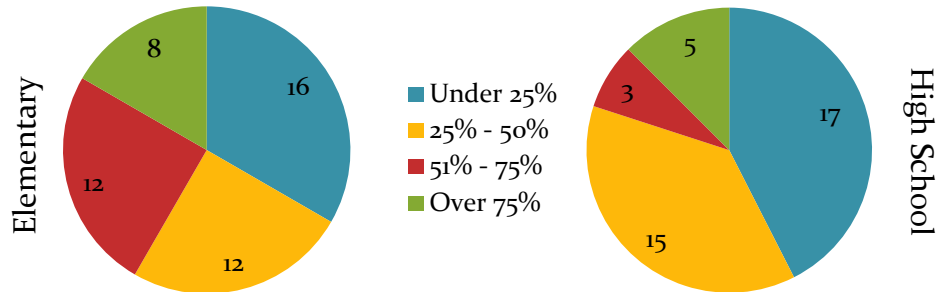
45%  
OUTSTANDING  
RATING ON  
PORTFOLIOS

PARENT OVERALL  
RATING OF 9.8

Other improvements from Prop 39, Clean Energy Jobs Act was a new Heating and Cooling HVAC system and a solo mini spit system for a classroom separated from the main line. New double pained windows on the south and west sides of the main facility; and LED lights installed throughout, inside and out have all made a big difference on comfort and utility expenditures.

ZERO  
SUSPENSIONS

**WEEKLY CHECK-INS-** This is the schools program to show engagement and monitor progress through the curriculum. Students or parents submit the end of the week work sample in English Language Arts and Math, either by email of a phone picture or as a hard copy in the hallway file box. The school responds with an automatic upbeat reply for every email check in. Achieving consistent weekly checkins continues to be an uphill climb. Pictured is a year look of student participation for the Elementary and High Schools.



### OTHER LCAP AND WASC GOALS

**REAL WORLD LEARNING** required by the 21<sup>st</sup> Century Frameworks is experienced in the on-site classes and can be independent study electives also known as Custom Electives. Examples of real life learning incorporated into courses included Real World Math Class 2 days per week, The Math Challenge, Herbal Studies, Community Service, Calligraphy, Hummingbird Robotics, Zspace virtual reality programs, Farm Day, Vermiculture, Cyber Civics and Music and Drama. Real World learning can also be seen in Independent Study Projects, Benchmark Projects, Work Experience, and Senior Economics Projects. It should be noted that three seniors did stock watch activities, by investing pretend money \$1,000 divided into three stocks. All stocks made money, primarily big tech, during the pandemic.

SMART Goals continued to be a focus. This year the effort was made to create achievable short term goals. SMART stands for Specific, Measurable, Achievable, Relevant and Time bound. Achieving the SMART goals was awarded at the monthly assemblies which got cut short because of Covid19. 18 students received a Shining Bright Award for achieving their SMART Goals. Eight students received the Radiant Sun Award for achieving Weekly Checkins, Regular Math Homework Submissions, Being Kind and Working Hard. Students created New Year Resolutions for the big 2020 year. 87% accomplished their resolution goals in one month's time.

**COLLEGE AND CAREER INDICATORS:** La Vida provides a broad course of study. Over 350 courses are available in the high school. 168 courses have the University Prep A-G accreditation. And there are over 100 CTE, Career and Technical Education, classes, mostly through Odysseyware and Edgenuity. About 150 courses among all of these are electives.

39 out of 43 students or 91% took A-G classes last year which is a 19% increase over the previous year. 37 students 86% took CTE Classes. This was the result of a big push on the part of the teachers to get kids enrolled in CTE classes. Until then, perhaps one two students a year enrolled in a formal CTE course. Still an important goal for the school is to develop a CTE Pathways program.

A highlight of the year was the school sponsored Ridgewood Ranch Mini Career Fair at the end of September. This was integrated as part the Fall Career Choices onsite course. Eleven industrial sectors were represented by people that live on Ridgewood Ranch. Public Service (Emergency First Responders) Contractors, Health Care, Agriculturists, Film Making, Graphic Arts, Therapeutic Service and Social Work and more were represented. Students had a list of questions and had to interview each representative and



then we all had lunch together. The salad came for the School of Adaptive Agriculture gardens on the Ranch and was prepared by students. A field trip to Mendocino College and a visiting guest speaker from the college were also a part of the Career Choices class. The College and Career Readiness grant monies were used to fund lunches for the college trip.

One senior graduated with a full university prep diploma. Most of La Vida seniors see Mendocino College as their higher education pathway which only requires the general studies diploma. Requirements for the two diploma tracks are published in the La Vida High School Program. 14% of the High School Students were concurrently enrolled in 19 courses at the Jr. College.

In this report there is a graph from the California Dashboard (pg. 7) on College and Career Prepared. Although almost 7% improved over the previous year, still 67% are considered unprepared under the state's rubric. We see that Reading is a barrier for many high school students that find their way to La Vida. Elsewhere in this report on the MAP page (pg.11) there is a turquoise pie chart that shows 55% of the students are on track for the college entrance SAT test based on their performance on the MAP Math test which is a good base.

La Vida Charter School is located on the beautiful and historic Ridgewood Ranch, Home of Seabiscuit. Located just off Highway 101 in the heart of Mendocino County, it is 7 miles south of Willits and 16 miles north of Ukiah. Founded by parents and educators in 2001, and WASC accredited, the school aims to provide an educational alternative to the families in Mendocino County and beyond.

The program offers an innovative, K-12, independent study program, supported by culturally rich on-site classes two days per week. The school is a member of the Alliance for Public Waldorf Education. La Vida is deeply committed to honoring and supporting home schoolers' freedom to choose their learning pathways. By doing so, LVCS hopes to spark an undying flame of lifelong learning.

La Vida Charter School has developed a program where students thrive in a small, beautiful, supportive and safe setting. Serving 80 to 100 students, class size is small, offering a very beneficial student-to-teacher ratio of 12: 1 for the independent study program, and 11:1 for the on-site classes program. The school's Charter with Willits Unified and the building lease run through June 2024 & 2025 respectively. The school community enjoys its location as an excellent setting for its education program and does not plan to move, expand or pursue other facility options from Willits Unified next year.

The school received a new mailing address last year: 11785 Orchard Lane, Willits CA 95490.



## ATTENDANCE

| Month        | Date           | Gains    | Losses   | Total                               |
|--------------|----------------|----------|----------|-------------------------------------|
|              | August '19     | 25       | 24       | 80(55 re- rolled from 18-19, new 25 |
| 1            | 9/27/19        | 0        | 0        | 80                                  |
| <b>CBEDS</b> | <b>10/2/19</b> | <b>0</b> | <b>0</b> | 80                                  |
| 2            | 10/25/19       | 9        | 4        | 85                                  |
| 3            | 11/22/19       | 4        | 2        | 87                                  |
| 4 (P1)       | 12/20/19       | 7        | 8        | 86                                  |
| 5            | 1/17/20        | 7        | 4        | 89                                  |
| 6(P2)        | 2/14/20        | 7        | 6        | 90                                  |
| 7            | 3/13/20        | 2        | 3        | 89                                  |
| 8            | 4/10/20        | 0        | 0        | 89                                  |
| 9            | 5/8/20         | 0        | 0        | 89                                  |
| 10           | 6/5/20         | 0        | 0        | 89                                  |
| <b>Total</b> |                | 61       | 51       |                                     |

ENROLLMENT SUMMARY CHART: The upward trend for enrollment in 2019-20 was the reverse of the previous two years, which was down about 6%. Instead there was a steady increase of 10 students or 11% by the end of the year. La Vida tracks the mobility of the population since there is typically about 75% change with students exiting and entering over the summer and during the year. The year started with 80 students, (five more than the previous year) 24 exited over the summer (10 less than previous year), and there were 25 beginning of the year enrollments. Through the year (not including the rollover) there were 36 gains and 27 losses, Six more gains and the same number of losses as the previous two years. The year ended with an enrollment of 89, (10 more than the year prior.) The gender breakdown is 53% boys and 47% girls.

### ATTENDANCE RATE (P-2)

93.83% was the attendance rate at P-2, which is 1.17 points below the school's goal of 95%. and a decrease of .58% from the former year.

At P-2- 93.83% (Goal is 95%). (Prior Years: 94.41% in 18/19, 93.39% in 17/18, 97% in 16/17, 93% in 15/16)

### P-2 ADA

80.12 ADA (Prior Years: 76.41 in 18/19, 78.07 in 17/18, 78.36 in 16/17, 83.04 in 15/16.

P-3 or the Annual ADA Report showed only a 1.7 decrease from P-2. 78.42 year end down from 80.12 P-2. This was an encouraging sign demonstrating learning engagement when considering the wide spread trauma from the Pandemic, one might expect a greater drop in attendance.

**CHRONIC ABSENTEEISM-** State reporting has a lag of a year or two and is showing 7.7% of the students were absent 10% or more in 2018/19. Tentative records for 2019/20 is significantly higher between 8.8 and 10%.

### DROP-OUT RATE, UNOFFICIAL BY YEAR (\*not using the federal cohort formula)

Zero dropouts last year (goal is less than 10%). (Prior Years: 2.7% in 18/19, 3% in 17/18, 2% in 16/17.)

## DESTINATIONS FOR STUDENTS THAT EXITED MID YEAR

|                                    |    |
|------------------------------------|----|
| In District                        | 0  |
| Local California Public School     | 21 |
| Out of Area Public School          | 0  |
| Private School/Home School         | 2  |
| Transferred out of State           | 1  |
| Dropped Out of School or not known | 2  |
| Graduated                          | 1  |

## ENROLLMENT ON-SITE AND OFF-SITE (P-2)

|                        |     |
|------------------------|-----|
| On-site                | 55% |
| Independent Study Only | 45% |
| On-site K-8            | 33% |
| On-site 9-12           | 22% |
| Off-site K-8           | 24% |
| Off-site 9-12          | 22% |

## ENROLLMENT BY GRADE (P-2)

| Grade          | TK-K | 1 | 2 | 3 | 4 | 5 | 6 | 7  | 8 | 9  | 10 | 11 | 12 |
|----------------|------|---|---|---|---|---|---|----|---|----|----|----|----|
| Enrolled       | 14   | 6 | 5 | 3 | 4 | 3 | 4 | 3  | 3 | 8  | 7  | 17 | 8  |
| Total by Group | 39   |   |   |   |   |   |   | 11 |   | 40 |    |    |    |

There was no consistent Waiting List.

## GRADUATION RATE

La Vida uses an unofficial graduation\* rate not based on the Four Year Adjusted Cohort Rate because of the irregular nature of enrollment. Students in 12<sup>th</sup> grade are not the same students as those in the 9<sup>th</sup> grade and there is no consistency of numbers of students per grade level. Seven out of eight seniors graduated, 88%.

88%\* (Goal 80%) Prior Years: 78%, in 18-19, 85% in 17-18, 61% in 16/17, 75% in 15/16)

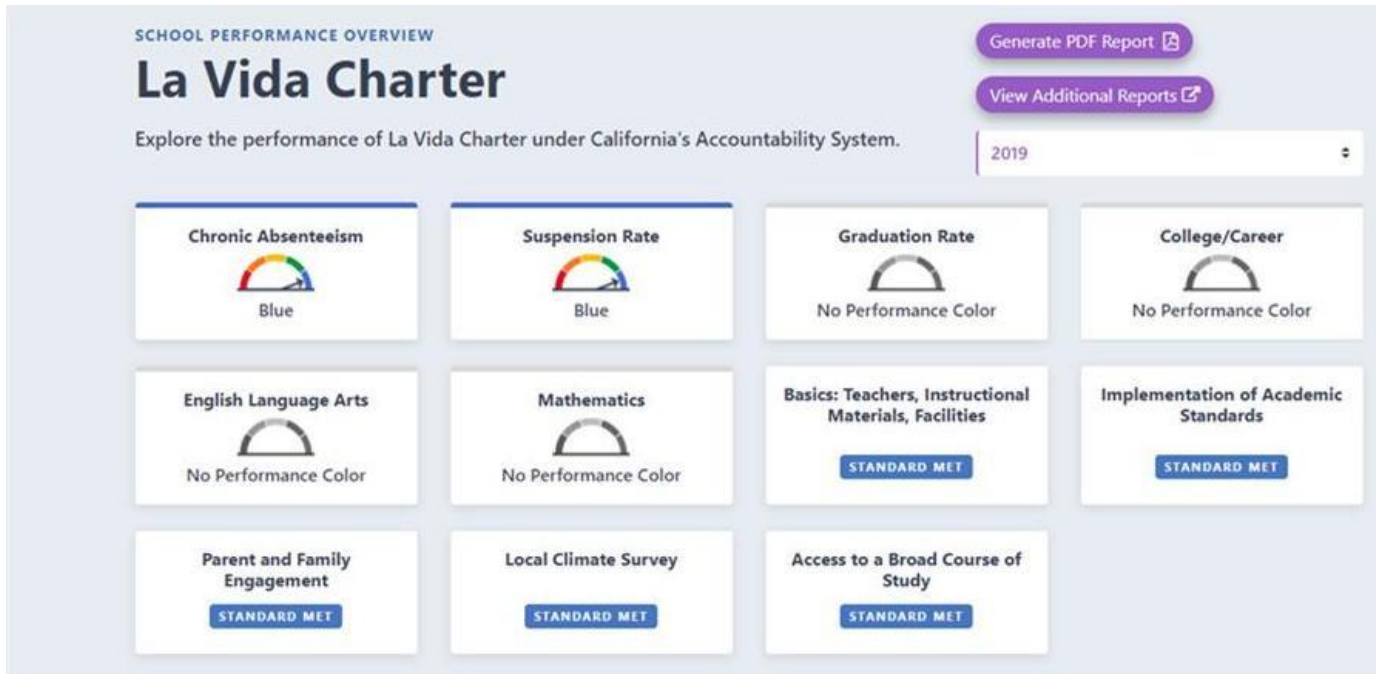
The state reported rate is 66.7% which is recently released is a slight improvement over the previous year by 2.4% and is well below the Willits rate of 83.1%.

## SUSPENSIONS & EXPULSIONS

There were zero suspensions last year. There were zero expulsions.

## ENGLISH LANGUAGE LEARNERS

Usually the school does not attract ELL students. However three students were enrolled on CBEDS Day. Each received appropriate materials and supports.



## CALIFORNIA SCHOOL DASHBOARD

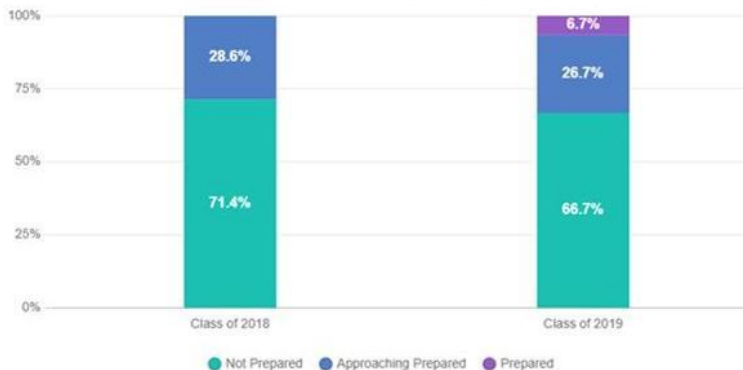
The small nature of La Vida results in little data being reported on the California Dashboard. Most grades have less than 11 students. For most categories there is No Performance Color. Chronic Absenteeism and Suspension Rate look good, in green and blue.

The school was able to report that all the Local Indicators were met.

In the chart below, published on the Dashboard, shows incremental improvement of students being prepared for college and career under the new state rubric.

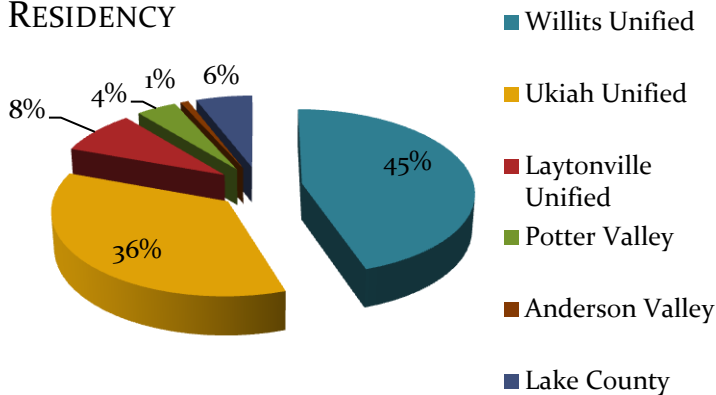
## COLLEGE & CAREER PREPARED

The percent of students per year that qualify as Not Prepared, Approaching Prepared, and Prepared.



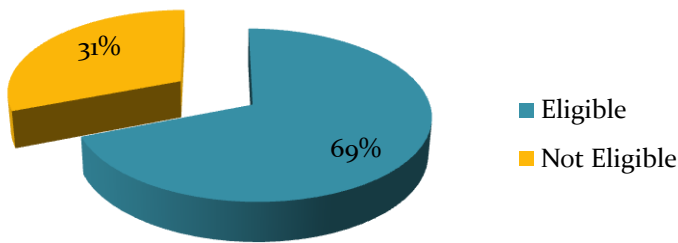
# DEMOGRAPHICS

## RESIDENCY



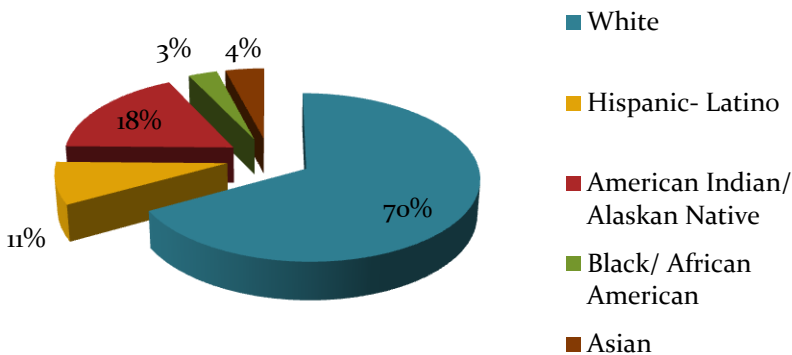
8% fewer students came from Willits last year, and a greater number came from the outer areas around the county. 9% increase from Laytonville, 3% more from Potter Valley, about the same from Lake County, and 2% more from Ukiah.

## ECONOMIC: Free and Reduced Lunch



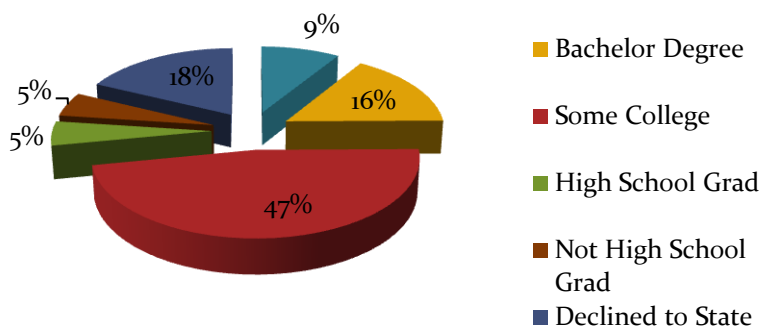
69% qualified for Free and Reduced Lunch, a 1% decrease. This is less than the county rate of 76.4%. Free Lunch eligibility for a family of 4 is \$32,630 annual income, whereas the eligibility for reduced price meals for the same size group is \$47,638.

## ETHNICITY



La Vida population is more diverse than the county. The county is 76% White; the school is 70%, the same as the previous year. Consequently La Vida has a slightly higher percentage in the other ethnic groups than the county. The largest ethnic group being the 18% Native American students.

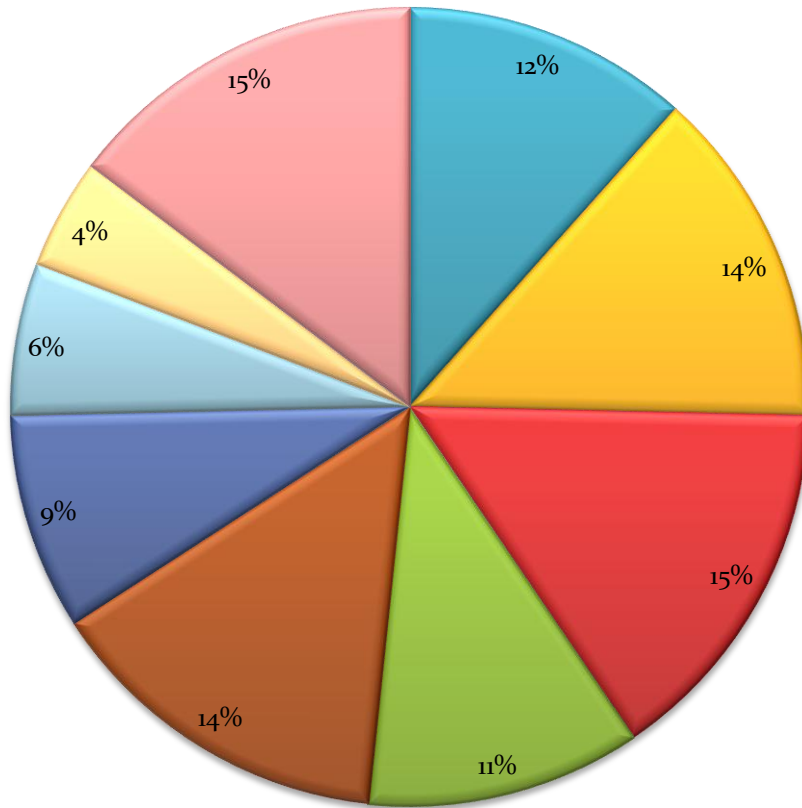
## PARENT EDUCATION LEVEL



This year the greatest difference is the 47% of parents having some college or an AA degree, an increase of 21%. Last year the second biggest group was High School Grad; this year is 28% less. This group of parents is a little more educated than the previous year. Graduate and Bachelor's degrees balance each other out between the two years.

# TRACING THE LIFE FORCE IN LEARNING STRENGTHS PROFILES

## Strengths- Combined 1st & 2nd



- Visual/ Spatial
- Musical/ Rhythmic (Auditory)
- Intrapersonal
- Verbal/ Linguistic
- Naturalist
- Bodily /Kinesthetic
- Interpersonal (Social)
- Logical/ Mathematical
- Existential

As part of the personal education plan for each student, finding out the students strengths through multiple intelligence surveys are one of the first assignment upon enrollment. 81% participated in 2019-20, which is on par with the prior two years

The span of the intelligences looks very similar to previous years. The top three groups continue to be Bodily / Kinesthetic, Musical/ Rhythmic and Naturalist. The trend toward an increase of the Intrapersonal or more introspective strength showed stronger this year becoming tied with Musical Rhythmic.

The primary curriculum, Oak Meadow is written with the multiple intelligences in mind. Assignment catering to each intelligence are presented throughout and students can choose which questions they would prefer to answer.

- Faculty received another round of special differentiated instruction materials. Two Teacher Learning Communities were dedicated to the topic in which they could delve deeper and collaborate on how to best serve students.
- Students are encouraged to work with their strengths for their Benchmark Projects.

# TRACING THE LIFE FORCE IN LEARNING

## 2019-2020

### TRIANGULATED ASSESSMENT

The school has established a three prong approach for assessing student growth. The heart represents the student authentic assessments through the portfolio and the benchmark project. The clover leaf stands for growth on the formative test from NWEA, Northwest Evaluation Association, the publishers of MAP Test. Finally the scales represent the Smarter Balanced Test, the California adopted Common Core Standards assessment. Both the MAP and the Smarter Balanced tests are computer adapted tests, CAT. Each testing session begins with finder questions that adapt the student's academic ability. This way a true picture of what the student knows can be ascertained.

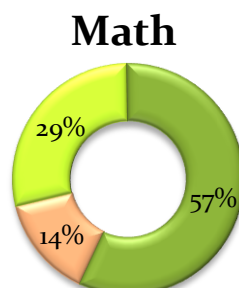
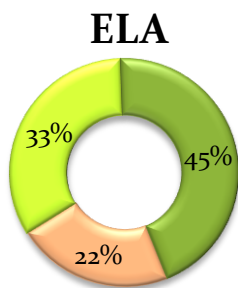


The first two weeks of school is the diagnostic window. Last year the school returned to a paper pencil format primarily using math placement tests and a writing activity. This causes a bit of jostling if student test out of their grade level for the first couple of weeks. Some families complete the placement test over the summer which is more ideal. Ultimately they are better placed and perform stronger if at their ability level.

The MAP Test was offered in October and the March session was canceled because of the Covid19 pandemic. The Smarter Balanced Test was not offered as well, so there is no data for the 2019-20 year. Below is a placeholder of the outcomes from the 2018-19 Smarter Balanced or SBAC test.

## THE CAASPP TEST RESULTS: THE SMARTER BALANCED TEST

### PERFORMANCE LEVELS: ENGLISH LANGUAGE ARTS & MATHEMATICS



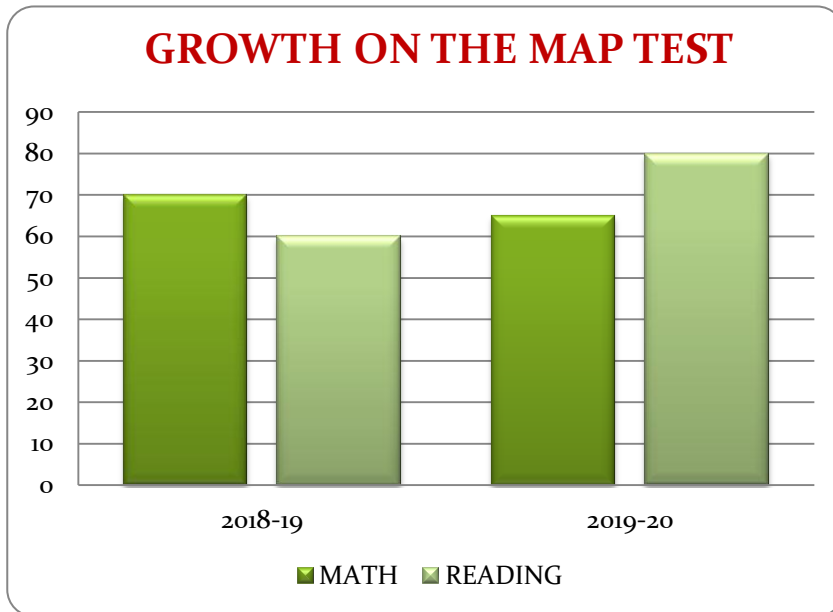
■ Not Met 
 ■ Nearly Met 
 ■ Met 
 ■ Exceeds

These graphs relate to the 2018-19 results with only 11 participating. When parents were provided a choice to participate or not, by the state, they generally opted out. This group of students did reasonably well. 45% Met the Standard in ELA, almost 5 points below the State average. In Math 57% Met the Standards which is 17% above the State average. The Not Met levels were well below the State averages by 7 to 20% respectively.



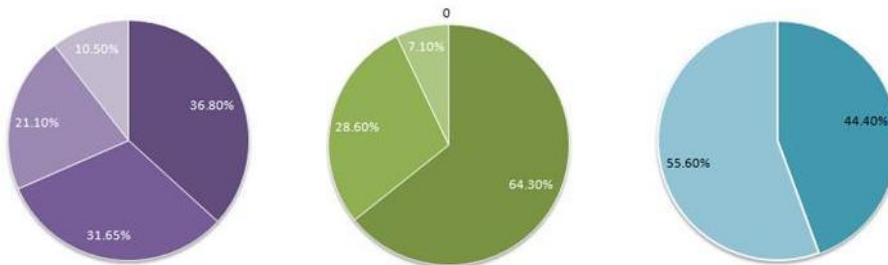
# MEASURES OF ACADEMIC PROGRESS

## The MAP Test



The time frame showing growth was not ideal for this report, being Spring to Fall primarily. However students did well, even though they may be working below grade level. Growth is what La Vida cares about. 65% showed growth in Math, a 5% slide back from the previous year which was a high rate of 70%.

In Reading, 80% showed growth which is outstanding. 35% of the students showed exponential growth of 11 to 30 points. This is 14% more exponential growth than the previous year.



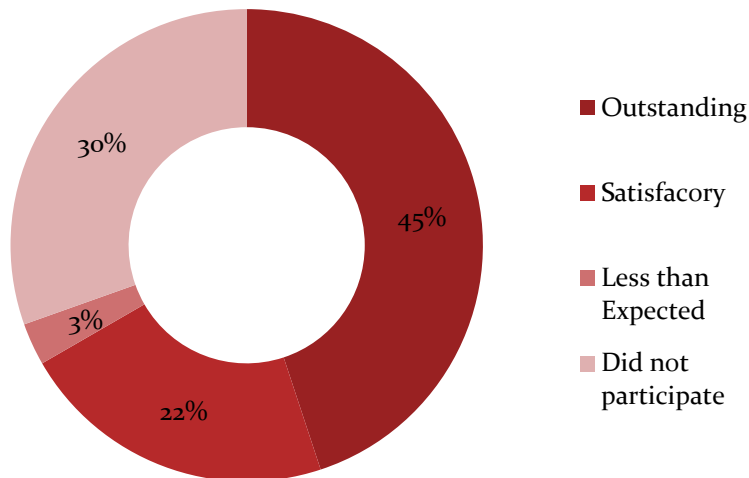
**PROJECTED PROFICIENCY ON THE SMARTER BALANCED TEST & SAT**  
 Data from the MAP test. Left to right, Purple is Reading, Green is Math, and Teal is the SAT. Dark to Light, 1 Developing, 2 Approaching, 3 Proficient, 4 Advanced. In the SAT chart, Dark is Not on Track and Light is On Track.

NWEA considers 60% growth as excellent growth and therefore the school chose 60% as its annual growth goal.

The MAP has a report for projected proficiency on the Smarter Balanced test. In Reading (purple) about 32% would be proficient or above. Whereas only 7% would be proficient in Math (green) and none advanced. However in the teal, almost 56% are considered on track for the SAT test in Math.

La Vida students continue to show positive growth. The school's goal is 60% growth on the MAP, Measures of Academic Progress, published by the Northwest Evaluation Association, NWEA, and recognized by the State of California as an alternative standardized test. It is a formative test, and is usually offered at least twice a year. The computer adaptive test was scheduled to be offered in October and March of last year. The October session was accomplished, despite the planned power outages and wildfires. The March session was cancelled because of the Shelter In Place Orders. The psychological impact of these life threatening community wide emergencies on the cognitive ability to think and test is an open question at this point.

## AUTHENTIC STUDENT ASSESSMENTS



### Portfolios

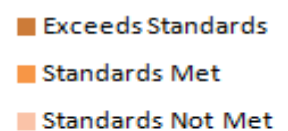
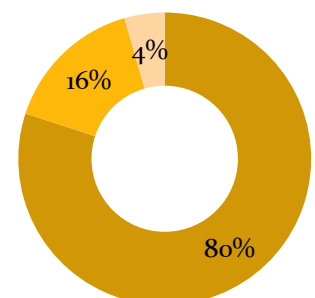
The two authentic student centered assessments, the portfolio and benchmark project are the third prong of the La Vida triangulated assessment model. Students and parents to some degree, get to show off their learning accomplishments and focus on what they like best. The portfolio is a yearlong project with the criteria given out in the orientation packets before school begins. Then everyone, teachers, parents and students have a pacing guide in the Educational Progress and Legal Compliance checklist which is supposed to be referenced at least monthly if not weekly. A large detailed packet with every aspect of the portfolio explained was available to everyone.

At least 78% participated in the portfolio and at least 67% participated in the benchmark project. Not all of the graded rubrics were turned in, so the participation rate is actually higher. However both are about 6% less than prior year participation, which might be explained by the Shelter In Place orders.

There is excitement in the air when the portfolios are turned in. Teachers become uplifted with optimism when reviewing them. 45% received Outstanding (A+) as a rating and 22% as Satisfactory (B-C) which is good. Students seemed more engaged than the previous year with the high A grades being 50% more.

The Elementary Benchmark Project Fair was held in January, and the March High School fair was cancelled, so students just turned them in. 80% exceeded the standards which is 21% higher than last year. Do Your Best Work is part of the mantra for this project. We interpret that students were engaged by this metacognitive learning activity.

### Benchmark Projects



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## GOVERNANCE

La Vida Charter School functions as a independent charter and Local Education Agency, LEA. A Board of Directors governs the school and a 501 c3 Not for Profit Corporation. Willits Unified School District is the authorizing agency. Superintendent, Mark Westerberg and Director, Ann Kelly met about five times during the year with three visits by the Superintendent to the charter school.

With the fifth Charter Renewal year, and WASC midterm evaluation accomplished in the 2018-19 year , the 2019-20 year for Governance was much quieter. The MOU with Willits Unified however, was wrapped up in August.

The La Vida Board regularly meets on the second Wednesday of the month at 6:00 pm. In the current 2020-21 year the Board Meetings have shifted to the first Wednesday of the month. Nine Board Meetings occurred with a staff representative in attendance who participated in all discussions. One meeting was cancelled because of the power outages. Detailed agendas are posted in the school kitchen and on the website. Before each board meeting the agenda and previous month's minutes are faxed to the Superintendent's office. With the pandemic, meetings have been virtual with packets sent out ahead of time.

The 2019-2020 Board of Directors were:

Kevin Britton, President,  
Cynthia Raiser Jeavons, Secretary,  
Freyja Scott, Member

Robertson and Associates is the independent auditor who audits La Vida financials and independent study procedures. The 2018-19 audit was finished in January and there were no findings, as with the 2017-18 year. The 2019-20 audit timeline has been pushed back because of the pandemic which has preventing the onsite audit of the independent study files and other paper documents that are chosen on the spot.

**KEY ACTION ITEMS VOTED ON BY BOARD:**

The Board approved budgets and budget revisions, Layman's Budget, First Interim, 2<sup>nd</sup> Interim, Closing in the Unaudited Actuals, The Board also approved reports such as the Audit, the School Accountability Report Card, SARC, , and the LCAP, Local Control Accountability Plan, and several reports related to Covid19. Overseeing large expenditures from the Prop 39, Clean Energy Grant such as the new HVAC system, the solar pergola and new windows was part of their actions. The Adoption of Parent Square in June was another large expenditure. There was one bylaw change for the insurance JPA about alternates living in the county. There were no changes to the La Vida by-laws.

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## SPECIAL EDUCATION

La Vida functions as its own LEA, Local Education Agency, for purposes of Special Ed. This is possible through an agreement in the MOU, Memorandum of Understanding agreement with the Willits Unified School District. To stay abreast of Special Ed issues, the Director attends the monthly Special Education Local Plan Area, SELPA, Steering Committee meetings. The SELPA Program Specialist assigned to the school, Michela Figini-Meyers meets with the La Vida Special Ed team once a quarter to review upcoming requirements. She also attends as many IEPs as possible and especially those for students with exceptionally high needs.

In 2019-20 the school contracted with the Mendocino Office of Education and three non public agencies for services. MCOE provided most of the psychological assessments. The school has worked with Tiny Eye Therapy Services for over eight years for Speech and Language Pathology, SLP, and Occupational Therapy, OT, services. El Paseo Learning Center provides overflow physiological evaluations. For Nursing the school contracted with former county nurse, Laura Baynham.

The school served 15 students with Individual Education Plans, IEPs and conducted 16 IEPs, of which two were Triennials and two were initials. One 504 and seven SSTs were also held

### Some of the Special Education Trainings Included

- Eight SELPA Steering Committee Meetings including the afternoon session on Legal Hot Topics
- Workability and Transitional Programs TPP team came to work with and train staff.
- Faculty continued learning about Managing Difficulty Behaviors. Edward Cannon, the Special Ed Coordinator, presented on the topic to the full faculty. Michela Figini Meyers, Selpa Program Specialist did two trainings on the topic for the full faculty. One on Using Pathways Charts and the other on Getting More of the Behavior You Want By Using Reinforcements.
- A subscription to *Special Education Team Compliance Advisor* helps keep the staff informed about the world of Special Ed.
- La Vida provided a few trainings to parents on strategies to support students with dyslexia and struggling readers in general.
- La Vida provided Brain Integration Therapy exercises for three Elementary Students and training to parents.
- Michela Figini Meyers did a special training for the Special Ed Team on Social Narratives.
- The Special Ed Team (3) attended the MCOE training on Dyslexia- What Next?
- A Dyslexia screening was given through the K-3 teachers. No new students were identified.
- Behavior Specialist Michela Figini Meyers came to campus to observe students at least five times.

## PARENT INVOLVEMENT

### PARENT ENGAGEMENT in 2019-20

1. One current parent and two former parents comprise the Board.
2. Three Morning Parent Institutes were offered. Attending one parent Professional Development is required. Topics included:
  - Smart Kids Who Hate to Write
  - Reading Through the Grades
  - Math the Singapore Way
  - Planned but canceled because of the Pandemic were three sessions on How Be Your Best When Your Kids Are At Their Worst and one session on Math Games
3. 85% attended the beginning of year Parent Orientation Workshops on: Curriculum Planning, Creating a Portfolio, Enrollment Paperwork, Math the Singapore Way, and Getting Started .
4. 100% of Elementary parents attended the Curriculum Fair in June or submitted the Curriculum Order Form for the new year. High School is a different process.
5. Teachers reported that about 74% of High School parents attended EC meetings. In the past most parents did not attend and the school was working to increase engagement in the High School.
6. Parents were key volunteers in the various school community activities: Ice Cream Social, Thankfulness Feast and Performance. The Student Services Liaison reached out to parents for 4 events, everything else was canceled. Parents brought snack every day and participated in several field trips in the community and on the ranch.
7. School to Parents communication consisted of 15 One Call announcements, along with 5 blanket emails/ flyers, and more than 46 flyer packets. A new weekly digital newsletter was created because of the stay at home situation. 15 issues were sent out and several had polls or surveys for instantaneous feedback. Teachers send out weekly or monthly home notes. Also there were posts on the school's website and facebook page.

### PARENT END OF YEAR SURVEY


The traditional Parent Satisfaction Survey was discarded because of the pandemic. Instead questions were posed in surveys in the electronic newsletter.

#### THE QUESTIONS:

1. Did you have adequate materials this year?
  - Yes, we had pretty much everything we needed. 78.57%,
  - No, we needed more or different curriculum 14.29%
  - No, we had technology issues 7.14%
2. Did you utilize the Zoom or recorded Math Classes?
  - Yes 62%
  - No 38%

# PARENT INVOLVEMENT

## PARENT END OF YEAR SURVEY CONTINUED

3. What was your greatest challenge in your home program during the shelter in place?
  - Answers ranged from nothing really (multiples)
  - What was your greatest challenge in you home program with the shelter in Social needs (multiples)
  - Math
  - Keeping everyone on task (multiples)
  - Technology
  - Challenges with one's child
  
4. How Worried are you about being exposed to Covid19 for yourself or a family member?
  - Not worried 25%
  - Not too worried 12.5%
  - Marginally Concerned 43.75%
  - Concerned 12.5%
  - Very Worried 6,25%
  
5. Next Year, What level of Personal Protection do you think you will want for yourself or your child?
  - Everyone should stay 6 feet apart 15%
  - Children and Teachers should wear facial coverings 20%
  - If children can't be six feet apart, then there should be a barrier. 5 %
  - No facial coverings for children and teachers. 20%
  - Recess times should be staggered by class. 20%
  - I want everything to go back to normal. 20%
  
6. For Elementary: What time or format would serve you best for the required parent education trainings?
  - Mix of virtual and in person 44%
  - Virtual only 11%
  - Afternoons 11%
  - Tuesdays 11%
  - No idea 11%
  
7. Do you have any other suggestions regarding curriculum or programming?
  - Virtual parent institutes and parent teaching support 33%
  - Help with Modified Curriculum 16%
  - Stay with doing home only 16%
  - No suggestions 33%
  
8. Considering the strangeness of the year, how do you feel about the La Vida program?
  - Super Positive 78,57% } 
  - Positive 2 1.43% }



# HIGHLY QUALIFIED TEACHERS

| Employee                   | Credentials                                                             | Certificate       | Levels                 | Courses                                                                          | Highly Qualified                          |
|----------------------------|-------------------------------------------------------------------------|-------------------|------------------------|----------------------------------------------------------------------------------|-------------------------------------------|
| <b>Fawn Bassett</b>        | Multiple Subjects<br>Single Subject Science                             | Clear<br>Clear    | K-12                   | Kinder Science<br>Independent St Ed Coordinator<br>High School Specialty Teacher | K-12<br>Self-Contained<br>Science         |
| <b>Zsuzsanna Beinhauer</b> | Short Term Staff Permit<br>Certificate of Clearance                     |                   | K-6                    | Gr. 3/4/5<br>Independent St Ed. Coordinator                                      |                                           |
| <b>Alice (Lynne) Buske</b> | Multiple Subject<br>Single Subject: Life Science                        | Clear             | K-12                   | Math                                                                             | K-12<br>Self-Contained                    |
| <b>Edward Cannon</b>       | Education Specialist Instruction                                        | Clear             | K-12                   | Special Ed Coordinator<br>Math<br>Independent St Ed Coordinator                  | K-12<br>Self-Contained                    |
| <b>Michael Charnes</b>     | Multiple Subjects<br>Supplem. Music<br>Special Ed                       | Clear<br>Clear    | K-12<br>K-9            | Specialty: Music & Movement<br>Resource Specialist                               | K-12<br>Self-Contained.<br>Music, Theater |
| <b>Sarah Clark</b>         | Multiple Subjects<br>Certificate of Clearance                           | Intern            | K-12                   | Gr. 1/2<br>Independent St. Ed Coordinator                                        | K-12<br>Self-Contained                    |
| <b>Larry Cole</b>          | Single Subject: Social Science                                          | Clear             | K-12<br>K-12           | High School Teacher<br>Social Studies<br>Independent St. Ed Coordinator          | K-12<br>Self-Contained.<br>Social Studies |
| <b>Cody Dooley</b>         | 30 Day Substitute Teaching Pmt.                                         | Emergency         | K-12                   | Kinder<br>Drama/ Movement Assistant                                              | K-12<br>Self-Contained.                   |
| <b>Isaac Hillhouse</b>     | Single Subject: Science                                                 | Clear             | K-12                   | Gr. 6/7/8<br>High School Coordinator<br>Independent St Ed Coordinator            | K-12<br>Self-Contained                    |
| <b>Ann Kelly</b>           | MA Education & Charter School Leadership<br>30 day Sub<br>Comm. College | Emergency<br>Life | K-12<br>Comm.<br>Coll. | Director                                                                         |                                           |
| Karen Walsh                | Multiple Subjects<br>Single Subject Science                             | Clear<br>Clear    | K-12                   | Specialty Science<br>Independent St. Ed Coordinator<br>K-12                      | Self-Contained<br>ELL<br>Science          |

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## TEACHERS CONTINUED

The Certificated and Classified staff remained stable for the most part, with only one elementary teacher joining the team. Two teachers participated in the Teacher Intern Program with the school providing a Mentor teacher. La Vida considers none of its teacher misassigned because California Ed Code 44865 allows any California credential to teach any subject in Independent Study. La Vida is a 100% Independent Study School for attendance purposes.

La Vida is well below the District's pay scale. In an effort to move everyone up a little, when one of the intern teachers left, rather than hire a new teacher, the school divided her salary up so everyone except the Director and Business Manager got a 3% increase. The school also added another 3% so that almost everyone got a 6% increase.

Professional Development has always been an important focus at La Vida. Last year the focus seemed to be on Waldorf Education and Behavior Management. The later topic is discussed in the Special Education section.

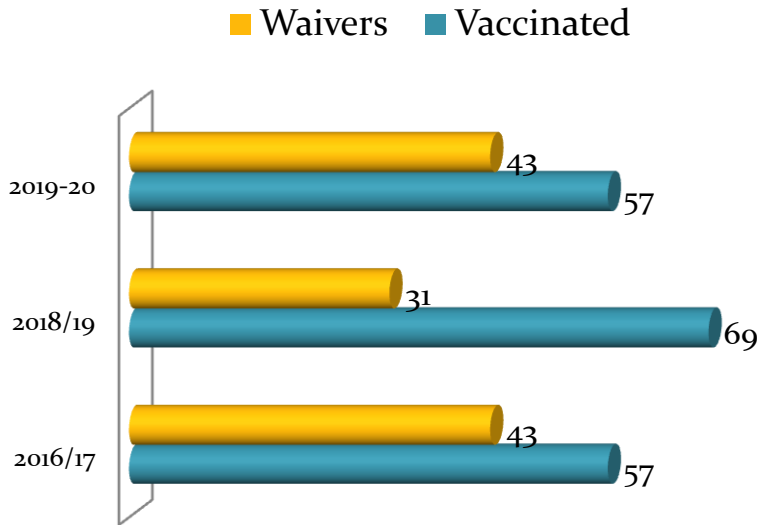
1. Hands down, the most exciting training event was when the school's mentor Eugene Schwartz came to visit and present on the Four Temperaments to the faculty in November. Teachers do at least one Waldorf Online training with him each year, often two for more than a decade.
2. In house trainings on the Four Temperaments, & two sessions on Strengths
3. Eight completed Fall & Spring Waldorf Online Webinars that are two weeks long. The spring sessions was offered early, normally it would have been the summer.
4. Two Waldorf Mentor Teachers joined the team and provided monthly sessions with the K-8 teachers starting in February.
5. Social Studies teacher attended four sessions of year two about the new History Social Studies frameworks Communities of Practice known as CLIC.
6. Two attended four sessions of the Principal's Network sponsored by the UC Davis School of Education.
7. One attended a Coaching Collaborative Teams workshop in Sacramento.
8. For Waldorf, two attended in person week long trainings in Sebastopol.
9. One attended two day ELPAC training.
10. One also attended several sessions of the English Language Learner Collaborative.
11. One attended the Charter School Development Center Conference, San Diego
12. All faculty and staff attended the annual health & safety trainings and mandated reporter videos.
13. Three teachers worked on special projects over the summer: A-g course accreditations, improvements on the Algebra course, Designing a new virtual reality and robotics course.
14. All staff received a 3D printed Digital SunDial (something to wonder at) for the annual Staff Appreciation Gift honoring the Year of the Radiant Sun

### **Classified Staff Professional Development**

1. New Registrar received 60 hours of virtual trainings plus 10 hours of special one on one expert support on the Student Information System and Calpads.

## HEALTH AND SAFETY

### Immunizations by Percent



The general trend is that the La Vida population is becoming more and more vaccinated. 43% are unvaccinated and are home only students. These are the same numbers as two years ago.

The school contracted with Laura Baynhnam as the school nurse who came and performed vision and speech screenings for grades K, 1,2, 5 & 8. She also helped secure new Epi pens.

At Staff meetings in August and December the focus is on Emergency preparedness and Safety. In August reviewing the Emergency Operations Plan, EOP, with all staff and their duties if needed along with supply lists is the main part of the workshop. Staff went out to the emergency shed and found the supplies on their duty list. In December, the focus was more on situations and medical issues such as Blood Borne Pathogens, Seizures, and practice with the Epi-pen.

Staff watched the four child safety videos required by the insurance company.

- Five Fire Drills, stopped when no school.
- Monthly risk inspections were accomplished and repairs performed when necessary.
- Fire Marshall visited inspected the school and grounds and observed two fire drills.
- Participated in the Great California Shake Out, Earthquake Drill (October)
- New double paneled windows were installed on the south and west sides Prop 39 Clean Energy Grant providing more insulation and comfort.
- Teachers continued to carry walkie talkies during child supervision duties.
- Breakfast was provided on all class days, four days per week. A warm snack for High School was also provided two days per week.
- Housekeeping and maintenance staff were maintained. K-12 students have clean up chores every day before dismissal. However we lost the house keeper because of Covid19 and it took five months to replace them.
- Monthly awards were given for kind and respectful behavior.
- Restitutions for transgressions that tended to be swearing and vulgarities happened two times in the Jr High and two times in the High School, Students made cookies or nachos and presented to their classmates with an apology. It is a system that has a positively effective.
- Numerous Flyers and information pieces were distributed around Covid19. Appropriate signage was installed and protocols developed. Most of the action in preparing the classrooms etc, happened in the 2020-21 year. A grant of \$7, 370 from the Workers Comp company, covered all the purchases of Personal Protective Equipment, Plexiglas Barriers, furniture for creating outdoor classrooms, the Covid Tent, and more. Donations of hand sanitizer, facial covering and thermometers were gladly received from the state.

# FINANCIALS

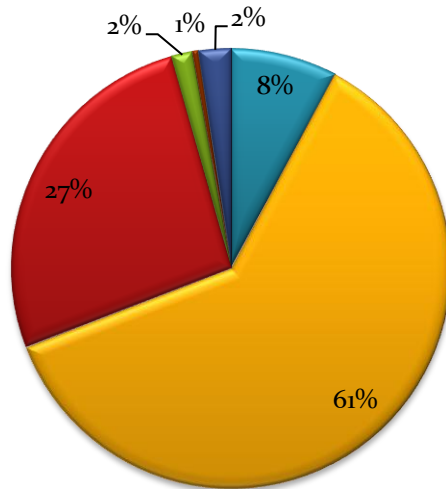
Fiscal Year 2019-2020 was the seventh year of LCFF funding. La Vida School at 100% of the Gap Funding Rate and receives increases, or decreases as determined by the COLA each fiscal year. As the State gets more information on the State’s economy and revenue, the calculator is updated. This is done several times a year.

La Vida School received CARES funding which includes, Federal Learning Loss and State General Fund Learning Loss. La Vida also received a State Fund COVID Relief Grant.

The 2019-2020 year closed with an ending balance of \$233,817. The ending balance includes a \$50,000 reserve.

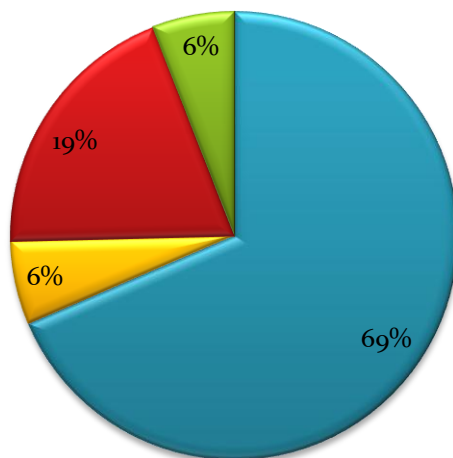
The Multi Year Projection includes the 2019-2020 actuals and the 2020-2021 First Interim projections for the current year and two subsequent years and is based on the FCMAT LCFF August version v21.2 calculations with an ADA of 80.13. This will be updated as we prepare Second Interim and when we receive additional information during the year.

The La Vida Board has approved spending plans for the Local Continuity Plan.



## Revenues

- Education Protection Act
- Gen Purpose State Aid
- Charter Schl In Lieu Prpty
- All Other State Revenue
- All Other Local Revenue
- REAP



## Expenditures

- Salaries & Benefits
- Materials & Supplies
- Professional Services
- Reserve for Uncertainty

## 2019-20 BUDGET & ACTUALS

| La Vida Charter School 2019-2020 Budget |                                           |           | First Interim 2020-2021 Multi Projection |                                 |                                                        |                                                        |                                                        |
|-----------------------------------------|-------------------------------------------|-----------|------------------------------------------|---------------------------------|--------------------------------------------------------|--------------------------------------------------------|--------------------------------------------------------|
| <b>Revenues</b>                         |                                           |           | <b>Budget<br/>2019-2020</b>              | <b>C/Y Actual<br/>2019-2020</b> | <b>Budget<br/>2020-2021<br/>Based on<br/>80.13 ADA</b> | <b>Budget<br/>2021-2022<br/>Based on<br/>80.31 ADA</b> | <b>Budget<br/>2022-2023<br/>Based on<br/>80.31 ADA</b> |
| Function                                | Description                               |           |                                          |                                 |                                                        |                                                        |                                                        |
|                                         | 8000 Beginning Balance                    | \$        | 207,877                                  | 201,145                         | \$ 243,633                                             | \$ 246,785                                             | \$ 231,449                                             |
|                                         | 8012 Education Protection Act             |           | 135,609                                  | 70,711                          | \$ 70,959                                              | \$ 70,959                                              | \$ 70,959                                              |
|                                         | 8011 Gen Purpose State Aid                |           | 492,197                                  | 554,839                         | 535,968                                                | 525,029                                                | 522,904                                                |
|                                         | 8096 Charter Schl In Lieu Prpty           |           | 251,174                                  | 239,280                         | 253,405                                                | 253,381                                                | 258,42                                                 |
|                                         | 8290 REAP                                 |           | 21,552                                   |                                 | 18,000                                                 | 18,000                                                 | 18,000                                                 |
|                                         | 8290 Other Federal - CARES                |           |                                          |                                 | 6,004                                                  |                                                        |                                                        |
|                                         | 8550 Mandated Costs Reimbursements        |           | 2,182                                    | 2,154                           | 2,273                                                  | - 0-                                                   | -0-                                                    |
|                                         | 8560 State Lottery Revenue                |           | 16,473                                   | 11,999                          | 16,587                                                 | 18,550                                                 | 18,550                                                 |
|                                         | 8590 All Other State Revenue – Learn Loss |           |                                          |                                 | 7,370                                                  |                                                        |                                                        |
|                                         | IC Incentive                              |           |                                          |                                 | 5,000                                                  |                                                        |                                                        |
|                                         | COVID Testing                             |           |                                          |                                 | 12,000                                                 |                                                        |                                                        |
|                                         | 8660 Interest                             |           | 1,200                                    | 2,715                           | 1,500                                                  | 1,500                                                  | 1,500                                                  |
|                                         | 8699 Local Revenue                        |           |                                          | 1,350                           | 2,568                                                  |                                                        |                                                        |
|                                         | 8699 State Fund COVID Relief Grant        |           |                                          |                                 | 7,429                                                  |                                                        |                                                        |
| <b>Total</b>                            | <b>Revenues</b>                           | <b>\$</b> | <b>920,387</b>                           | <b>887,568</b>                  | <b>936,495</b>                                         | <b>887,419</b>                                         | <b>890,334</b>                                         |
| <b>Expenditures</b>                     |                                           |           |                                          |                                 |                                                        |                                                        |                                                        |
| 1000's                                  | Teacher's Salaries                        |           | 301,181                                  | 242,641                         | 326,728                                                | 326,302                                                | 326,302                                                |
| 1300                                    | Cert Supervisor/Admin.                    |           | 68,503                                   | 68,503                          | 69,184                                                 | 69,184                                                 | 69,184                                                 |
| 2000's                                  | Classified Salaries                       |           | 124,080                                  | 141,391                         | 153,583                                                | 153,583                                                | 153,583                                                |
| 3000's                                  | Benefits                                  |           | 159,535                                  | 126,597                         | 173,623                                                | 173,260                                                | 183,411                                                |
| 4000's                                  | Materials & Supplies                      |           | 56,082                                   | 50,994                          | 43,268                                                 | 45,000                                                 | 45,000                                                 |
| 5000's                                  | Professional Services                     |           | 169,445                                  | 171,916                         | 157,966                                                | 125,649                                                | 125,649                                                |
| 5450                                    | Other Insurance                           |           | 5,544                                    | 5,544                           | 6,351                                                  | 6,351                                                  | 6,531                                                  |
| 5802                                    | Legal Fees                                |           | 3,000                                    |                                 | 3,000                                                  | 3,000                                                  | 3,000                                                  |
| 6000's                                  | Sites & Improvements                      |           |                                          |                                 |                                                        |                                                        |                                                        |
|                                         | Total Expended Before Other               |           | 887,370                                  | 851,812                         | 933,433                                                | 902,755                                                | 912,906                                                |
|                                         | Other Management Fee                      |           |                                          |                                 |                                                        |                                                        |                                                        |
| 7438                                    | Debt Service - Interest                   |           |                                          |                                 |                                                        |                                                        |                                                        |
| 7439                                    | Debt Service - Principal                  |           |                                          |                                 |                                                        |                                                        |                                                        |
| <b>Total</b>                            | <b>expenditures</b>                       |           | <b>887,370</b>                           | <b>851,812</b>                  | <b>933,433</b>                                         | <b>902,755</b>                                         | <b>912,906</b>                                         |
|                                         | Less Allowance                            |           | \$50,000                                 | 50,000                          | 50,000                                                 | 50,000                                                 | 50,000                                                 |
|                                         | for economic uncertainty                  |           |                                          |                                 |                                                        |                                                        |                                                        |
|                                         | Total Un-Expended Revenue                 |           | \$33,017                                 | 35,756                          | 3,152                                                  | -15,336                                                | -22,572                                                |
|                                         | <i>Ending Balance</i>                     |           | <b>\$240,894</b>                         | <b>\$236,901</b>                | <b>246,785</b>                                         | <b>231,449</b>                                         | <b>208,877</b>                                         |





# HIGHLIGHTS OF THE YEAR

## ACHIEVERS

Graduates: Seven 12<sup>th</sup> graders and eight 8<sup>th</sup> graders.  
 8 Radiant Sun medals awarded  
 18 Shining Bright Awards were given for accomplishing SMART Goals  
 50 Read-A-Thon awards and 4 special high reader prizes given  
 Certificate for Participation in the Science Fair  
 Benchmark Project Fair Awards

## COMMUNITY SERVICE

- Students worked at Senior Centers & Convalescent Homes, Pre-Schools, Classroom helpers, helping with performance productions at SPACE, the College and Ukiah Players. Many working with animals at the Humane Shelter.
- Annual Golden Rule Appreciation: donated and planted flowers around the Seabiscuit Statue

## LEARNING AND FUN

- Chess, Calligraphy and Spanish Specialties besides the usual Drama, Music, Art, Handwork and Science classes for Elementary. Herbal Studies, Hummingbird Robotics, Zspace virtual reality for High School.
- Art Therapy: Ink About It
- Waldorf 100, students made and received 1200 postcards from around the world year two.
- Special Handshakes jives and Dance for the Peace Day Ice Cream Social and special globe peace buttons gifted.
- Elementary School Annual Field Trip to Pirate Pete's Pumpkin Patch
- Farm Day (Best field trip ever)
- Snake Day
- Dia de Los Muertos, with special cultural presentation by Michelle Marin and afterwards with Costume Parade and Games
- Thankfulness Feast & Performance, *Vacation on Mars*
- Fish Hatchery Field Trip
- Ridgewood Ranch Mini Career Fair.
- Women in History Writing Challenge
- School Pictures by Jordan Eads
- Human Sundial Mosaic
- Solar Structure built & working
- Staff potluck and White Elephant gift exchange
- Virtual Open Houses
- Virtual 8<sup>th</sup> grade and High School Graduations, separately
- Virtual Games Day
- Virtual Community Thursday with Economic Project Presentations
- Monthly Emergency Drills
- Teacher & Staff Appreciation Days: Solar & Sundial gifts
- Field Trip to Mendocino College
- Ranch Field Trips to the Redwood Grove and Vernal Pools on the Bus
- Monthly Art Appreciation classes with Gary Martin
- STEAM classes, Hummingbird Robotics 3-D Printing, & Computer Science
- The Day the Earth Stood Still Movie, Humanities Class
- Visit from Eugene Schwartz, Waldof Mentor Teacher from the East
- Visit From Charles Burkham, Alliance for Public Waldorf Education (from the SouthWest)



Farm Day on Ridgewood Ranch



Sack races in costume



Snake Day



Vacation on Mars Show



The Slithy Toves, La Vida Teacher Band, at Graduation



Eugene Schwartz with Faculty



**Willits  
Elementary  
Charter  
School**

2019-2020

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Submitted to Willits Unified School  
Board  
December 2020

**Annual  
Report**

## SECTION 1: Introduction

Willits Elementary Charter School, WECS, is a kindergarten through fifth grade school serving approximately 140 students. It is non-sectarian in its programs, admission policies, employment practices, and all other operations. We do not charge tuition, and do not discriminate against any pupil on the basis of ethnicity, national origin, gender, sexual orientation, or disability. WECS adheres to California State Standards, including the Common Core State Standards (CCSS).



WECS, through inquiry-based methods and a strong focus on Spanish language development, tackles academic curriculum in ways that are engaging, meaningful, and adaptable to a variety of learning styles. Inquiry-based education involves student-designed questions, investigation, data collection, and conversion of information into useful knowledge. The goals of inquiry-based learning are to encourage students' curiosity about the world around them, develop problem-solving skills, work together to learn, formulate knowledge that can be widely applied to a variety of situations, and provide a platform for students to develop the habits of mind needed to become engaged citizens.

### Mission and Vision

Our mission is to equip elementary students with the academic and social skills needed to become self-motivated, competent, life-long learners and productive citizens who respect themselves, others, community, diversity, and the environment. Willits Elementary Charter School promotes growth and development by providing all students with a safe and nurturing, educational environment.

We aim to instill a love of learning and provide our students with a solid academic foundation by:

- Emphasizing inquiry-based education
- Encouraging creative thinking
- Incorporating problem-solving on a regular basis
- Offering small class sizes and individualized attention
- Involving families
- Providing opportunities for all students to excel
- Presenting a well-rounded curriculum which includes foreign language instruction (Spanish), arts, music, physical activity, and outdoor education
- Utilizing varied forms of instruction
- Promoting self-awareness, interpersonal communication, and active listening

- Presenting a global perspective of human society
- Creating opportunities for students to develop an awareness of society’s impact on the natural environment

## SECTION 2: Financial Report

Robertson & Associates, CPAs conducted the first part of an independent audit in May 2020, as per the terms of the Memorandum of Understanding (MOU) between WECS and Willits Unified School District. A copy of the 2019-2020 annual fiscal audit will be provided to WUSD in December 2020.

Following is a breakdown of revenues and expenses for Willits Elementary Charter School for the 2019-2020 school year, per the unaudited actuals:

|                                                        |                    |
|--------------------------------------------------------|--------------------|
| <b>Revenue</b>                                         |                    |
| Revenue Limit State Aid                                | \$894,084          |
| In Lieu Property Tax                                   | \$406,222          |
| Other State Revenue (includes facility reimbursement)  | \$181,345          |
| Federal (NCLB and ESSER)                               | \$55,065           |
| Other Local Revenue (After School Program/fundraising) | \$89,309           |
| <b>Total Revenue</b>                                   | <b>\$1,626,025</b> |
| <b>Expenses</b>                                        |                    |
| Certificated Salaries                                  | \$429,047          |
| Classified Salaries                                    | \$336,475          |
| Administration Salaries                                | \$117,698          |
| Employee Benefits                                      | \$319,444          |
| Books and Supplies                                     | \$57,911           |
| Services/Operating Expenses                            | \$198,538          |
| Special Education Encroachment                         | \$135,292          |
| Depreciation                                           | \$13,124           |
| <b>Total Expenses</b>                                  | <b>\$1,607,529</b> |
| <b>Excess Revenue Over Expenditures</b>                | <b>\$18,496</b>    |

### Contracted Services

WECS budgeted 1% of its revenue (\$12,772) for indirect costs to WUSD. Some of the services received by WECS in return:

Administrative support  
State Attendance reporting

In addition, WECS contributed \$135,292 for WUSD Special Education encroachment for the 2<sup>nd</sup> half of 2018-19 and first half of 2019-20.

WECS has negotiated a contract with Mendocino County Office of Education (MCOE) for fiscal services not provided by WUSD. WECS paid MCOE \$15,000 for the following services:

Budget review & reports  
Payroll (including STRS/PERS contributions, 125 plans)  
Issuance of checks for accounts payable  
Administrative support  
Business office support

### **Local Control Accountability Plan (LCAP) and Local Control Funding Formula (LCFF)**

During the 2019-20 school year, WECS worked extensively with staff, parents, the CSAW board, and other key stakeholders to evaluate our LCAP using the LCFF. Overarching goals for the coming year include:

- *Students will make significant progress in reading and math (as defined by CCSS).*
- *Students will develop resilience and self-regulation skills to support distance learning.*
- *Students will develop projects and engage in learning activities at home and share with others online.*
- *The school culture and physical environment will promote the WECS' mission and student achievement; WECS will continue to actively promote diversity among our staff and student body.*

## SECTION 3: Description and Evaluation of School Program

### Description of the Educational Program

Our educational program is designed to honor the developmental milestones and stages of the school-age child. According to the developmental psychologist, Erik Erikson, in elementary school, children are trying to develop a sense of self-worth by refining their skills. This translates into the classroom by creating an environment where progress is measured by comparing each child's learning and growth to themselves over time, rather than all children being expected to achieve the same result at the same time. Especially in the early grades, when reading and mathematics skills are being introduced, teachers need to address many skill levels within one classroom. By providing individualized attention, small group work, varied forms of instruction to meet the needs of multiple learning styles (auditory, visual, tactile/kinesthetic), and supporting the idea of multiple intelligences, the needs of each individual student are met. As students grasp concepts and master skills, they become more confident and engaged in their learning.

WECS students participate in a well-rounded curriculum that includes instruction in academic fields such as science, language arts, mathematics, social studies, and foreign language. Arts such as music, drama, dance, drawing, sculpture, painting, crafts, handiwork, and gardening are also an integral part of the curriculum. Practical life skills are integrated into the curriculum. Time for play and physical movement are structured into each school day. Students have opportunities to use technology in the classroom, but care is taken to introduce technology in such a way that it supports, not supplants, creativity and the development of academic and interpersonal skills. An effort is made to introduce cultural diversity into all core academic subjects, arts, and physical education.

Foreign language instruction is treated as a key academic subject, with students learning Spanish every day. Spanish is the primary language of focus because we believe that fluency in Spanish is essential for success within the changing demographics of California. Other languages are brought into the classroom when appropriate to the cultural heritage of the student body or related to topics of study.



Our charter school has a strong emphasis on community. Students develop the skills needed to relate to others, listen effectively, and see themselves as part of a larger entity. Students are encouraged to be involved in their school, as well as local, regional, and global communities. Students have

opportunities to participate in positive, structured interactions with area middle school students, high school students, college students, professionals, and community members. In addition, students have a representative Student Council that enables them to contribute positively to shaping school events.

Parents are actively involved with their child's education through parent participation hours. It is widely acknowledged that students with involved parents are more academically successful. It is with this understanding that WECS parents are requested to volunteer. WECS understands that special circumstances may prevent some families from volunteering their time. No consequences regarding a student's enrollment will occur if parents/guardians do not volunteer.

Our curriculum is designed to meet and/or exceed California State Standards (which includes the *Common Cores State Standards* and *Next Generation Science Standards*) and to incorporate an inquiry-based approach wherever possible.

### ***Changes in response to Covid-19***

In March 2020, WECS started distance learning using weekly paper packets of work that were sent home, including music, art, Spanish, PE and core subjects. Teachers organized Zoom calls to keep in touch with students and families. Students could borrow chromebooks, musical instruments and special kits of art supplies and projects. Students could then pursue STEM projects at home.

Staff and parents reported that the packets were not an ideal solution to education while sheltering at home. Students enjoyed some aspects, such as math games, math mysteries, and STEM projects. However, the daily review of skills was difficult to do. WECS used this experience to improve our approach in the following year. Over the summer, teachers learned how to use google classroom and other programs, and have designed an alternative program using the "flipped classroom" model.



Starting school in distance learning mode in August and continuing through January, when we will re-evaluate the health situation, WECS is providing all core subjects, music, art, and Spanish online. All students received chromebooks, school supplies, musical instruments appropriate for their grade, and access to free brunch and lunch. The WECS Parent Liaison organized parent volunteers and some staff to deliver the meals to families needing delivery. Meals are served Monday and Wednesday. WECS has a food pantry to support vulnerable families.



## Willits Elementary Charter School Annual Report 2019-2020

Students connect with each other and the teacher in small Zoom classes of up to 6 students. They use this time to practice core concepts in reading, writing and math. They also have once-a-week Spanish/art and music lessons for half an hour. They watch videos of concepts and then practice them so that teachers can use the time to focus on understanding concepts and making connections with students. They use google classroom and photos of projects to submit their work to their teacher. Aides and teachers are available to help students and to host additional tutoring sessions and groups as needed.

### Staffing

All core teachers are appropriately credentialed and assigned. 100% of credentialed staff returned for the 2019-20 school year; this is the seventh year all credentialed staff have returned. The Director holds a Ph.D. in Sociology from the University of California at San Diego. Many members of the classified staff hold Bachelor's Degrees.

|                             |                                          |
|-----------------------------|------------------------------------------|
| <b>Administration</b>       |                                          |
| Charlene Bredder            | Director                                 |
| Jason Erlick                | Business Manager                         |
| Holli Woodhouse             | Office Manager                           |
|                             |                                          |
| <b>Credentialed Faculty</b> |                                          |
| Ashley Sherf                | Kindergarten Teacher                     |
| Ashkan Nahreini             | First Grade Teacher                      |
| Christine Felton            | Second Grade Teacher                     |
| Joe Madden                  | Third Grade Teacher                      |
| Cristina Balthrop           | Fourth Grade Teacher                     |
| Megan Wolf                  | Fifth Grade Teacher                      |
| Becky Button                | Independent Study Teacher                |
| Marcy Bennett               | Social Skills Specialist                 |
| Rachel Alvizo               | Spanish Teacher                          |
| Jeremy Miller               | IT/ Resource Teacher                     |
|                             |                                          |
| <b>Classified Staff</b>     |                                          |
| Blanca Carrillo             | Aide/Nuestra Alianza liaison             |
| Daisy Meza                  | Front Office                             |
| Emily Apodaca               | PE Teacher                               |
| Erin Dominy                 | Mindfulness Program Coordinator          |
| Jessica Clark               | Aide/After-School Program Coordinator    |
| Jobe Thomson                | Aide/Native American Program Coordinator |

Willits Elementary Charter School Annual Report 2019-2020

|                     |                                               |
|---------------------|-----------------------------------------------|
| Courtney Morgan     | Food Program Coordinator                      |
| Liz Carrillo        | Aide/Before-School Program Coordinator        |
| Mary Johnson        | Aide                                          |
| Hara Kahn           | Aide                                          |
| Rebecca Daun-Widner | Garden Coordinator/Family Support Coordinator |
| Rocio Zuniga        | Custodial                                     |
| Sara Hill           | Aide                                          |
| Robin Pilatti       | Aide                                          |
| Erin Fitzpatrick    | Aide                                          |
| Tyler Balthrop      | Music Teacher                                 |
| Stacey Amador       | Front Office                                  |
| Kenalu Rich         | Aide/After-School Program                     |
| Christina Nemick    | Aide                                          |
| Megan Hall          | Aide                                          |
| Patrick Tan         | Aide                                          |
| Vanessa Hernandez   | Aide, After School Program                    |
| Nancy Hoon          | Kitchen Help                                  |

**Summary of Student Population (June 3, 2020)**

**Students By Race**

**American Indian or Alaska Native: 11%**  
**Black or African American: 1.4%**  
**Asian Indian: 1.4%**  
**Chinese: 0.7%**  
**Hispanic or Latino 0.7%**  
**Japanese: 0.7%**  
**Other Asian: 2.7%**  
**White: 80.8%**  
**Unspecified: 0.7%**  
**Total: 146 students - 100.0%**

**Students By Ethnicity**

**Hispanic: 17.1%**  
**Not Hispanic: 82.9%**  
**Total: 146 students - 100.0%**

### **Students by Gender**

**Female: 46.6%**  
**Male: 53.4%**

### **Students by Grade Level**

**Grade: K 15.8%**  
**Grade: 1 15.8%**  
**Grade: 2 17.1%**  
**Grade: 3 16.4%**  
**Grade: 4 17.8%**  
**Grade: 5 17.1%**

### **Student Eligibility for Fall 1 Reported Programs**

**Socio-economically Disadvantaged: 62.9%**  
**Special Education: 10.3%**

### **Languages of English Learners**

**Spanish: 4.8%**  
**Gujarati: 1.4%**  
**Total: 6.2%**

### **Students By Residence Category**

**Permanent Housing: 97.9%**  
**Unknown: 2.1%**

### **Student Transitions**

Of our students who finished the 2019-2020 school year, 92% of our student body returned in 2020-2021. Of the ten students (8%) who transferred out of WECS, one transferred to a special school program to meet his/her needs, 3 are homeschooling because of Covid-19, 3 moved far away, and 3 moved to alternative local schools.

### **Students: Suspension and Expulsions**

One student was suspended for a day during 2019-2020.

### **Strategies to Achieve Racial and Ethnic Diversity**

Achieving racial and ethnic diversity is a priority at WECS. Our Spanish program includes a component tailored to increasing the Spanish language skills of native

speakers. Our brochure is published in both languages. We have formed a subcommittee to focus on outreach to the native Spanish speaking community of Willits and have appointed a liaison to work with Nuestra Alianza, Migrant Education and other community organizations to raise awareness about our school. We have appointed a Native American Program Coordinator to help with family outreach and to build our Native American Studies program.

The Director is actively learning Spanish and works with parents to increase the diversity of staff and students. “Bilingual preferred” is included in job postings, and 50% of our staff speaks a second language (primarily Spanish, but also French, Italian, Khmer, German, Pomo and Farsi). Each spring, WECS normally hosts a large event in honor of *Día de los Niños*, which is open to the public. This year, we could not host our event because of Covid-19.



### **Evaluation of the Educational Program**

In addition to standardized testing data, teachers use a wide variety of measures to gauge student involvement and achievement. These evaluations of student progress include review of portfolios, tests and quizzes, homework, discussions, class participation, journals, performances, research assignments, and presentations. Teachers cover the Common Core State Standards (CCSS) through curriculum and a multitude of student projects. Topics have included: local Native American communities, dwellings, simple machines, the life cycle, the water cycle, habitats, the U.S. states, quicksand, floating and sinking objects and celebrations world-wide. Some of these projects are inspired by student discovery; other topics are introduced by teachers for students to explore. Teachers use samples of student work to create portfolios to track student progress and achievement. All students participate in the Willits Science Fair.

Part of our strategy to ensure academic excellence is through longer school days. The following chart compares the number of State-required annual instructional minutes to the number of annual instructional minutes for students at WECS. By the end of fifth grade, WECS students will have completed the equivalent of more than an additional year of instruction, as compared to their same age peers attending traditional public schools.

| Comparison of Instructional Minutes |        |        |
|-------------------------------------|--------|--------|
|                                     | State  | WECS   |
| Kindergarten                        | 36,000 | 57,750 |
| Grades 1-3                          | 50,400 | 59,500 |
| Grades 4-5                          | 54,000 | 63,000 |

WECS students are also committed to giving back to the community. Each year, WECS students choose local charities to support. In the 2019-20 school year, students collected food for the Willits Food Bank. In addition, WECS has started its own food pantry for families, supported by the WECS community. WECS participated in State School Superintendent Tony Thurmond's Kindness Initiative and raised over \$500 for a community center to support children in Tijuana. Students learned about the project in Spanish and in English and sent monetary donations as well as good wishes to the new community center.



Another data-driven assessment WECS uses is through the *Measures of Academic Progress* (MAP) program by **Northwest Evaluation Association** (NWEA). This is an adaptive test. When student's answer questions correctly, the difficulty of test questions increases; test question difficulty decreases when students err. We use this test to track student progress three times each year (in the fall, winter, and spring). These reports help teachers track individual student progress and class-wide progress. We also use this data to examine school-wide progress over time.

In particular, we can track progress in the following, CCSS aligned areas:

- Operations and Algebraic Thinking
- Number and Operation in Base Ten
- Number and Operations—Fractions
- Measurement and Data
- Geometry
- Literature
- Informational Texts
- Foundational Skills and Vocabulary

All students are tested three times a year beginning in third grade. Teachers use these reports to target student interventions and identify areas of strength and weaknesses. In 2019-20, we could not complete the test in the Spring, as all students had moved to distance learning in March.

One data-driven method used to track school-wide progress is the "Percentage of Projected Growth Met." The RIT (Rasch unit) is the proprietary scale used by NWEA.

RIT is the standardized norm used to track expected student progress. The purpose of this MAP report is to measure growth by examining RIT scores over the course of the school year. For the 2019-20 school year, we are comparing the Fall 2019 scores with Winter 2020 scores, as we were unable to test at the end of the year. In addition, some students did not finish the second test, so the results are not as representative as they would have been had we been able to test at the end of the year and test all students fully.

| <b>Northwest Evaluation Association Achievement Status and Growth Summary Report, 2019-2020</b> | <b>Grade 3</b> | <b>Grade 4</b> | <b>Grade 5</b> |
|-------------------------------------------------------------------------------------------------|----------------|----------------|----------------|
| Overall % of Projected Growth Met, <b>Reading</b>                                               | 59%            | 40%            | 25%            |
| Overall % of Projected Growth Met, <b>Mathematics</b>                                           | 45%            | 53%            | 28%            |

Like all public school students in California, WECS 3rd through 5th grade students could not take the standardized tests this year, as we had transitioned to distance learning in March. We have CAASPP scores from 2018-19 school year but will not have scores for the 2019-2020 school year. In 2018-19 more students met or exceeded standards than the state average and the average for Mendocino County.

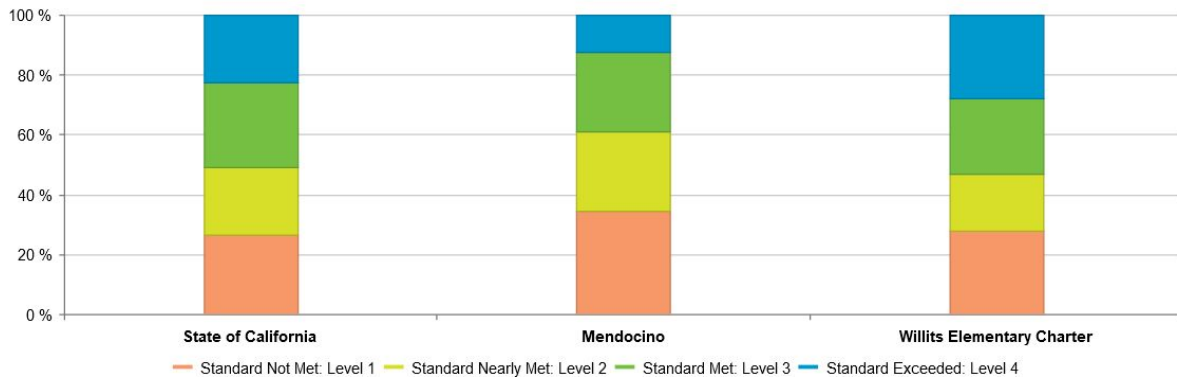
Typically there is a large gap between the performance of economically disadvantaged students and students who are not economically disadvantaged. The state of California has reported extensively about this gap and actively seeks ways to address it. We are pleased to report that our economically disadvantaged students seem to be thriving.

Examining mean scale scores for math and ELA between our economically disadvantaged students and our student body as a whole showed a larger difference than in the past between the two groups, e.g. on the English language arts section, our economically disadvantaged students scored 9.5 points below standard compared to 7.9 points above standard as a whole. In mathematics, our economically disadvantaged students scored 1.6 points above standard compared to 15.5 points above standard for all students. In math, both overall and socioeconomically disadvantaged students improved significantly. In English language arts, overall students improved significantly, while socioeconomically disadvantaged students maintained performance in comparison to the previous year. This gap is an area of growth for us to focus on and we are implementing a Response to Intervention (RTI) program to support struggling readers earlier.



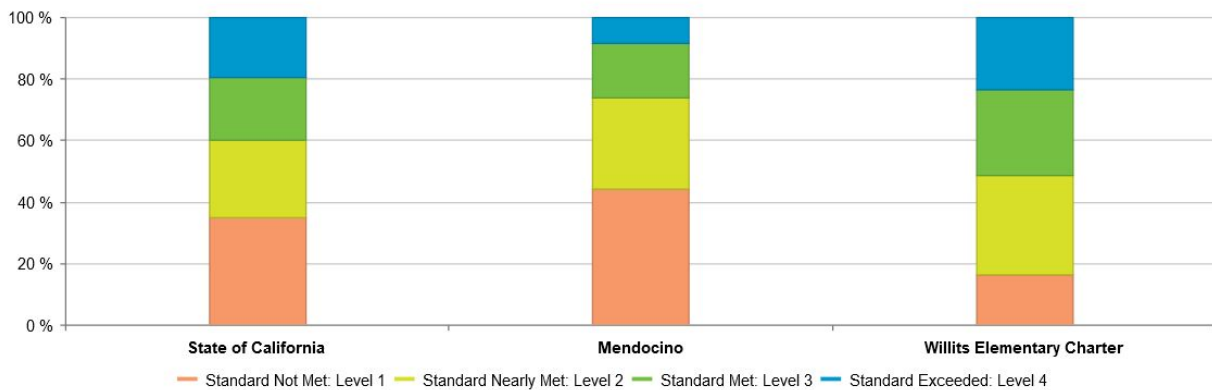
## CAASSP ELA Results 2018-19

2018-19 Achievement Level Distribution - All Grades



## CAASSP Math Results 2018-19

2018-19 Achievement Level Distribution - All Grades



## Science Fair

Over 60 WECS students participated in the Science Fair at the Willits Community Center. Twenty-two WECS students qualified for participation at the Mendocino County Science Fair; twenty-two students received special awards at the city level. The county level was held virtually.

## Physical Fitness Testing

Each year, the Physical Fitness Test is administered to all fifth graders in the State of California. Fifth graders are tested on the following fitness standards: aerobic capacity, body composition, abdominal strength, upper body strength, trunk extension strength, and flexibility. In 2019-2020, we were able to perform half of the test before we had to move to distance learning due to Covid-19. The requirement for the physical fitness test

was waived for this school year and we did not complete enough of the test to present reliable results.

### **Economically Disadvantaged Students**

Economically disadvantaged students comprised 62.9% of the WECS population in 2019-20. This figure is on par with Blosser Lane and lower than Brookside's percentage of economically disadvantaged students, but greater than the state of California. WECS uses a number of strategies to support our economically disadvantaged students including after school tutoring and homework help, small group reading and math support groups, in-class small group and one-on-one instruction. WECS continues to hone their *Response to Intervention* (RTI) process; WECS uses tier one, tier two, and tier three strategies to address the needs of struggling students.

### **California English Language Development Test (CELDT) and the English Language Proficiency Assessments for California (ELPAC)**



All WECS students complete the home language survey. WECS follows the same guidelines as all public schools to determine which students will take the CELDT or ELPAC test. WECS follows the WUSD guidelines to reclassify students as fluent. The English Language Proficiency Assessments for California (ELPAC) is the successor to the California English Language Development Test (CELDT). Beginning in 2017–18, the ELPAC was the required state test for English language proficiency (ELP) that must be given to students whose primary language is a language other than English.

In 2019-20, the ELPAC test was used at the beginning and end of the year to assess English Language Learners' progress in mastering English. Eight students were classified as English Language Learners. Because of moving to distance learning in March, we did not test students for reclassification at the end of the year. Following ELPAC guidelines, we will reassess students at the beginning of the 2020-21 school year.

## SECTION 4: Policies and Governance

### School Governance

Willits Elementary Charter School is governed by the Board of Directors of the Charter School Association of Willits (CSAW), a 501c3 non-profit corporation. The CSAW Board of Directors meets regularly, at least once a month (excepting July) and in accordance with the Brown Act. All CSAW board meetings are posted in advance and open to the public. The Board of Directors is fully responsible for the operational and fiscal affairs of WCES.

As of June 30, 2020 board members included Eric Glassey (Board President), Aura de la Fuente (Vice President), Sally Rulison (Secretary), Kay Moen (Treasurer), Jackie Lopez, Larry Aguirre, Sequoia Beebe and April Harris. Of these board members, two are parents of former WECS students, one is a grandparent of former WECS students, and four are parents of current WECS students.

### External and Internal Dispute Resolution

In order to address internal and external disputes, it is our commitment to provide open and direct access to the Willits Elementary Charter School Director. In any case where our Director is the focus of the complaint, or is unable to satisfactorily meet the needs of the complainant, we direct the individual's grievance to the Charter School Association of Willits (CSAW). The CSAW monthly board meetings are in compliance with the Brown Act open meetings law. CSAW meetings are compliant with Mendocino County health regulations and with the spread of Covid-19, the meetings have moved to an online format with a Zoom link provided to the public.



### Parent Involvement

The Director meets with each family during the enrollment process and has an “open door” policy for parents. She facilitates parent meetings which cover a wide variety of topics. Parents are included in the Site Council and contribute ideas for the Wellness Policy and the *Local Control and Accountability Plan*.

In 2019-20, teachers invited parents to a “Back to School Night” in September, held parent/ teacher conferences in November and a Parent Math Night in January to explain different ways of teaching math concepts. Parents are welcomed in the classroom. Teachers meet regularly with parents to discuss concerns or hold Student Study Team meetings when appropriate. Parents are invited to weekly, school-wide “Community Gatherings” each

Friday morning, monthly coffee meetings with the director, as well as to student performances. With Covid-19, WECS holds Community Gatherings once a month via Zoom so that families have a chance to see other families and students and we reinforce the community feeling that we have. Teachers called each family when the school closed in March and have been in close contact since then. The school has also implemented many parent surveys after the school closed in Spring, which has informed how we move forward in the next school year. Parents have easy access to teachers and the director, through a variety of media, phone, and in-person meetings.

For native Spanish speaking families, teachers and the Director conduct meetings bilingually as needed or arrange for translation.

### **Parent Survey, June, 2020**

Parent and student surveys are conducted annually. This year, feedback we sought was focused solely on how parents felt about the following school year and what models they would prefer, what concerns they had, and issues surrounding re-opening school. This survey was conducted in mid-June, 2020. We had a 27% response rate. This survey served as a basis for understanding what parents thought. In August, 2020, teachers called each family in their new classes and talked personally with them about concerns and filled out another survey to reflect ideas about 100% distance learning, which is what WECS has decided to do for the following school year.



This is a summary of the June, 2020 survey results:

#### Model of Schooling

WECS surveyed thoughts about four models of schooling that we were considering.

*Model A: Students on campus for 2 consecutive days and remote learning the other three days*

*Model B: Students on campus for 2 alternating days and remote learning the other three days.*

*Model C: Students on campus for 4 days during either AM or PM session.*

*Model D: Students learn at home (100% distance learning)*

Parents were split nearly evenly between 2 days a week and 4 half days a week. 19% preferred 2 consecutive days, 22% preferred 2 alternating days, 55% preferred 4 half days (AM/PM sessions) and 3% preferred all-distance learning.

### Number of Students in a Cohort

WECS knew we could not go back to school 'as normal' so we asked parents if they preferred 11-12 students or 6 students in a cohort.

44% preferred 11-12 students, 28% preferred 6 students and 30% did not care how many students were in a cohort.

### Internet access

The majority of parents reported that they had reliable internet. On the further survey, it was found that roughly 15% of families needed help getting access to internet and even with hotspots, about 5% do not have access to internet at home.

### Masks

63% of parents said that they would be comfortable with requiring students to wear masks when necessary (passing each other, at transition times). 22% would be comfortable having students wear masks all day, with breaks, and 19% said they would be uncomfortable requiring students to wear masks.

### Sending your child back to school (in person)

How comfortable do you feel sending your child to school in person?

33% very comfortable

38% somewhat comfortable

22% somewhat worried

8% very worried

### Biggest Concerns:

Parent concerns reflect economics, scheduling, health and well-being of students and families.

*Cross contamination between teachers and students and teachers moving between classes*

*Too much homework on days that students are learning at home and not at school  
Trying to balance childcare and work*

*Scheduling everyone*

*Distancing at school won't be possible*

*Community spread of Covid-19*

*Loss of interest in learning, we want more project-based learning*

*Kids need structure and social interaction*

*Health of family members*



*Decisions need to be consistent so families can plan*

What would cause you not to send your child to school:

*Sickness spreading at school*

*Half days are not reasonable*

*Increase in local cases*

*Too many regulations so that kids cannot be kids*

*Health concerns for my family*

### **Parent Complaints**

Our process for addressing parent complaints is grounded in our commitment to building strong, collaborative relationships with all of our students' parents and/or guardians. We believe that by prioritizing this family/school connection we are better able to work with the families to find mutually beneficial solutions that ultimately serve the student's best interest. We encourage WECS families to bring any complaints or concerns immediately to the attention of the WECS Director.

As stated in the previous section, in the case where our Director is the focus of the complaint or is unable to satisfactorily meet the needs of the complainant we direct the individual's grievance to the Charter School Association of Willits (CSAW). In 2019-2020, no parents brought a grievance.



### **Litigation**

All issues that could lead to potential litigation are immediately referred to our legal counsel for evaluation and appropriate response. To date, we have not been involved in any litigation.

### **Health and Safety**

Per WECS Parent Handbook “ WECS students need to attend school and every class every day unless they are sick or there is an unavoidable emergency. If your child has had a fever or vomited in the last 24 hours, please keep them home.”



The *Charter School Association of Willits* school board has adopted a wellness policy for WECS. The Director reviews this policy with stakeholders.

WECS has an “Emergency Situations and Action Procedures” plan posted in each building. All staff members have received training on this plan and we hold regular fire and earthquake drills with students. The plan includes procedures in the event of: Fire, Civil Disturbance / Marauder, Flood, Explosion/Bomb Threat, Earthquake and Chemical/Hazardous Material Spill.

WECS’ playground and buildings are inspected by our insurer for safety. Our lunchroom is inspected twice per year by Environmental Health.

WECS has a Suicide Prevention Policy, which was approved by the board in 2017.

### **Conclusion**

The students, staff, families and friends of WECS are grateful to the Willits community and the Willits Unified School District for their support of our charter. We are glad to report our successes and are committed to continuing to work hard to better our program and serve the needs of Mendocino County students who are interested in our school.

Respectfully submitted,

*Charlene Bredder*

Charlene Bredder, Ph.D  
Director, Willits Elementary Charter School  
December 2020



# **Willits Charter School**

**A Public School for the Arts & Sciences**

## ***2019-2020 Annual Report***

Presented to: Superintendent Mark Westerburg and the Board of Trustees  
Willits Unified School District - December 9, 2020



**1431 South Main St  
Willits, CA 95490  
707-459-5506  
Jennifer Lockwood, Director**



## INTRODUCTION

This is the 2019-2020 annual report to the Willits Unified School District Board of Trustees examining the educational programs, financial health, and compliance with the terms of the Willits Charter School's charter and Memorandum of Understanding (MOU).

It is certainly an honor to present to the Superintendent and the Board of Trustees of the WUSD this 2019-2020 Annual Report for Willits Charter School. This report represents data collected during my sixth year as the director of the school, and the 21st year of Willits Charter School!

We can all agree that we experience a myriad of emotions when we think about the 2019-2020 school year. It feels like a million years ago. We went from the excitement of new basketball teams, and the thrill of earning the incredible Jack London Award for Educational Innovation to feeling heartbroken for the loss of the graduation ceremonies that signify the important transition from youth to adulthood. One word clearly sums up the school year of 2019-2020: resilience.

In 2019-2020, our students raised money to find a cure for cancer, coordinated an all school field trip to Big River Beach, engaged in a Global Climate Strike, started "Meatless Monday," taught our youngest students how to stand up against bullying, fundraised for the Food Bank at both the Canned Food Drive and Sip Some Soup, helped us clear garden area to build the multipurpose room, and celebrated our 20th anniversary as a charter school at the "Hello 20's Variety Show" which featured the faculty band "The Substitutes." Prior to Distance Learning we had so many significant events: we created a Mock Trial team where we made the cover of the Ukiah Daily Journal and won the County "Courtroom Artist" competition, we started up both Boys' and Girls' Basketball teams and competed across Mendocino County, we won 2nd place in a soup competition, and we competed in the Redwood Empire Math Tournament and got 2nd place in 9th grade. We

the Global Climate Strike



Above: Students participated in

felt unstoppable, that is, until everything stopped. In March of 2020 schools across Mendocino County went on Distance Learning to protect ourselves and others from getting the COVID-19 virus.

We stepped up to the plate and quickly offered a rigorous Distance Learning curriculum. Students participated in either online learning or picked up packets from our main office. We quickly modified our grading policy and developed online counseling for students in need. We kept the Arts alive through competitions such as face painting and films. We ended the school year celebrating our 8th and 12th graders one family at a time with gift giving, photo ops, and saying farewell to our seniors.

Although we are still in Distance Learning, our students have become stronger and more resilient to handle life's challenges than anyone. They have found many ways to enjoy life, live in the present moment, and give back to others while staying on top of their academics.

## History and Mission

Willits Charter School was granted its original charter on October 15, 1998 from the Willits Unified School District. Our school mascot is the Sasquatch. WCS first opened its doors to students on August 30, 1999. WCS is nonsectarian in its programs, admission policies, employment practices, and all other operations. We do not charge tuition, and do not discriminate against any pupil on the basis of ethnicity, national origin, gender, sexual orientation, or disability.



The mission of Willits Charter School is to enable students in grades 6-12 to reach their fullest potential by providing them with a high-quality, personalized education in a safe and supportive environment. We strive to inspire students to embrace their curious, creative nature and be self-motivated, competent, lifelong learners. We encourage students to become productive citizens who respect themselves, others, community, diversity, and the environment.

Willits Charter School maintains high academic standards while respecting the unique qualities of all learners. Our commitment to teaching individual responsibility as well as compassion and respect for self and others motivates all of our

Above: A student receives an academic achievement award from WCS' school mascot, the Sasquatch.

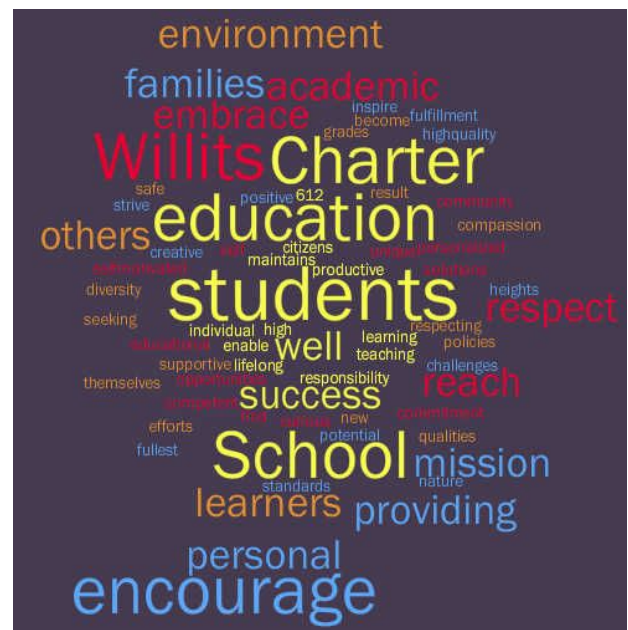
educational policies and procedures. We encourage students to reach for new heights in learning and to embrace challenges as opportunities, seeking their own positive solutions and finding personal fulfillment as a result of their efforts. Our staff and board embody the school's mission and vision providing both expertise and passion in their fields. We incorporate the arts, humanities, sciences and physical education throughout our curriculum at all levels. We are firmly committed to literacy and we encourage critical thinking in every subject.

Willits Charter School is a place where families are actively involved in the formal education of their children. We recognize that every stakeholder plays an important role in a student's academic success as well as personal development, and we work cooperatively with families to ensure that success.

## SECTION 1: PURPOSE & METHODOLOGY

### PURPOSE OF THE STUDY

The basic tenet upon which a charter school is founded is autonomy in return for accountability. WCS has conducted its own evaluation study of the school's programs. This study will examine student learning and achievement as well as parents' level of satisfaction with the school's programs and management. This report describes the WCS program and assessment data as observed, obtained and/or analyzed by the staff and evaluators during the course of the 2019-2020 school year. The study will look at how well WCS is fulfilling the guidelines established in its charter.





## METHODOLOGY

This study provides information, obtained from different sources, about the operation and progress of WCS. Evaluators used a variety of data collection procedures including document reviews, surveys, individual interviews, and statistical analysis. Key sources were people involved in WCS (students, staff and parents), school records, student work samples, the California Dashboard, and assessment data (standardized test scores, performance assessments).

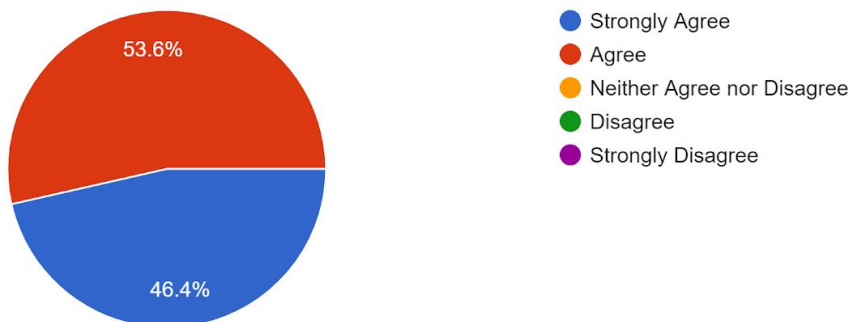
### WCS PARENT/GUARDIAN FEEDBACK SURVEY

*“Willits Charter School is a place where families are actively involved in the formal education of their children. “ -WCS Vision Statement*

Feedback surveys were distributed to WCS parents/guardians in the spring of 2019. Parents were asked to respond to each of the survey statements using the scale *Strongly Agree, Agree, Neither Agree nor Disagree, Disagree, or Strongly Disagree or Very Satisfied, Satisfied, Neither Satisfied nor Unsatisfied, Unsatisfied, or Very Satisfied*. The graphs below summarize the 28 parent/guardian survey responses.

My child feels comfortable in the learning environment provided by WCS.

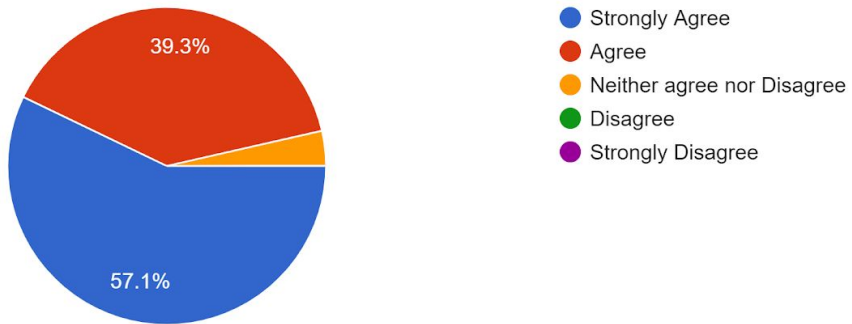
28 responses





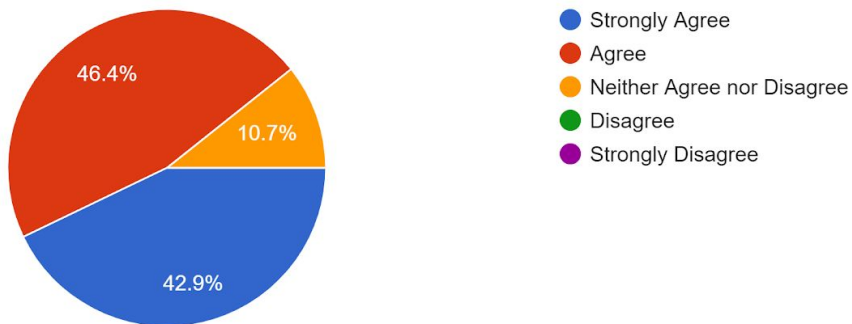
Willits Charter School offers a diversity of electives and enrichment opportunities.

28 responses



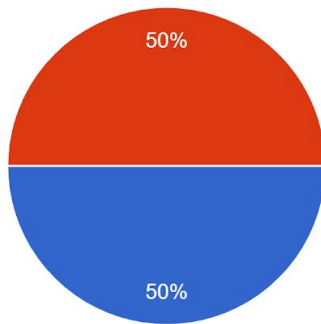
The school communicates effectively, is accessible, and encourages parental involvement.

28 responses



How satisfied are you with WCS overall?

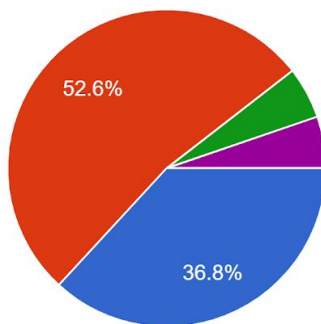
28 responses



- Very Satisfied
- Satisfied
- Neither Satisfied nor Unsatisfied
- Unsatisfied
- Very Unsatisfied

If you attended a Student Portfolio Conference last year, how satisfied were you with the overall process?

19 responses



- Very Satisfied
- Satisfied
- Neither Satisfied nor Unsatisfied
- Unsatisfied
- Very Unsatisfied



*At left: High school students say hello to their teachers as they get their schedules for the 2019-2020 school year.*

# SECTION II: FINDINGS

## EDUCATIONAL PROGRAM

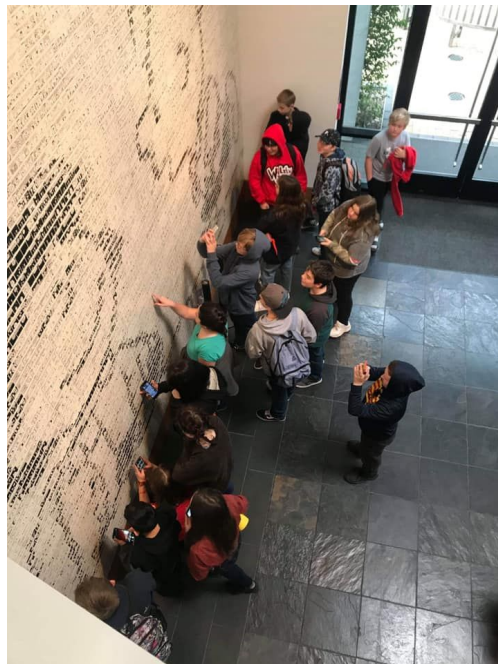
*“We incorporate the arts, humanities, sciences and physical education throughout our curriculum at all levels. We are firmly committed to literacy and we encourage critical thinking in every subject.” -WCS Vision Statement*

### **Overview**

All students are instructed in language arts, mathematics, science, and social studies unless they have previously fulfilled the requirements for their grade level. The following core academic classes were offered onsite in 2019-2020:

English 6  
English 7  
English 8  
Ancient History 6  
World History 7  
US History 8  
Common Core Math 6  
Common Core Math 7  
Common Core Math 8  
Science 6  
Science 7  
Science 8  
CP Biology  
Honors Biology  
CP Environmental Science  
AP Environmental Science  
Algebra A  
Algebra B  
CP Algebra I  
CP Algebra II  
CP English 9  
CP English 10  
CP English 11  
CP English 12  
Honors English 11/12  
CP World History & Geography

CP Civics  
CP Economics  
Geography



Above: Grade 7 students at the Charles M. Schulz Museum.

## Physical Education

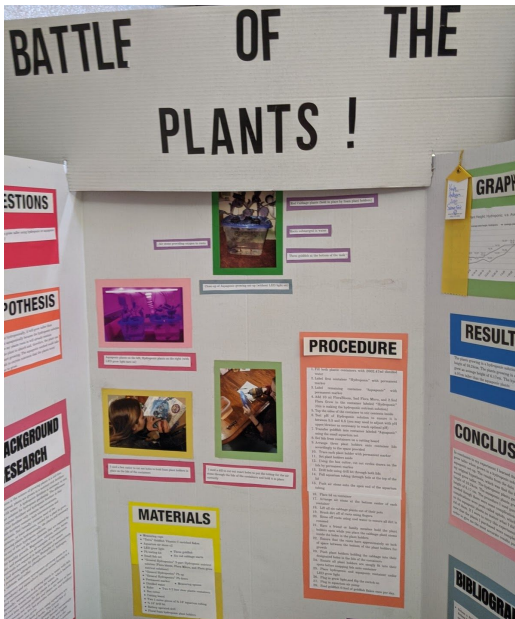
Physical education is required for high school graduation and at least one semester per year is required for middle school students. Students may enroll in on-site physical education classes, take classes at a local gym or community college, or on an independent contract basis by keeping a PE log that is verified with a parent signature. Every 34 hours of physical activity earns 2.5 credits. In the 2019-2020 school year, P.E. was offered to all of our middle school students and many high school students as well. P.E. classes range from more traditional to alternative classes such as Archery, P.E., or Martial Arts.



*Above: A student engaging in Archery*

## Science Fair

All students taking a science class at WCS are required to complete a science project. This has been a requirement since our second year of operation and has led to WCS's strong presence at both the Willits and Mendocino County science fairs. Nearly 60 projects from WCS were on display at the Willits Science Fair. Eighteen of these projects qualified for the Mendocino County Science Fair. Projects done by WCS students received twelve special recognition awards from local businesses and organizations.



The 2020 Mendocino County Science Fair was held as a virtual event, due to concerns related to COVID-19. Although the 2020 California State Science and Engineering Fair (CSEF) was canceled, sophomore Kaylee Anderson's project, *Battle of the Plants*, was selected by the California Association of Professional Scientists (CAPS) to represent Mendocino County in a state-wide competition. Kaylee Anderson's project was also one of four projects selected by the Mendocino County Science Fair for recognition on the CSEF website.

*At left: Kaylee Anderson's outstanding project compared plant growth in hydroponic and aquaponic environments.*



## **School Spirit**

WCS provides a small, community oriented environment that feels much like a family. Student Leadership is a big part of bringing fun events to life both on and off campus. In 2019-2020 they engaged the students in Spirit Weeks, planned dances, and participated in fundraising activities that benefited our local community and beyond. They organized assemblies and continued the tradition of “6th grade Integration” where they taught 6th graders about the WCS mission of acceptance and diversity.



*Above: Student Leadership organized “Tie Dye Day” and organized an assembly.*

## **Sports**

In the 2018-2019 school year WCS revamped its sports program with a co-ed soccer team. Our WCS parents generously donated their time to coach, schedule games, coordinate rides and snacks, etc. The Sasquatches were brought back with a new team logo. In the 2019-2020 school year, both girls’ and boys’ basketball teams were organized and a sports coordinator position was developed. Parent volunteers were an essential part of making this program a success. Our basketball teams played against other teams across inland Mendocino County including Laytonville, Willits, and Ukiah. Local businesses generously donated funds to help our teams get uniforms, basketballs, and necessary equipment. Unfortunately we had to go into Distance Learning just before soccer season, but we look forward to a big comeback in our new gym in the 2021-2022 school year!



*At left: The WCS Girls’ Basketball Team relax after a game in their new uniforms.*



*At left: The WCS Boys’ Basketball Team in action.*

## **Field Trips**

We feel that it is important to take our students on enriching field trips annually outside of the Mendocino County area. Unfortunately the poverty rate in Willits is more than double the average poverty rate in California. Many of our students have never been outside of the area, so we make it a point to participate in field trips both inside and outside of Mendocino County. We are so fortunate in that we have a local community college, Mendocino College, where we visit college fairs, career fairs, theatrical performances, the Science Fair, Native American Heritage Days, and a multitude of other events. We have made a yearly commitment to take our high school students to visit college campuses in California. These trips are a highlight of their (and our) year. We rely on parent volunteers to make these trips happen, and they enjoy them as well. A day where students can enjoy themselves and engage with teachers and administrators on more of a personal level has many benefits. It helps students feel more connected to each other and their teachers while giving them something big to look forward to every year. Many grade levels go on multiple trips every year.



*Above: The Mendocino College Eagle mascot shakes a WCS 11th grader's hand as they pass by.*

A letter from the owner of the local Noyo Theatre, after we watched the movie “The Call of the Wild.” Our students had read the book and we soon after won the “Jack London Education in Innovation Award.”

*I wanted to write to thank you for the awesome group of students that visited our theater on Wednesday. You have restored my faith in young adults. We have had so many negative experiences with school groups that we anticipate the worst every time. Your group arrived on time, greeted me respectfully, cheerfully left their backpacks in the lobby, filed into the theater quietly and sat down to actually watch a movie. I had to go in to check on them because it was so quiet in there. I have never (in 8 years) joined a school group to watch a movie, but sat down and actually got to enjoy the whole thing with them. There was no fidgeting, talking or rude behavior of any kind. No one even got up to use the restroom. When the film was over, they all thanked me and left the theater spotless. You should be very proud of them. I hope you will pass this along to the students and the teachers who accompanied them.*

*Respectfully, Lois & Jeff Hoover, Noyo Theatre*



## **Electives**

One of the strongest features of the charter school is the electives program. Electives are offered throughout the week and through our Friday Academy program. The following elective classes were offered Monday-Thursday in 2019-2020:

Middle School Art  
CP Drawing and Painting  
Middle School Ceramics  
CP Ceramics  
Middle School Theatre Arts  
CP Theatre Arts  
Choir  
CP Rock Band  
Physical Education  
Culinary Arts  
Conversational Spanish  
CP Spanish I  
CP Spanish II  
CP Spanish III  
CP French I  
CP French II  
CP German I  
CP German II  
CP Computer Science  
CP Journalism  
Math/Reading Support



*Above: A student creates pottery using a wheel.*

## **Friday Academy**

Friday is set aside for our special Friday Academy classes. These classes are 70-minute, generally project-based or support oriented. The 2019-2020 school year marked the tenth year of Friday Academy. Students select most Friday Academy classes based on interest. Other classes are assigned based on the students' academic needs. In 2019-2020, classes were semester-long, with many classes offering distinct separation of units and topics each quarter.

The following Friday Academy classes were offered in 2019-2020:

|                                     |                            |
|-------------------------------------|----------------------------|
| Advanced Art                        | Health and Wellness        |
| Advanced Drawing                    | Topics in Self Care        |
| Animal Studies-Rabbits              | Internships                |
| Animal Study                        | Supernatural Literature    |
| Archery                             | Native American Club       |
| Beginning Rock Band                 | Native American Studies    |
| CCS 100 (Career Planning Success)   | Set Design                 |
| Coding-Computer Science Discoveries | Public Speaking            |
| College and Career Planning         | Mock Trial                 |
| Credit Recovery                     | Study Hall                 |
| Community Service-Kitchen           | RTI                        |
| Drivers Education                   | Yearbook                   |
| Friday Art                          | International Folk Dancing |
| Friday Band                         | Leatherworking             |
| Friday Ceramics                     | Knitting                   |
| Friday Choir                        | Theatre Games              |
| Dungeons and Dragons                | Beginning Crochet          |
| Gardening                           | Intro to Physics           |
| Intro to Coding                     | Intro to Radio Production  |
| Friday Music                        | HS Math Skills             |
| Intro to Guitar                     | Wilderness Survival        |
| Friday Physical Education           | Intermediate Rock Band     |
| Kung Fu                             | Kitchen Help               |
| Honors Biology Lab                  | Girls' Empowerment Club    |
| Academic Support                    | Readers' Theatre           |
| Digital Tools                       | Tutorial/Homework Help     |
| Friday Theatre Arts                 | Vocal Lessons              |

*At right: High school students participating in Mock Trial Semifinals at the Ukiah Courthouse.*



## **Independent Study**

*“Willits Charter School maintains high academic standards while respecting the unique qualities of all learners. “-WCS Vision Statement*

Independent study (IS) has been an alternative education option for WCS students as a part of the educational offering since WCS opened in 1999. Willits Charter School's Independent Study offers more flexibility to students and families than the standard Monday through Friday onsite program. Independent Study students participate in additional learning opportunities integrated within the community that they would not have in a traditional classroom setting. Our goal for this student-centered, cross-curricular, project-centered approach to education is to provide students with a more holistic understanding of the world and their role as global citizens. Independent Study is best for students that are very organized, reliable, and are willing and able to take responsibility for their own education. Because students on IS do not need to come to school as regularly as onsite students, IS is best for students that have strong social connections outside of school. IS can also be a great option for students that work and/or are planning to take college courses.

To be considered for independent study, a student new to WCS must write an essay explaining why he or she is interested in independent study and how this program will serve his or her needs and goals better than an on-site program. Students must also have at least a C average with no previous year's grades below a C to be accepted into the IS program.

While on IS, students must complete ALL assigned work on-time and initiate communication with their teacher regarding questions or concerns about their work. Students must maintain at least a C in all courses taken through WCS and students must come to ALL scheduled meetings with their IS teacher. Students that fail to meet any of these criteria will be placed on IS Academic Probation to provide them with additional support. Terms of probation may include, but are not limited to: meeting weekly with the IS teacher, having parents present at the IS meetings, attending IS Study Hall, etc. Students that do not complete the terms of their probation will be exited from IS. If a student is exited from the Willits Charter School's Independent Study program for any reason, he or she is enrolled as an on-site WCS student if there is a spot available. He or she also has the choice of enrolling in another school's independent study program or on-site program.

The independent study program is not a one-size-fits-all program. Independent study students meet with the independent study teacher anywhere from twice a week to once a month (depending on the student's needs and/or situation).

Students are also able to attend any on-site classes that have available space. Students can also take classes at Mendocino Community College for credit toward graduation, or to explore vocational or artistic interests in the greater community.

There were 12 high school students on independent study during the first semester of the 2019 - 2020 school year and 12 students during the second semester. There were 10 students in middle school on IS during the first semester and during the second semester. Many Independent Study students took Friday Academy courses, participated in school activities, and attended field trips.

### **Community Service and Involvement**

*“We encourage students to become productive citizens who respect themselves, others, community, diversity, and the environment.” -WCS Mission*

*At right: A student takes a much needed break on top of donated soil for the new garden at our “Garden Work Day”*

Community service is a requirement for students who attend Willits Charter School. Students agree to perform at least five hours of community service per quarter. Hours are recorded during “Wellness, Community, and Service” class and pass/fail grades are reported on the quarter progress report and semester report cards and, for high school students, their transcripts. Students who do not complete the required hours receive an F in community service and are not eligible for the honor roll. Students may do community service either on or off campus. WCS students engage in their community in many ways beyond their required hours.



## **SCHOOL GOVERNANCE**

Willits Charter School is governed by the Board of Directors of the Charter School Association of Willits (CSAW), a 501c3 non-profit corporation. The CSAW Board of Directors meets regularly, at least once a month (except during the summer) and in accordance follows the provisions of the Brown Act. The Board of Directors is fully

responsible for the operation and fiscal affairs of WCS.

As of June 30, 2020, board members included Eric Glassey (Board President), Aura de la Fuente (Vice President), Sally Rulison (Secretary), Kay Moen (Treasurer), Jackie Lopez, Larry Aguirre, Sequoia Beebe and April Harris. Of these board members two are parents of former WCS students, three are parents of current WCS students, and three are parents of students at our sister charter school, Willits Elementary Charter School.



*At right: CSAW Board Member Aura de la Fuente enjoys some downtime with students at WCS.*

In the 2019-2020 school year, the following key policies were adopted/approved by the CSAW Board:

**9/3/19:** *Revision of fiscal policies: Purchases below \$10,000 can be made without board approval. Capitalization of equipment lowered from \$20,000 to \$5,000 to comply with USDA policy.*

**11/5/19:** *Allows for excess used sick days to be carried over to the following year and/or to substitute extra work days.*

**12/10/19:** *All WECS volunteers must be fingerprinted. All volunteer drivers should present DMV history*

**5/5/20:** *Graduation requirements for the Class of 2020 allows students to graduate under the basic requirements in accordance with CDE guidelines during the COVID-19 pandemic.*

## **PARENT INVOLVEMENT**

Parental involvement has long been a focus at WCS. The charter developers believed that parental involvement is one of the single most important factors in creating a successful learning attitude. Three years ago we increased our parent involvement through the use of the program “ParentSquare,” a communication system where we can express a need for volunteers, supplies, or just send general daily messages. Parents can also attend our monthly “Parent Association” Meeting where we meet to discuss school events, volunteer opportunities, and share their successes and concerns. We also post volunteer opportunities on social media and invite parents to events where they can help.





*At right: WCS parents enjoying a family meal at our Harvest Lunch.*

## **STAFFING**

WCS funded the following personnel during the **2019-2020 school year:**

**Jennifer Lockwood:** Director

**Jason Erlick:** Business Manager

**Wendy Copperfield:** Office Manager

**Ashley Rodriguez:** School Registrar

**Vanessa Hernandez:** Office Assistant

**Jillian Anderson-Rano:** Facilitator for CP Spanish I/II (taught through Rosetta Stone A-G program)

Credentials: *Not Required*

**Tyler Balthrop:** General Music, Introduction to Guitar, Introduction to Rock Band, CP Rock Band (CTE)

Credential: *Not Required (CTE Credential in progress for CP Rock Band)*

**Candace Blower:** P.E., Sports Coordinator

Credential: *Not Required*

**Stephany Brundage:** Instructional Aide, Animal Studies

Credentials: *Not Required, NCLB Compliant*

**Becky Button:** Independent Study (Middle School), Internship Coordinator

Credential: Multiple Subjects

**Patrick Bryant:** Math 6, Science 6, Math 7, Science 7, P.E.

Credentials: Short Term Staff Permit

**David Cargill:** Instructional Aide

Credentials: *Not Required, NCLB Compliant*

**Michel Chenelle:** Honors English 11/12, CP English 11/12, English 8, Social Studies 8, CP English 9, CP English 10, Geography

Credential: English, Social Studies



**Wendy Copperfield:** Office Secretary  
Credential: *Not Required*, NCLB Compliant

**Monica Grossman:** Study Hall, Facilitator for CP Spanish I/II (taught through Rosetta Stone A-G program), Middle School Math/Reading Support  
Credential: *Not Required*

**Billy Hetherington:** Radio Production, Student Leadership, MS Theater Arts  
Credential: *Not Required (CTE Credential in progress)*

**Katie Lacy:** Culinary Arts Instructor  
Credential: *Not Required*

**Jennifer Lockwood:** CP Theater Arts  
Credentials: English Language Arts, Administration

**Alicia Logan:** Kitchen Assistant  
Credential: *Not Required*

**Tara Logan:** Instructional Aide  
Credentials: *Not Required*, NCLB Compliant

**Erin Mendoza:** Choir  
Credential: *Not Required*

**Melissa Miles:** English 6, Social Studies 6, English 7, Social Studies 7, CP Journalism  
Credential: Multiple Subjects

**Jazzminh Moore:** Art  
Credential: *Not Required*

**Sienna Reno:** CP Drawing & Painting, CP Ceramics, MS Art, MS Ceramics  
Credential: *Not Required (CTE Credential in progress for CP art courses)*

**Christopher Scott:** Independent Study (High School), CP Economics, CP Civics, AP US History, CP World History  
Credential: Social Studies, Independent Study Local Assignment EC §44865

**Gina Hirsch, Angela Lau, Laura Wiecek:** Math 8, CP Algebra I, CP Algebra II;  
Credentials: 30 Day Substitute Credentials

**Jordan Uggle:** Computer Technician, Robotics, CP Computer Science

Credential: *Not Required, NCLB Compliant, (CTE Credential in progress for CP Computer Science)*

**Melody Ulrich:** Algebra A/B

Credentials: Special Education

**Erin Vaccaro:** Curriculum Coordinator, Academic Counselor, AP/CP Environmental Science, Science 8, CP/Honors Biology, Credit Recovery Math via Independent Study  
Credential: Biological Science, Plant Science, Introductory Science, Multiple Subjects, Independent Study Local Assignment EC §44865

**Darian Yanez:** Music Ensemble, P.E.

Credential: *Not Required*

## HEALTH AND SAFETY

*“The mission of Willits Charter School is to enable students in grades 6-12 to reach their fullest potential by providing them with a high-quality, personalized education in a safe and supportive environment.” -WCS Mission Statement*

### Wellness Policy for Willits Charter School 2019-2020

**This policy reflects Willits Charter School’s commitment to the well-being of all students through implementation of the following:**

- Nutritious meals in compliance with USDA Requirements to demonstrate proper diet needed to maintain health;
- Education that emphasizes whole foods, fresh fruits and vegetables teaching students the quality of food and its bearing on health;
- Healthy physical activity to support health and well being;
- Classroom education and discussion that examines links between health and nutrition education, social emotional well-being, physical exercise and the school’s meal program to help foster lifelong habits of a healthy lifestyle.

#### **I. SCHOOL HEALTH COMMITTEES AND SUPPORT GROUPS**

Willits Charter School’s (WCS) Wellness Committee, in accordance with USDA guidelines, implements, monitors, reviews and, as necessary, revises school nutrition, nutrition education and student physical activity in consultation with health councils, community groups, health professionals, local farmers, teachers and students. WCS Wellness Committee minutes are shared at WCS Parent Association meetings where input and feedback are welcome and shared back to the WCS Wellness committee.

#### **II. NUTRITIONAL QUALITY OF FOODS AND BEVERAGES SERVED ON CAMPUS**

##### **School Meals**

Willits Charter School strives to provide meals that are appealing and attractive and encourages feedback and input from students.

Students create their own meals each day by choosing from a variety of choices including fruits, vegetables, proteins, grains and milk. Students choose a minimum of 2 of the required components that are offered for Brunch and from 3 of the required components offered for Lunch.

Willits Charter School works with food service providers to assure that meals, served through the National School Lunch and Breakfast Programs will comply with applicable law by:

- Providing full, nutritious meals to all students free of charge starting with the 2018-19 school year through Senate Bill 138, The Universal Meal Service bill (aka Community Eligibility Provision), signed into law on October 12, 2017;
- Meet, at a minimum, nutrition requirements established by local, state, and federal statutes and regulations;
- Food preparation areas have the capacity to prepare meals to meet the student population;
- Follow strict sanitation practices in safe food handling, preparation and storage;
- Offer a variety of fruits, vegetables and whole foods;
- No trans fats or hydrogenated oils in any food products;
- Only nonfat flavored milk, fat free milk or 1% regular milk will be offered;
- Low fat/lean meats will be served in meals;
- Vegetarian options will be provided every meal;
- Whole grain rich breads and brown rice are staples;
- Organic produce will be used whenever possible;
- Priority will be given to serving non-processed foods;

### **Healthy Hydration Policy:**

#### **Allowed:**

- fruit and vegetable juices and fruit-based drinks that contain 100% fruit juice and that do not contain additional caloric sweeteners;
- unflavored or flavored low-fat or fat-free fluid milk and nutritionally-equivalent non-dairy beverages (to be defined by USDA);
- filtered drinking water will be available at all times;

## Not allowed:

- soft drinks or teas containing caloric sweeteners;
- sports/energy drinks;
- fruit-based drinks that contain less than 100% real fruit juice or that contain additional caloric sweeteners;
- beverages containing caffeine, excluding fat-free chocolate milk (which contain trivial amounts of caffeine).

## Snacks

Snacks served during the school day or after school enrichment programs (clubs, sports...) will make a positive contribution to student diet and health, with an emphasis on serving fruits and vegetables primarily with fresh water as the primary beverage.

## Rewards

Willits Charter School encourages use of non-food incentives to reward students' academic performance, accomplishments, classroom behavior or during classroom celebrations.

## Classroom Celebrations

In circumstances where food cannot be avoided at celebrations, those responsible for bringing food items (whether school staff, parents/guardians or volunteers) should select food items described in the "Allowable Foods" section below.

*At right: High School students bring back pumpkins from a local pumpkin patch.*



## Allowable Foods

Willits Charter School requires that all foods brought onto campus for classroom consumption be healthy; low fat, low sugar, fruits, vegetables and/or whole grain baked products. These foods must be approved by the Food Services Director prior to distributing to students to ensure that it complies with USDA guidance and may be safely consumed by all students. Such foods must be either fresh fruits or vegetables or store bought and commercially packaged food products with a label listing the ingredients to determine compliance for the safety of all students especially those with food allergies and other health concerns.

## Fundraising, Evening and Community Events

WCS promotes nutritious foods and snacks at evening and community events on school grounds.

### III. NUTRITION AND PHYSICAL ACTIVITY PROMOTION

Willits Charter School promotes, encourages, and supports healthy eating and exercise in a variety of ways:

- Wellness and Community Service classes are a daily morning check in class that explores and discusses grade level health and nutrition
- Culinary Arts classes explore nutrition through the preparing and cooking of recipes/meals.
- Physical Education classes focus on healthy activities to increase motor functions and encourage healthy habits
- A variety of Friday Academy elective classes focus on nutrition and physical activity.
- After school sports programs promote physical activity



*Above: Students learn to make salad dressing from scratch in our Culinary Arts program.*

### IV. PHYSICAL ACTIVITY OPPORTUNITIES AND PHYSICAL EDUCATION

#### Daily Physical Education

All students have daily Brunch & Lunch recesses that are safe and well supervised that offer cognitive, social, emotional and physical benefits for at least 20 minutes twice a day. Students in grades 6-12, including students with disabilities, special health-care needs, and in alternative educational settings, may also receive daily physical education as stated in our board policies.

#### Physical Activity and Punishment

Teachers and other school and community staff will not use physical activity (e.g., running laps, push-ups) or withhold opportunities for physical activity (e.g., recess or physical activities) as punishment.



## V. WELLNESS EDUCATION

Schools will provide nutrition education and engage in nutrition promotion that includes:

- **WCS Culinary Arts:** Program includes cooking/preparing, and/or taste testing/sampling of local produce when available to provide students with opportunities to consume and enjoy fresh locally grown produce in their school meals.
- **WCS Garden Programs:** Support students by continuing to develop organic school gardens that provide students with opportunities to plan, plant, harvest, prepare and consume produce they have grown.
- **Networking:** Local farmers & sources provide fresh fruit and vegetables through the Grateful Gleaners program to procure fresh locally grown produce for school meals and snacks.

To the right: Garden Instructor Becky Button looks closely at plants to teach students how to avoid bugs without the use of pesticides.



- **Wellness and Community Service classes:** are a daily morning check in class that explores and discusses grade level health and nutrition as well as; social emotional health, team building, college planning, relevant social issues, setting school norms and general school announcements.
- **Communications with Parents:** Willits Charter School supports parents' efforts to provide a healthy diet and daily physical activity for their student through:

WCS Parent Meetings: are open to all WCS parents and families to hear/learn/ about school programs and activities, provide input/feedback and discussion and encourages involvement/participation in certain events, school programs or activities.

Wellness Committee Meetings: are open to all parents and the public to inform on school Wellness Policies and programs as well as provide opportunities for their input and feedback.

School Menus and Wellness Policies are posted on the WCS website.

WCS Parent Square App provides news and information regarding our sports programs and other school news and information.

Facebook provides up to date news and information to parents, families and the

public regarding a variety of current relevant school topics.

## **VI. REVIEW**

Once a Wellness Committee has been selected and in operation, a review will be conducted, and a report made to Willits Charter School Board once a year in which progress toward these policy goals will be reported. The nutritional quality of the food served, physical activity, nutrition curriculum, and other program elements will be reviewed. The overall school environment will also be evaluated to determine if it supports student education and nutrition toward a healthy lifestyle.

## **VII. SAFETY**

WCS complies with all applicable state and federal safety laws and regulations. WCS adheres to the health, safety, and risk management guidelines as described in Section 6 of the WCS charter document including;

- complying with all insurance company inspections/findings, Mendocino County Environmental Health requirements,
- conducting monthly fire drills,
- conducting periodic staff trainings on lock down procedures and
- complying with state/federal mandated reporting statutes.

The Food Services Director is provided with information regarding all student food allergies and safe meal/snack alternatives will be provided to those students.

### **WCS is a Nut Free School Zone:**

Students attending school have been identified to have severe peanut/nut allergies. Strict avoidance of peanut/nut products is the only way to prevent a potential life-threatening allergic reaction requiring emergency medical attention. We ask assistance from staff, students and families in providing a safe school learning environment by requesting that the entire school campus be peanut/nut free.

- Peanut/nut products will not be served through our kitchen for meals or snacks. Safe alternatives are offered
- Peanut/nut products are not allowed to be brought onto campus through students or staff
- Anyone ingesting Peanut/nut products prior to coming to school is asked to wash their hands thoroughly before arriving on campus.

## **VIII. FUTURE GOALS**

- Add an After-School Snack program
- Develop a new school garden

## **IX. OVERALL RESPONSIBILITY**

The implementation of the School Wellness Policy is the responsibility of the director of the school and supported by staff and parent advisors.

## **ADMISSIONS AND ENROLLMENT**

WCS adheres to admission policies as outlined in the WCS charter. Once space is assured, students are interviewed by the director to determine initial placement. Middle and High school students bring a copy of their most recent transcript or report card. Past performance, as represented by CAASPP, CST results, semester grades or progress reports, along with long-term goals are discussed and a student schedule is proposed.

### **Enrollment Distribution**

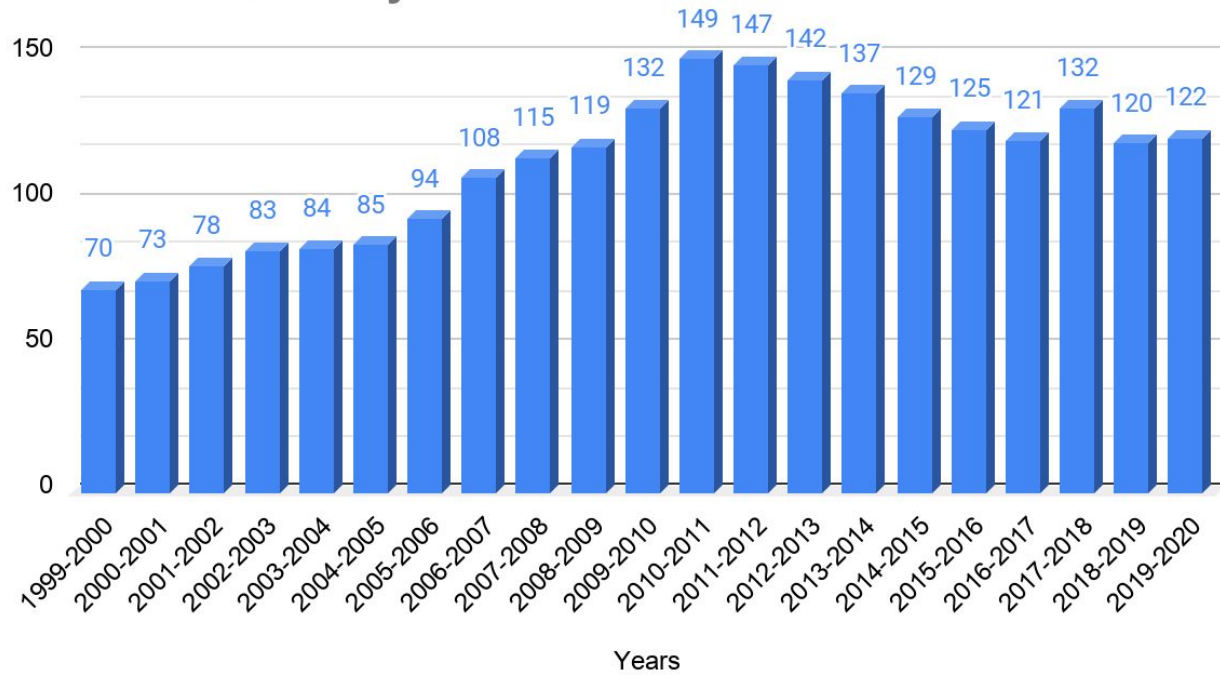
In 2019-2020, WCS's enrollment was distributed between middle and high school with 74 middle school students (60%) and 48 high school students (40%). Enrollment of middle school students increased slightly from October 2018 (by 2 students) and enrollment of high school students remained the same.

The 2019-2020 CBEDS student population distribution by grade is shown below:

| <b>Grade</b> | <b>Number</b> |
|--------------|---------------|
| 6            | 25            |
| 7            | 27            |
| 8            | 22            |
| 9            | 11            |
| 10           | 17            |
| 11           | 13            |
| 12           | 7             |
| <b>Total</b> | <b>122</b>    |

The following chart shows the enrollment trend since the opening of WCS.

### Total Enrollment by Year



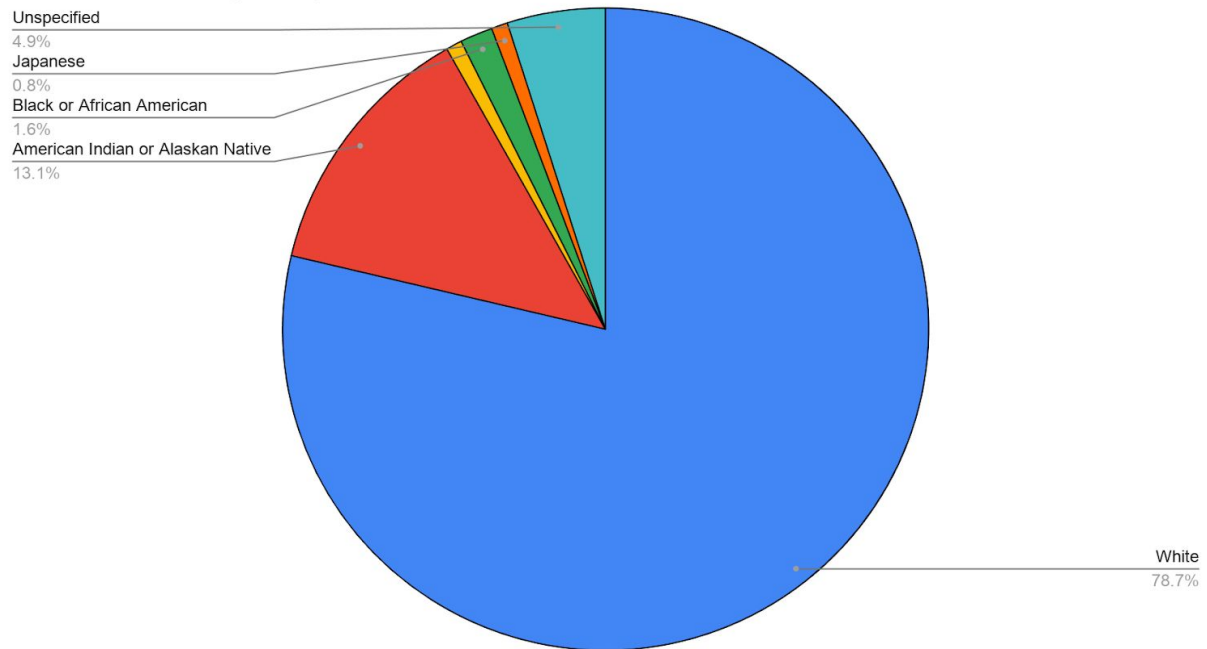
### Race & Ethnicity

The 2019-2020 race and ethnicity composition of WCS is shown in the table below. The majority of WCS students were white (80%). Other races represented in the student population include American Indian (12.5%), African American (2.5%), and Hispanic (17.5%).

| <b>Students by Race</b>           | <b>Number of Students</b> |
|-----------------------------------|---------------------------|
| Hispanic                          | 28                        |
| Not Hispanic                      | 94                        |
| Total:                            | 122                       |
|                                   |                           |
| <b>Students by Ethnicity</b>      | <b>Number of Students</b> |
| American Indian or Alaskan Native | 16                        |

|                           |     |
|---------------------------|-----|
| Asian Indian              | 1   |
| Black or African American | 2   |
| Japanese                  | 1   |
| Unspecified               | 6   |
| White                     | 96  |
| Total:                    | 122 |

2019-2020 Ethnicity Comparison



### **Socioeconomic Status**

At the 2019 CBEDS, 80 out of 123 students, or 65%, of the WCS student population was socioeconomically disadvantaged as measured by Household Data Collection Forms.

## Current Enrollment Status

As of time of preparation of this report, November 2020, there are 27 students enrolled in 6<sup>th</sup> grade, 27 students enrolled in 7<sup>th</sup> grade, 27 students enrolled in 8<sup>th</sup> grade, 13 students enrolled in 9<sup>th</sup> grade, 8 students enrolled in 10<sup>th</sup> grade, 10 students enrolled in 11<sup>th</sup> grade, and 10 students enrolled in 12<sup>th</sup> grade. There are a total of 122 students enrolled.

## Financial Report

Robertson & Associates, CPAs conducted the first part of an independent audit in May 2019, as per the terms of the Memorandum of Understanding (MOU) between WCS and Willits Unified School District. A copy of the 2019-2020 annual fiscal audit will be provided to WUSD in January 2020.

Following is a breakdown of revenues and expenses for Willits Charter School for the 2019-2020 school year, per the unaudited actuals:

| <b>Revenue</b>                                        |                    |
|-------------------------------------------------------|--------------------|
| Revenue Limit State Aid                               | \$805,368          |
| In Lieu Property Tax                                  | \$339,397          |
| Other State Revenue (includes facility reimbursement) | \$160,615          |
| Federal (NCLB, NSLP and ESSER)                        | \$202,638          |
| Other Local Revenue (Food Program/donations)          | \$156,654          |
| <b>Total Revenue</b>                                  | <b>\$1,664,672</b> |
|                                                       |                    |



| <b>Expenses</b>                                     |                    |
|-----------------------------------------------------|--------------------|
| Certificated Salaries                               | \$331,356          |
| Classified Salaries                                 | \$347,675          |
| Administration Salaries                             | \$139,449          |
| Employee Benefits                                   | \$331,356          |
| Supplies and Books                                  | \$154,777          |
| Services/Operating Expenses                         | \$269,562          |
| Special Education Encroachment                      | \$113,486          |
| Debt Service/Depreciation                           | \$6,894            |
| <b>Total Expenses</b>                               | <b>\$1,742,709</b> |
| <b>Excess(Deficiency) Revenue Over Expenditures</b> | <b>( \$78,037)</b> |

## Contracted Services

WCS budgeted 1% of its revenue (\$11,229) for indirect costs to WUSD. Some of the services received by WCS in return:

- Administrative support
- State Attendance reporting

In addition, WCS contributed \$113,486 for WUSD Special Education encroachment for the 2<sup>nd</sup> half of 2018-19 and first half of 2019-20.

WCS has negotiated a contract with Mendocino County Office of Education (MCOE) for fiscal services not provided by WUSD. WCS paid MCOE \$15,000 for the following services:

- Budget review & reports
- Payroll (including STRS/PERS contributions, 125 plans)
- Issuance of warrants for accounts payable
- Administrative support
- Business office support

## SUSPENSIONS AND EXPULSIONS

The following chart summarizes the numbers and types of suspensions in 2019-2020 (both in school and out of school suspensions). The total number of suspensions was 4 in 2019-2020, down 4 from the previous year. We are proud that in the CA Dashboard we stayed in the green category as we implemented alternatives to suspensions at WCS and engaged in a Multi-Tiered System of Supports. There were no expulsions for the 2019-2020 school year. Willits Charter School has never had an expulsion.

| <b>Number of Suspensions</b> | <b>Suspension Code</b>                                                                 |
|------------------------------|----------------------------------------------------------------------------------------|
| 2                            | 202 - Possession, Use, Sale, or Furnishing a Controlled Substance, Alcohol, Intoxicant |
| 2                            | 511 - Disruption/Defiance                                                              |

## FACILITIES

WCS facilities are in fine condition. They were maintained in the 2019-2020 school year. We are beginning the process of building a multipurpose building the summer of 2020.

## MONITORING THE LEARNING PROCESS

*“We encourage students to reach for new heights in learning and to embrace challenges as opportunities, seeking their own positive solutions and find personal fulfillment as a result of their efforts.” -WCS Vision Statement*

Due to the disruption caused by COVID-19, the California Department of Education did not administer state assessments for the 2019-2020 school year.

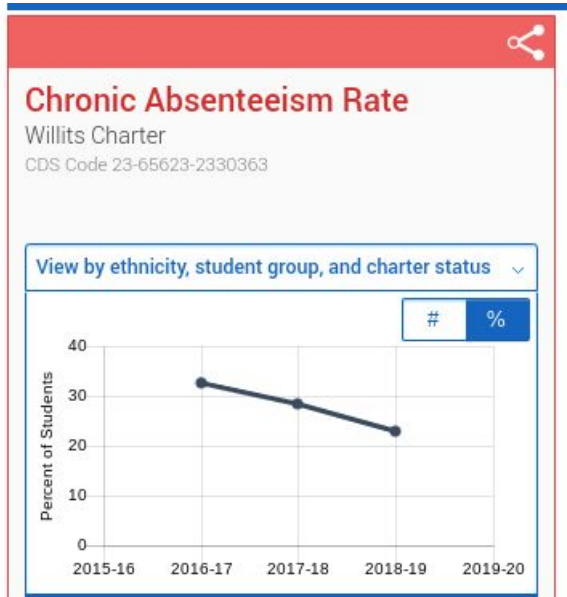
According to the California Department of Education, Willits Charter School was reported on a “Middle Performing” track for renewal along with other charter schools in Mendocino County:

| School                          | District               | County    | School_Type                 | Performance_Level |
|---------------------------------|------------------------|-----------|-----------------------------|-------------------|
| La Vida Charter                 | Willits Unified        | Mendocino | K-12 Schools (Public)       | Middle Performing |
| River Oak Charter               | Ukiah Unified          | Mendocino | Elementary Schools (Public) | Middle Performing |
| Three Rivers Charter            | Fort Bragg Unified     | Mendocino | K-12 Schools (Public)       | Middle Performing |
| Willits Elementary Charter      | Willits Unified        | Mendocino | Elementary Schools (Public) | Middle Performing |
| Eel River Charter               | Round Valley Unified   | Mendocino | Elementary Schools (Public) | Middle Performing |
| Willits Charter                 | Willits Unified        | Mendocino | K-12 Schools (Public)       | Middle Performing |
| Redwood Academy of Ukiah        | Ukiah Unified          | Mendocino | High Schools (Public)       | Middle Performing |
| Accelerated Achievement Academy | Ukiah Unified          | Mendocino | K-12 Schools (Public)       | Middle Performing |
| Pacific Community               | Arena Union Elementary | Mendocino | K-12 Schools (Public)       | Middle Performing |

|                      |               |           |                             |                   |
|----------------------|---------------|-----------|-----------------------------|-------------------|
| Charter              |               |           |                             |                   |
| Tree of Life Charter | Ukiah Unified | Mendocino | Elementary Schools (Public) | Middle Performing |

**Below is a comparison of the California Dashboard from 2018-2019.** We improved in all categories except for Chronic Absenteeism. That being said, our Chronic Absenteeism rate improved dramatically from 2016-2017 to 2018-2019. Included is a chart from EdData.org that shows our steady decline of students who are Chronically Absent.

Ed-Data.org



California Dashboard Data:

| Category            | 2018   | 2019   | Increased/Declined |
|---------------------|--------|--------|--------------------|
| Chronic Absenteeism | Yellow | Orange | -1                 |
| Suspension Rate     | Red    | Green  | +3                 |
| ELA                 | Orange | Yellow | +1                 |
| Math                | Orange | Yellow | +1                 |

**Chronic Absenteeism**



Orange

**Suspension Rate**



Green

**English Language Arts**



Yellow

**Mathematics**



Yellow

**Basics: Teachers, Instructional Materials, Facilities**

**STANDARD MET**

**Implementation of Academic Standards**

**STANDARD MET**

**Parent and Family Engagement**

**STANDARD MET**

**Local Climate Survey**

**STANDARD MET**

**Access to a Broad Course of Study**

**STANDARD MET**

**SCHOOL PERFORMANCE OVERVIEW - 2018 California Dashboard**

**Chronic Absenteeism**



Yellow

**Suspension Rate**



Red

**English Language Arts**



Orange

**Mathematics**



Orange



**Basics: Teachers, Instructional Materials, Facilities**

**STANDARD MET**

**Implementation of Academic Standards**

**STANDARD MET**

**Parent and Family Engagement**

**STANDARD MET**

**Local Climate Survey**

**STANDARD MET**

**Access to a Broad Course of Study**

**STANDARD MET**

Willits Charter School was listed as the 5th best public high school in Mendocino County and the 3rd Best Public High School Teachers in Mendocino County on Niche.com in 2019-2020. Our graduation rate for 2020 was 100%. The total rate of a-g completion for the Class of 2020 was 63%.

## **EXTERNAL AND INTERNAL DISPUTE RESOLUTION**

In order to address internal and external disputes, it is our commitment to provide open and direct access to the Willits Charter School Director. In any case where our Director is the focus of the complaint or is unable to satisfactorily meet the needs of the complainant, we direct the individual's grievance to the Charter School Association of Willits (CSAW). The CSAW monthly board meetings are in compliance with the Brown Act open meetings law. All CSAW board meetings are posted in advance and open to the public.

## **PARENT COMPLAINTS**

*"We recognize that every stakeholder plays an important role in a student's academic success as well as personal development, and we work cooperatively with families to ensure that success." -WCS Vision Statement*

Our process for addressing parent complaints is grounded in our commitment to building strong, collaborative relationships with all of our student's parents and/or guardians. We believe that by prioritizing this family/school connection we are better able to work with the

families to find mutually beneficial solutions that ultimately serve the student's best interest. We encourage WCS families to bring any complaints or concerns immediately to the attention of the WCS Director. As stated in the previous section, in the case where our Director is the focus of the complaint or is unable to satisfactorily meet the needs of the complainant we direct the individual's grievance to the Charter School Association of Willits (CSAW) Board of Directors.

## LITIGATION

All issues that could lead to potential litigation are immediately referred to our legal counsel for evaluation and appropriate response. **There were no litigation issues in 2019-20.**

Respectfully submitted,

*Jennifer Lockwood*

Director

November 2020

WILLITS UNIFIED  
SCHOOL DISTRICT

WILLITS UNIFIED  
SCHOOL DISTRICT

# Finance Plan Overview to Board of Trustees

*\$4,000,000\**

*General Obligation Bonds, Election of 2020, Series A*

December 16, 2020

\* Preliminary, subject to change.

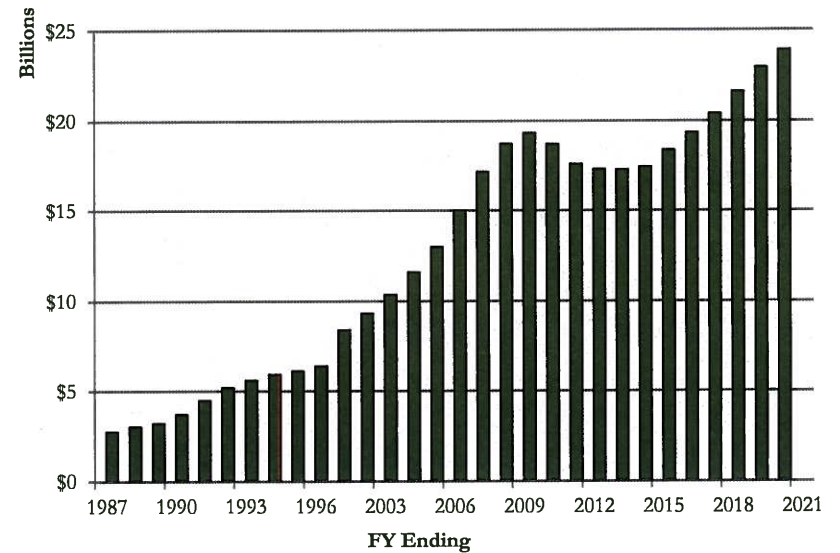
# WILLITS UNIFIED SCHOOL DISTRICT

## Historical Assessed Valuation

| FY Ending | Assessed Valuation | % Change | FY Ending | Assessed Valuation | % Change |
|-----------|--------------------|----------|-----------|--------------------|----------|
| 1996      | 574,401,048        | 3.32%    | 2009      | 1,159,987,942      | 7.63%    |
| 1997      | 591,382,084        | 2.96%    | 2010      | 1,196,337,917      | 3.13%    |
| 1998      | 614,327,528        | 3.88%    | 2011      | 1,172,944,471      | -1.96%   |
| 1999      | 634,197,363        | 3.23%    | 2012      | 1,151,801,812      | -1.80%   |
| 2000      | 657,646,060        | 3.70%    | 2013      | 1,097,861,218      | -4.68%   |
| 2001      | 680,314,021        | 3.45%    | 2014      | 1,098,609,408      | 0.07%    |
| 2002      | 709,926,470        | 4.35%    | 2015      | 1,106,433,937      | 0.71%    |
| 2003      | 749,704,881        | 5.60%    | 2016      | 1,146,420,580      | 3.61%    |
| 2004      | 782,873,636        | 4.42%    | 2017      | 1,196,744,073      | 4.39%    |
| 2005      | 832,182,015        | 6.30%    | 2018      | 1,249,619,023      | 4.42%    |
| 2006      | 901,414,537        | 8.32%    | 2019      | 1,309,830,517      | 4.82%    |
| 2007      | 990,302,185        | 9.86%    | 2020      | 1,337,241,532      | 2.09%    |
| 2008      | 1,077,721,216      | 8.83%    | 2021      | 1,376,964,335      | 2.97%    |

| Willits Unified School District Assessed Value Growth |       |                 |       |
|-------------------------------------------------------|-------|-----------------|-------|
| 5-year average                                        | 3.74% | 20-year average | 3.65% |
| 10-year average                                       | 1.66% | 25-year average | 3.61% |
| 15-year average                                       | 2.94% | 26-year average | 3.60% |

Historical Change in Total Assessed Value



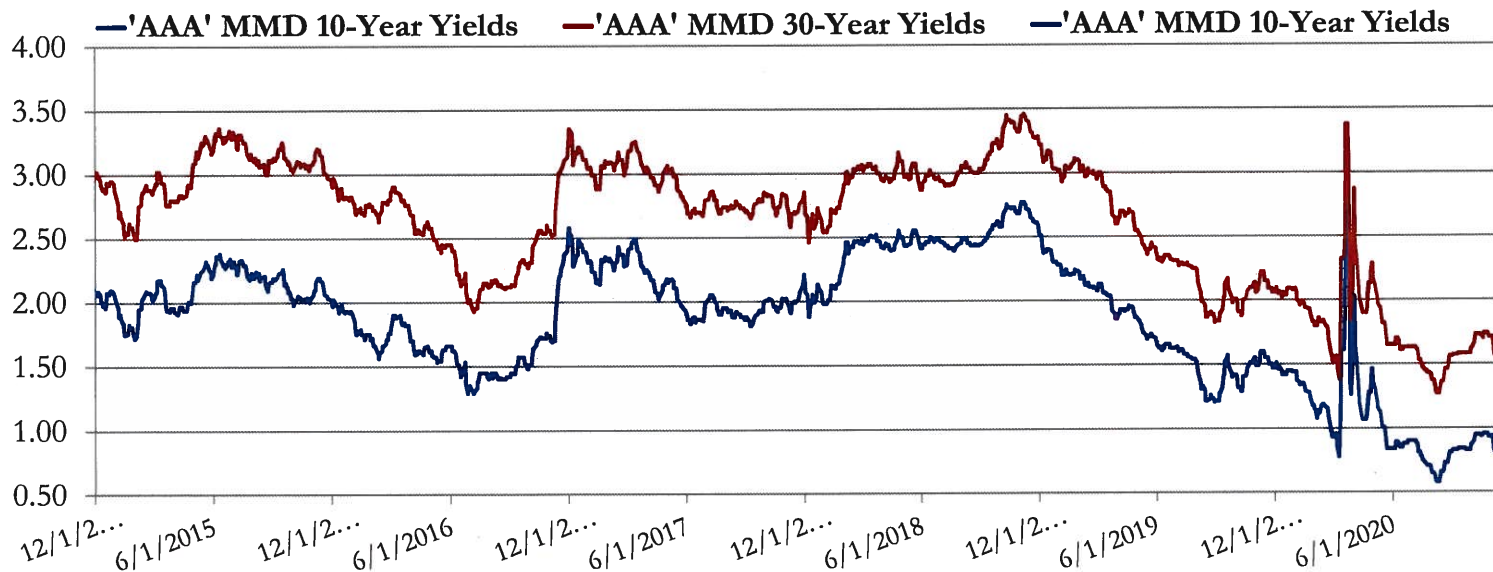
| Fiscal Year                | Assessed Value                | Factor                         |
|----------------------------|-------------------------------|--------------------------------|
| 2020-21                    | \$1,376,964,335               | 1.25%                          |
| Statutory Bonding Capacity | Outstanding Par as of 12/1/20 | Net Statutory Bonding Capacity |
| \$17,212,054               | \$10,837,054                  | \$6,375,000                    |



## Summary of Market Conditions

- ❖ During the middle of March to early April 2020, there was extreme volatility in the financial markets, including municipal interest rates
- ❖ Since April, interest rate movements have been much more gradual and rates are still extremely low from a historical standpoint

**Historic Change in 'AAA' MMD Yields  
(December 1, 2014 through November 27, 2020)**



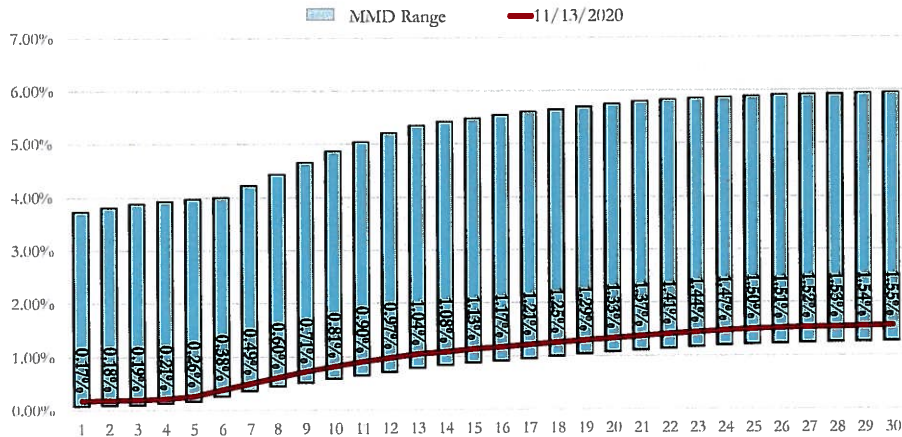
Source: Thomson Reuters



# Summary of Market Conditions

- ❖ **Municipal Market Data (MMD):** ‘AAA’ rated yield curve index published daily by Thomson Reuters. All tax-exempt municipal bonds price based on a spread to MMD.

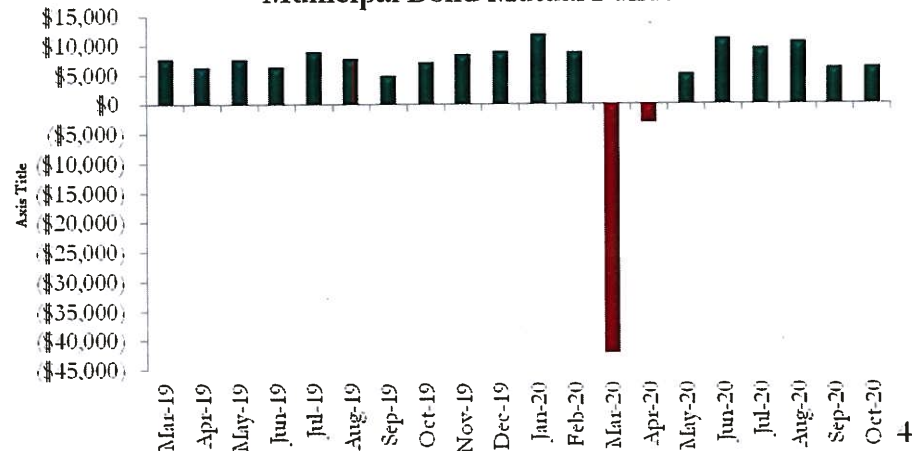
Historical MMD Yield Curve Range: 2005 to Present Day



- ❖ The MMD yield curve throughout all maturities as of November 27 is still considered extremely low over the past fifteen years

- ❖ 26 of the past 28 weeks have seen municipal bond inflows
- ❖ For the week ended November 25, municipal inflows were \$832 million

Monthly Flow of Funds  
Municipal Bond Mutual Funds





## GO Bond Financing

- ❖ **Bonding Capacity:** The total principal amount of bonds that the District may have outstanding at a time
  - Union School Districts – 1.25% of total Assessed Value
  - **Unified School Districts – 2.50% of total Assessed Value**
  
- ❖ **Tax Rate Limitations:** The principal and interest payments (debt service) cannot project to exceed tax rates above a certain threshold (per authorization)
  - Union School Districts – \$30 per \$100,000 of Assessed Value
  - **Unified School Districts – \$60 per \$100,000 of Assessed Value**



$$\text{Tax Rate} = \frac{\text{Annual Debt Service}}{\text{Assessed Valuation}}$$



## 2020 Bond Election Measure I

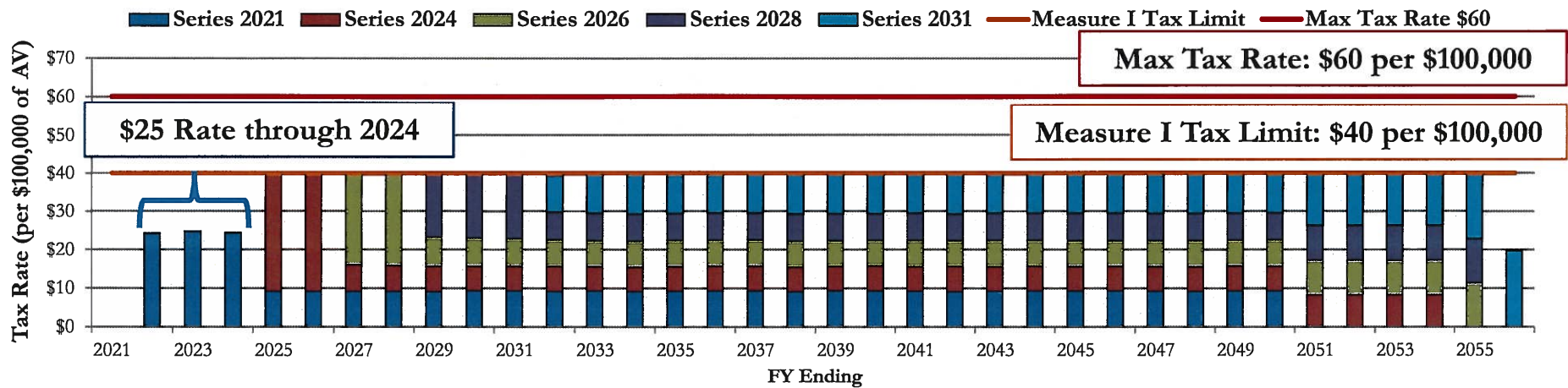
- ❖ On November 3, 2020, District voters approved Measure I with a 60.04% approval rate
- ❖ Measure I authorizes the District to issue \$17 million in general obligation bonds
  - The District plans to issue approximately \$4 million in its first series
- ❖ Legally, the District can issue up to the maximum rate of \$60 per \$100,000 of Assessed Value, however Measure I's projected tax rate is limited to \$40 per \$100,000 of Assessed Value
- ❖ Additionally, the District has decided to further reduce the Measure I tax rate down to \$25 per \$100,000 through at least 2024 to ease taxpayer burden as a result of the pandemic



# 2020 Election Measure I (\$40 Tax Rate)

- ❖ The District can issue the full \$17 million authorization in five separate bond series, with just a \$25 projected tax rate through year 2024

**Projected Tax Rates - Election of 2020 <sup>(1)(2)</sup>**



|                 | Series 2021 | Series 2024 | Series 2026 | Series 2028 | Series 2031 | Total        |
|-----------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Dated Date      | 1/28/2021   | 8/1/2024    | 8/1/2026    | 8/1/2028    | 8/1/2031    |              |
| Par Amount      | \$4,000,000 | \$3,000,000 | \$3,000,000 | \$3,000,000 | \$4,000,000 | \$17,000,000 |
| Project Fund    | 3,788,033   | 2,815,000   | 2,815,000   | 2,815,000   | 3,804,000   | 16,037,033   |
| Final Maturity  | 8/1/2050    | 8/1/2054    | 8/1/2055    | 8/1/2055    | 8/1/2056    | 8/1/2056     |
| Repayment Ratio | 1.59        | 1.83        | 1.99        | 1.91        | 1.99        | 1.85         |

<sup>[1]</sup> Assumes 2.00% growth in Assessed Value for FY 2021-22 and 3.00% growth every year thereafter.

<sup>[2]</sup> Series 2021 assumes current 'A+' market conditions. Series 2024 assumes 15-year average 'A' scale. Series 2026, 2028 and 2031 assumes the 15-year average scale plus an additional 50 basis points to the coupons and yields.



# Financing Schedule\*

| Date                         | Description                                                                    |
|------------------------------|--------------------------------------------------------------------------------|
| Monday, December 14, 2020    | Credit Rating Presentation                                                     |
| Wednesday, December 16, 2020 | <b>District Board Meeting</b><br>- Consider Resolution of Issuance of GO Bonds |
| Tuesday, December 29, 2020   | Receive Credit Rating                                                          |
| Thursday, January 14, 2021   | Price Bonds                                                                    |
| Thursday, January 28, 2021   | Closing                                                                        |



\* Preliminary, subject to change.

WILLITS UNIFIED SCHOOL DISTRICT  
BOARD OF TRUSTEES  
*Regular Meeting*  
*Willits High School Media Center*  
299 North Main Street, Willits, California  
Wednesday, November 18, 2020  
Closed Session – 4:00 p.m.  
Open Session - 5:00 p.m.

*Public Comments- Individuals may address the Board on regular session agenda items at the time they are under consideration.*

MINUTES

1. Call Meeting to Order

Board President Bowlds called the meeting to order at 4:00 p.m.

2. Public Comments on the Closed Session Items  
No comments were received

3. Recess to Closed Session

- A. Classified Leave of Absence Request (2) (G.C. 54957)
- B. Certificated Leave of Absence Request (1) (G.C. 54957)

4. Reconvene to Open Session

Board President Bowlds reconvened to open session at 5:08 p.m.

5. Report out of Closed Session

- A. Classified Leave of Absence Requests (2) (G.C. 54957)
- B. Certificated Leave of Absence Requests (1) (G.C. 54957)

Superintendent Westerburg reported out that one classified and one certificated leave request was approved and one classified leave request was denied.

6. Agenda Approval

MSP (Chavez/King) to approve the agenda as presented.

Ayes: Bowlds, Chavez, Colvig, King, Nunez  
Noes: None  
Abstain: None  
Absent: None

7. Flag Salute led by Board Clerk Colvig

8. Informational

- A. Measure I

Superintendent Westerburg said he was very pleased that Measure I passed and the district is looking to get started on a few of the urgent major projects. A discussion took place about the amount of the first draw, the frequency of draws, the citizen oversight committee, revenue for Willits Charter Schools and the project priority list. The board will vote on the amount of the draw at the December board meeting.

- B. Census Day Report ATTACHMENT A

Superintendent Westerburg presented the Calpads figures for October, adding that enrollment is down and with the current situation in the country it is hard to get a handle on.

9. WTA Comments

Tessa Ford reminded people to wear their masks and to be respectful towards others. She thanked the school board for listening and giving their voice merit.

Dawn McClelland presented the results of the teachers' survey re: students and teachers back in the classroom

10. CSEA Comment

Dan Green spoke about the major repairs needed at WHS and Blosser Lane. He also encouraged everyone to follow the public health guidelines and wear your mask. He reported that things are going okay and concluded by thanking the US Forest Service for cleaning up nicely after themselves.

11. Board Comments

Board Member Nunez congratulated Dianne McNeal and Alex Bowlds for their win in the November election, she attended a virtual graduation for a SHHS student and shared her disappointment for not being involved in the interview for the Bilingual Liaison position(s), she concluded by wishing everyone a Happy Thanksgiving.

Board Member King thanked everyone for their hard work and making things function to benefit our students well-being and success, reminding everyone this needs to always be at the forefront of our thoughts and actions. She thanked Maria Mungia for her continuous communication, Rotary for the donation of art supplies to BGMS and Willits Educational Foundation for the students school supplies. King concluded that she is very concerned for our students that are in dysfunctional families and wants them back in school.

Board Member Chavez shared his appreciation to the community for supporting Measure I. He also thanked the staff for their work during these unprecedented times and wished everyone a Happy Thanksgiving.

Board Clerk Colvig thanked the community for the passage of Measure I.

Board President Bowlds asked if thank you letters went out to Rotary and Willits Educational Foundation and Superintendent Westerburg advised that the district will follow up on those.

12. Superintendent Comments

No comments reported

13. Action /Discussion

A. Public Comments on Consent Agenda

Discussion took place about BP 3471, Parcel Tax and BP 41122, Certification

B. Consent Agenda

The Consent Agenda included the following items: Approval of Minutes of the Regular Meeting held on October 14, 2020, Approval of Warrant Registers from October 1, 2020 to October 31, 2020, Approval of Employee Status Changes (1), Approval of Authorized Signers on District Accounts 20/21, Approval of 2<sup>nd</sup>/Final Read on BP/AR 0420.4, Charter School Authorization, Approval of 2<sup>nd</sup>/Final Read on BP/E 0420.41, Charter School Oversight, Approval of 2<sup>nd</sup>/Final Read on BP 0420.42, Charter School Renewal, Approval of 2<sup>nd</sup>/Final Read on BP 0420.43, Charter School Revocation, Approval of 2<sup>nd</sup>/Final Read on BP 3471, Parcel Taxes, Approval of 2<sup>nd</sup>/Final Read on BP 4112.2, Certification, Approval of 2<sup>nd</sup>/Final Read on BP/AR 5141.52 Suicide Prevention, Approval of 2<sup>nd</sup>/Final Read BP/AR 5144.1, Suspension and Expulsion/ Due Process, Approval of 2<sup>nd</sup>/Final Read on BP/AR 6172.1, Concurrent Enrollment in College Classes

MSP (King/Colvig) to approve the Consent Agenda as presented

Ayes: Bowlds, Chavez, Colvig, King, Nunez

Noes: None

Abstain: None

Absent: None

C. \* Approval to Change Regular Meeting Date in December

MSP (King/Nunez) to approve changing the regular meeting date to December 16, 2020.



Ayes: Bowlds, Chavez, Colvig, King, Nunez  
Noes: None  
Abstain: None  
Absent: None

D. \* Consideration of Board Meeting Dates for Calendar Year 2021

MSP (Chavez/Colvig) to approve the board meeting calendar as presented.

Ayes: Bowlds, Chavez, Colvig, King, Nunez  
Noes: None  
Abstain: None  
Absent: None

E. \* Consideration to Approve Classified Salary Schedule

MSP (Chavez/King) to approve the classified salary schedule as presented.

Ayes: Bowlds, Chavez, Colvig, King, Nunez  
Noes: None  
Abstain: None  
Absent: None

F. \*Approval of College and Careers Access Pathways Partnership (CCAP) Agreement between Mendocino-Lake Community College District and Willits Unified School District

MSP (Colvig/King) to approve the CCAP with Mendocino College and WUSD as presented.

Ayes: Bowlds, Chavez, Colvig, King, Nunez  
Noes: None  
Abstain: None  
Absent: None

Saprina Rodriguez inquired about parents having access to their student's progress for college courses. Parent portal for Canvas

G. \*Approval of Resolution 2020/21-3, WUSD Declaring Real Property to be Surplus.

ROLL CALL VOTE

MSP (Colvig/Chavez) to approve Resolution 2020/21-3, declaration to surplus property as presented.

Ayes: Bowlds, Chavez, Colvig, King  
Noes: Nunez  
Abstain: None  
Absent: None

H. \*Approval of Resolution #2020/21-4, Appointment Mendocino County SELPA Community Advisory Committee

ROLL CALL VOTE

MSP (King/Colvig) to approve Resolution 2020/21-4, appointment to SELPA advisory committee as presented.

Ayes: Bowlds, Chavez, Colvig, King, Nunez  
Noes: None  
Abstain: None  
Absent: None

Board Member King thanked Jenny Nelson for her endless contribution to the district.

I. \*First Read, BP/E 4 112.9/4212.9/4312.9, Employee Notifications

J. \*First Read BP 4 113, Assignment

- K. \*First Read BP/AR/E 4119.42/4219.42/4319.42, Exposure Plan for Bloodborne Pathogens
- L. \*First Read BP/AR 4119.43/4219.43/4319.43, Universal Precautions
- M. \*First Read BP 4151/4251/4351, Employee Compensation
- N. \*First Read BP 5141.5 Mental Health
- O. \*First Read BP 5145.3 Nondiscrimination/Harassment
- P. \*First Read BP/AR 6020 Parent Involvement
- Q. \*First Read BP/AR 6115 Ceremonies and Observances
- R. \*First Read AR 6173.4 Title VI Indian Education Programs

Board accepts items I-R as first read board policy changes

- S. Items for next board meeting agenda
  - Bond- draw amount

14. Public Comments for Items Not on the Agenda

Trina Cardillo reported the new program EAP for the month of October had 50 activities including counseling, coaching and self-help resources.

15. Adjournment

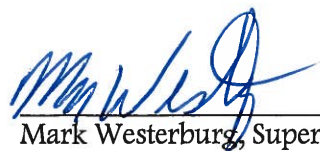
MSP (Colvig/Chavez) to adjourn at 6:33 p.m.

Ayes: Bowlds, Chavez, Colvig, King, Nunez

Noes: None

Abstain: None

Absent: None



Mark Westerburg, Superintendent

Robert Colvig, Board Clerk

Checks Dated 11/01/2020 through 11/30/2020

| Check Number | Check Date | Pay to the Order of          | Fund-Object | Comment                                    | Expensed Amount | Check Amount |
|--------------|------------|------------------------------|-------------|--------------------------------------------|-----------------|--------------|
| 700267       | 11/05/2020 | CARDILLO, TRINA L            | 01-5200     | REIMB FOR OCT MILEAGE                      |                 | 88.55        |
| 700268       | 11/05/2020 | LABUS, KELLEY                | 01-5200     | REIMB FOR TRAINING REGISTRATION            |                 | 50.00        |
| 700269       | 11/05/2020 | LAMON, SCOT A                | 01-5200     | REIMBURSEMENT FOR MATH ANTICS              |                 | 10.00        |
| 700270       | 11/05/2020 | AMAZON CAPITAL SERVICES      | 01-4300     | AVERY BINDER DIVIDERS-DODD                 | 58.00           |              |
|              |            |                              |             | BINDERS FOR CASH                           | 22.98           |              |
|              |            |                              |             | Camera Case/CARES                          | 223.19          |              |
|              |            |                              |             | K-8 INDEPENDENT STUDY SUPPLIES             | 457.30          |              |
|              |            |                              |             | LANGUAGE TRANSLATORS                       | 1,036.88        |              |
|              |            |                              |             | Mouse & Keyboard                           | 102.93          |              |
|              |            |                              |             | SPED SUPPLIES                              | 1,010.49        |              |
|              |            |                              |             | YIZHEN-G POP UP CANOPY 10x20 FOR SHERWOOD  | 439.98          |              |
|              |            |                              | 11-4300     | AIRPODS AND MAGIC KEYBOARD                 | 594.96          |              |
|              |            |                              | 12-4300     | PRESCHOOL SUPPLIES                         | 87.38           |              |
|              |            |                              |             | Unpaid Tax                                 | 8.19-           | 4,025.90     |
| 700271       | 11/05/2020 | BENCHMARK EDUCATION          | 01-4100     | BENCHMARK ADVANCE GRADE 1 DELUXE           |                 | 4,687.22     |
| 700272       | 11/05/2020 | WILLITS, CITY OF             | 01-5800     | Lifeguards for Pool 10-5 - 10-30-20        |                 | 672.00       |
| 700273       | 11/05/2020 | COLLEGE BOARD//PSAT 8/9      | 01-5200     | ONLINE WORKSHOP                            |                 | 175.00       |
| 700274       | 11/05/2020 | CURRICULUM ASSOCIATES INC    | 01-4300     | WRITE STUDENT BOOKS B                      | 181.46          |              |
|              |            |                              |             | Unpaid Tax                                 | .84-            | 180.62       |
| 700275       | 11/05/2020 | DEPARTMENT OF MOTOR VEHICLES | 01-4300     | DMV Registration for Grounds truck 8N03484 |                 | 37.00        |
| 700276       | 11/05/2020 | FRICK, JILL                  | 01-3701     | AUG-OCT H-W                                |                 | 1,352.25     |
| 700277       | 11/05/2020 | GONZALEZ, BARBARIE           | 01-4300     | 20-21 CLASSROOM SUPPLIES                   |                 | 32.00        |
| 700278       | 11/05/2020 | GRAINGER                     | 01-4300     | BANDSAW BLADE                              | 290.98          |              |
|              |            |                              |             | Maintenance Supplies                       | 6.36            |              |
|              |            |                              |             | Unpaid Tax                                 | 1.33-           | 296.01       |
| 700279       | 11/05/2020 | INSIGHT PUBLIC SECTOR INC    | 01-4300     | MICROSOFT LICENSES                         |                 | 11,145.80    |
| 700280       | 11/05/2020 | MYERS, KIRSTEN               | 01-4300     | CLASSROOM SUPPLIES NTE 200.00              |                 | 197.38       |
| 700281       | 11/05/2020 | NORTHERN AGGREGATES INC      | 01-4300     | Gravel                                     |                 | 266.92       |
| 700282       | 11/05/2020 | O'NEILL, OLGA                | 01-3701     | SEPT-OCT 2020                              |                 | 1,014.19     |
| 700283       | 11/05/2020 | NCS PEARSON INC              | 01-4300     | SPED-MEDI-CAL                              | 1,172.24        |              |
|              |            |                              |             | SPED-MEDICAL SUPPLIES                      | 487.42          |              |
|              |            |                              |             | SPED-SPEECH-LANGUAGE                       | 376.79          |              |
|              |            |                              |             | Unpaid Tax                                 | 9.19-           | 2,027.26     |
| 700284       | 11/05/2020 | PAR, INC                     | 01-4300     | SPED MEDI-CAL EXAMINER FORMS               | 102.52          |              |

The preceding Checks have been issued in accordance with the District's Policy and authorization of the Board of Trustees. It is recommended that the preceding Checks be approved.

ESCAPE ONLINE

Checks Dated 11/01/2020 through 11/30/2020

| Check Number | Check Date | Pay to the Order of                    | Fund-Object | Comment                                      | Expensed Amount | Check Amount |
|--------------|------------|----------------------------------------|-------------|----------------------------------------------|-----------------|--------------|
|              |            |                                        |             | Unpaid Tax                                   | 7.92-           | 94.60        |
| 700285       | 11/05/2020 | SCHOOL SPECIALTY                       | 01-4300     | SCHOOL-OFFICE SUPPLIES                       | 22.49           |              |
|              |            |                                        |             | Unpaid Tax                                   | .10-            | 22.39        |
| 700286       | 11/05/2020 | SOLID WASTES OF WILLITS                | 01-5540     | OCTOBER 2020                                 | 6,191.84        |              |
|              |            |                                        |             | SHERWOOD OCTOBER 2020                        | 169.46          | 6,361.30     |
| 700287       | 11/05/2020 | TEAMTALK NETWORK LLC                   | 01-5800     | BUS RADIO'S DEC 2020                         |                 | 911.88       |
| 700288       | 11/05/2020 | T-MOBILE USA INC                       | 01-5900     | HOT SPOTS FOR DISTANCE LEARNING              |                 | 289.95       |
|              |            |                                        |             | 9-30 - 10-20-20                              |                 |              |
| 700289       | 11/05/2020 | USA BLUE BOOK                          | 01-4300     | Boiler Supplies                              |                 | 101.94       |
| 700290       | 11/05/2020 | WILLITS MINI STORAGE                   | 01-5600     | NOVEMBER 2020                                |                 | 148.00       |
| 700291       | 11/05/2020 | WILLITS WEEKLY                         | 01-5811     | 10/22-10/25                                  |                 | 10.00        |
| 700292       | 11/05/2020 | WPS PUBLISHING                         | 01-4300     | CAPS ONLINE KIT                              |                 | 237.00       |
| 700293       | 11/05/2020 | XEROX FINANCIAL SERVICES               | 01-5610     | BGMS STAFF NEW MACHINE                       | 319.29          |              |
|              |            |                                        |             | BGMS STAFF OLD MACHINE                       | 340.40          | 659.69       |
| 700658       | 11/13/2020 | DANFORTH, MATTHEW                      | 13-5200     | OCTOBER MILEAGE                              |                 | 8.63         |
| 700659       | 11/13/2020 | HEATH, DIANE M                         | 01-5812     | TB REIMBURSEMENT                             |                 | 18.00        |
| 700660       | 11/13/2020 | MANN, JUANITA R                        | 01-4300     | REIMBURSEMENT FOR PADLOCKS                   |                 | 32.50        |
| 700661       | 11/13/2020 | PATEREAU, KAREN L                      | 01-5812     | TB REIMBURSEMENT                             |                 | 18.00        |
| 700662       | 11/13/2020 | TUTTLE, CARA L                         | 01-4300     | BOOM REGISTRATION                            |                 | 50.00        |
| 700663       | 11/13/2020 | ADVANCED XEROGRAPHICS                  | 01-5610     | BGMS OFFICE                                  |                 | 52.22        |
| 700664       | 11/13/2020 | AMAZON CAPITAL SERVICES                | 01-4200     | PLC PLAYBOOK                                 | 64.92           |              |
|              |            |                                        | 01-4300     | BROTHER TONER                                | 43.32           |              |
|              |            |                                        |             | DISTANCE LEARNING PLAYBOOKS                  | 58.44           |              |
|              |            |                                        |             | GROUPS                                       | 38.50           |              |
|              |            |                                        |             | MAINTENANCE                                  | 517.10          |              |
|              |            |                                        |             | MATH GAME ITEMS                              | 381.06          |              |
|              |            |                                        |             | POOL MAINTENANCE                             | 257.58          |              |
|              |            |                                        |             | SPED ITEMS                                   | 777.05          |              |
|              |            |                                        |             | SUPPLIES                                     | 338.02          |              |
|              |            |                                        | 11-4300     | SUPPLIES                                     | 180.98          |              |
|              |            |                                        |             | Unpaid Tax                                   | 7.24-           | 2,649.73     |
| 700665       | 11/13/2020 | ARKELIAN, SAMANTHA                     | 01-4300     | REIMB 10-20-20                               |                 | 129.37       |
| 700666       | 11/13/2020 | ARROW BENEFITS GROUP                   | 69-5800     | 2020/21 VISION CLAIMS & ADMINISTRATION       |                 | 366.00       |
| 700667       | 11/13/2020 | B & B INDUSTRIAL SUPPLY INC .          | 01-4300     | MAINTENANCE                                  |                 | 136.37       |
| 700668       | 11/13/2020 | CALIFORNIA SCHOOL HEALTH LAURA BAYNHAM | 01-5800     | SCHOOL AND NURSING SERVICES 10-11 - 10-17-20 |                 | 3,125.00     |

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ESCAPE ONLINE

Checks Dated 11/01/2020 through 11/30/2020

| Check Number | Check Date | Pay to the Order of                                | Fund-Object | Comment                                                      | Expensed Amount                               | Check Amount |
|--------------|------------|----------------------------------------------------|-------------|--------------------------------------------------------------|-----------------------------------------------|--------------|
| 700669       | 11/13/2020 | WILLITS, CITY OF                                   | 01-5530     | WATER                                                        |                                               | 9,275.67     |
| 700670       | 11/13/2020 | COMFORT AIR HEATING & COOLING                      | 01-5600     | WHS Portable Classroom roof covers                           |                                               | 443.37       |
| 700671       | 11/13/2020 | DECKER INC                                         | 01-4300     | White Boards (LCAP)                                          |                                               | 8,977.67     |
| 700672       | 11/13/2020 | CALIFORNIA FFA CENTER GLC<br>REGISTRATION          | 01-4300     | 20-21 AG ED LEADERSHIP PACKETS                               |                                               | 770.00       |
| 700673       | 11/13/2020 | FISHMAN SUPPLY COMPANY                             | 01-4300     | BRKS PAPER<br>WAREHOUSE<br>WHS<br>WUSD                       | 1,608.29<br>16,637.90<br>1,279.85<br>5,710.76 |              |
|              |            |                                                    |             | Unpaid Tax                                                   | 90.09-                                        | 25,146.71    |
| 700674       | 11/13/2020 | LOGMEIN COMMUNICATIONS INC                         | 01-5903     | NOVEMBER 2020                                                |                                               | 2,408.43     |
| 700675       | 11/13/2020 | FRONTIER COMMUNICATIONS                            | 01-5903     | NOVEMBER PHONES SHERWOOD                                     |                                               | 110.68       |
| 700676       | 11/13/2020 | HOME DEPOT CREDIT SERVICES//DE<br>PT 32-2540616731 | 01-4300     | WHS GROUNDS                                                  |                                               | 46.14        |
| 700677       | 11/13/2020 | JENDI COURSEY COMMUNICATIONS                       | 01-5800     | SUPERINTENDENT'S COLUMN                                      |                                               | 437.50       |
| 700678       | 11/13/2020 | LAKESHORE LEARNING MATERIALS                       | 01-4300     | CLASSROOM SUPPLIES- COOLEY                                   |                                               | 126.17       |
| 700679       | 11/13/2020 | MENDO MILL & LUMBER CO                             | 01-4300     | OCTOBER 2020                                                 |                                               | 6,756.62     |
| 700680       | 11/13/2020 | MENDOCINO COLLEGE                                  | 01-5800     | FALL CONCURRENT ENROLLMENT                                   |                                               | 1,180.00     |
| 700681       | 11/13/2020 | KEMPTON-MILLIKEN, NANCY                            | 01-3701     | AUG-SEPT 20                                                  |                                               | 711.18       |
| 700682       | 11/13/2020 | O'REILLY AUTOMOTIVE, INC.                          | 01-4300     | TRANSPORTATION                                               |                                               | 23.83        |
| 700683       | 11/13/2020 | NCS PEARSON INC                                    | 01-5800     | SPED-PSYCH                                                   |                                               | 50.00        |
| 700684       | 11/13/2020 | PG&E                                               | 01-5510     | ELECTRICITY                                                  |                                               | 9,503.01     |
| 700685       | 11/13/2020 | ROTO ROOTER OF MENDOCINO                           | 01-5800     | BL Drinking Fountains & Bottle Filling<br>Station            |                                               | 14,909.28    |
| 700686       | 11/13/2020 | ROUND TREE GLASS INC                               | 01-5600     | IT OFFICE AT BLE                                             |                                               | 393.70       |
| 700687       | 11/13/2020 | SCHOOL SERVICES OF CALIFORNIA                      | 01-5200     | 10-20 10-22 WEBINAR T CARDILLO<br>COVID WORKSHOP N AGENBROAD | 275.00<br>275.00                              | 550.00       |
| 700688       | 11/13/2020 | SCHOOL AND COLLEGE LEGAL<br>SERVICES               | 01-5200     | A LEGAL OVERVIEW WORKSHOP 10-22-<br>SUMMERS                  |                                               | 45.00        |
| 700689       | 11/13/2020 | XEROX CORPORATION                                  | 01-5610     | OCTOBER 2020                                                 | 2,708.91                                      |              |
|              |            |                                                    | 13-5610     | OCTOBER 2020                                                 | 47.88                                         | 2,756.79     |
| 700690       | 11/13/2020 | ZONAR SYSTEMS INC                                  | 01-5800     | NOVEMBER 20 GPS                                              |                                               | 682.00       |
| 701054       | 11/19/2020 | JONES, THOMAS                                      | 01-8689     | OVERPAYMENT REFUND FOR CSC-201                               |                                               | 41.00        |
| 701055       | 11/19/2020 | CARDILLO, TRINA L                                  | 01-5200     | 11-10-20 MILEAGE                                             |                                               | 94.30        |
| 701056       | 11/19/2020 | HANNA, SHARON S                                    | 01-5200     | SEPTEMBER AND OCTOBER MILEAGE                                |                                               | 13.80        |
| 701057       | 11/19/2020 | AMAZON CAPITAL SERVICES                            | 01-4300     | CLASSROOM SUPPLIES<br>MAINTENANCE<br>OFFICE SUPPLIES         | 208.69<br>93.17<br>437.34                     |              |

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ESCAPE ONLINE

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Checks Dated 11/01/2020 through 11/30/2020

| Check Number                  | Check Date | Pay to the Order of                   | Fund-Object | Comment                                      | Expensed Amount | Check Amount      |
|-------------------------------|------------|---------------------------------------|-------------|----------------------------------------------|-----------------|-------------------|
|                               |            |                                       |             | Unpaid Tax                                   | .84-            | 181.23            |
| 701080                        | 11/19/2020 | PRINTING X PRESS                      | 01-4300     | LETTERHEAD ENVELOPES                         |                 | 238.43            |
| 701081                        | 11/19/2020 | PURCHASE POWER                        | 01-5904     | 9-15 - 11-12-20                              |                 | 1,525.66          |
| 701082                        | 11/19/2020 | REDWOOD COAST FUELS                   | 01-4361     | FUEL CARDS                                   | 1,554.96        |                   |
|                               |            |                                       |             | TRANSPORTATION                               | 726.93          | 2,281.89          |
| 701083                        | 11/19/2020 | SAFEWAY                               | 13-4700     | OCTOBER 2020                                 |                 | 32.12             |
| 701084                        | 11/19/2020 | SCHOOL AND COLLEGE LEGAL SERVICES     | 01-5200     | COMMON SPED MISTAKES WORKSHOP 11-4-20        |                 | 45.00             |
| 701085                        | 11/19/2020 | SONOMA CO OFFICE OF ED LEGAL SERVICES | 01-5200     | COMMON SPED MISTAKES WORKSHOP M. SHOOK       |                 | 45.00             |
| 701086                        | 11/19/2020 | SEQUEIRA, GEORGE                      | 01-5600     | DECEMBER 2020                                |                 | 600.00            |
| 701087                        | 11/19/2020 | SYSCO FOOD SERVICES                   | 13-4700     | OCTOBER 2020                                 |                 | 3,957.01          |
| 701088                        | 11/19/2020 | TEST OUT                              | 01-5800     | TESTOUT SECURITY PRO AND LIMITED SITELICENSE |                 | 2,910.00          |
| 701089                        | 11/19/2020 | THOMAS, JOAN                          | 01-3701     | OCT 20 - DEC 20 MEDICARE                     |                 | 433.80            |
| 701090                        | 11/19/2020 | U.S. BANK CORPORATE PAYMENT           | 01-4300     | Diffuser Specialist, Inc Cafeteria: Diffuser | 857.25          |                   |
|                               |            |                                       |             | DMV: Registration for W2                     | 22.46           |                   |
|                               |            |                                       |             | SERVICE CALL                                 | 100.00          |                   |
|                               |            |                                       | 01-4361     | GAS                                          | 38.50           |                   |
|                               |            |                                       | 01-5200     | IND STUDY ATTENDANCE COMPLIANCE WEBINAR      | 199.00          |                   |
|                               |            |                                       |             | MOTEL ROOM WHILE PICKING UP                  | 136.99          |                   |
|                               |            |                                       |             | BUCKET TRUCK                                 |                 |                   |
|                               |            |                                       |             | PLANE TICKET TO PICK UP BUCKET TRUCK         | 298.10          |                   |
|                               |            |                                       |             | RENTAL CAR TO PICK UP BUCKET TRUCK           | 53.16           |                   |
|                               |            |                                       | 01-5800     | TOW FOR BUCKET TRUCK                         | 975.00          |                   |
|                               |            |                                       |             | Unpaid Tax                                   | 50.92-          | 2,629.54          |
| 701091                        | 11/19/2020 | US FOODS                              | 13-4300     | OCTOBER 20 FOOD AND SUPPLIES                 | 222.56          |                   |
|                               |            |                                       | 13-4700     | OCTOBER 20 FOOD AND SUPPLIES                 | 12,108.75       | 12,331.31         |
| 701092                        | 11/19/2020 | W-TRANS                               | 01-5800     | PROPERTY REZONE PROJECT                      |                 | 382.50            |
| 701093                        | 11/19/2020 | WILLITS RENTAL CENTER INC             | 01-5600     | 2018 FORD TRANSIT                            |                 | 286.39            |
| <b>Total Number of Checks</b> |            |                                       |             |                                              | <b>100</b>      | <b>201,435.23</b> |

Fund Recap

| Fund | Description | Check Count | Expensed Amount |
|------|-------------|-------------|-----------------|
|------|-------------|-------------|-----------------|

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ESCAPE ONLINE

Checks Dated 11/01/2020 through 11/30/2020

| Check Number | Check Date | Pay to the Order of            | Fund-Object | Comment                              | Expensed Amount | Check Amount      |
|--------------|------------|--------------------------------|-------------|--------------------------------------|-----------------|-------------------|
| 701057       | 11/19/2020 | AMAZON CAPITAL SERVICES        |             | SPED SUPPLIES                        | 625.91          |                   |
|              |            |                                |             | Tech supplies - Schools              | 660.42          |                   |
|              |            |                                |             | THERMOMETERS                         | 757.25          |                   |
|              |            |                                |             | TIMEKETTLE M2 LANGUAGE TRANSLATOR    | 139.46          |                   |
|              |            |                                |             |                                      |                 | Unpaid Tax 7.70-  |
|              |            |                                |             |                                      |                 | 2,914.54          |
| 701058       | 11/19/2020 | APPLE INC                      | 01-4300     | APPLE TV'S                           | 1,711.75        |                   |
|              |            |                                | 01-4400     | APPLE TV'S                           | 2,325.22        |                   |
|              |            |                                |             |                                      |                 | Unpaid Tax 18.63- |
|              |            |                                |             |                                      |                 | 4,018.34          |
| 701059       | 11/19/2020 | AT&T                           | 01-5903     | BGMS OCTOBER 2020                    | 22.34           |                   |
|              |            |                                |             | BLOSSER LANE OCTOBER 2020            | 22.34           |                   |
|              |            |                                |             | BROOKSIDE OCTOBER 2020               | 22.34           |                   |
|              |            |                                |             | D.O. OCTOBER 2020                    | 292.09          | 359.11            |
| 701060       | 11/19/2020 | CASE BRACKETT, KELLEY          | 01-5800     | NATIONAL FFA REGISTRATION            |                 | 100.00            |
| 701061       | 11/19/2020 | BUNTIN, ABBIE                  | 01-4300     | CLASSROOM SUPPLIES NTE 300.00        |                 | 49.31             |
| 701062       | 11/19/2020 | BUSWEST LLC                    | 01-4300     | Buses Maintenance                    |                 | 336.52            |
| 701063       | 11/19/2020 | CASEL                          | 01-5200     | SEL 2020 VIRTUAL SUMMIT              |                 | 125.00            |
| 701064       | 11/19/2020 | CLOVER-STORNETTA FARMS INC     | 13-4700     | OCTOBER 2020                         |                 | 5,478.20          |
| 701065       | 11/19/2020 | DEFATTE EQUIPMENT INC          | 01-5600     | BOOM LIFT RENTAL                     |                 | 1,257.94          |
| 701066       | 11/19/2020 | DEMCO INC                      | 01-4300     | LIBRARY ITEMS                        | 27.45           |                   |
|              |            |                                |             | LIBRARY SUPPLIES                     | 47.69           | 75.14             |
| 701067       | 11/19/2020 | GOLD STAR FOODS                | 13-4700     | OCT 2020                             |                 | 4,822.62          |
| 701068       | 11/19/2020 | HOUSE DOCTOR PAINT STORE       | 01-4300     | BLOSSER LANE                         |                 | 29.40             |
| 701069       | 11/19/2020 | INSIGHT PUBLIC SECTOR INC      | 01-4300     | Brookside Ipad Cases                 | 12,138.00       |                   |
|              |            |                                |             |                                      |                 | Unpaid Tax 56.00- |
|              |            |                                |             |                                      |                 | 12,082.00         |
| 701070       | 11/19/2020 | JOHNSON, DIANE                 | 01-4300     | CLASSROOM SUPPLIES                   |                 | 435.81            |
| 701071       | 11/19/2020 | CA SCHOOLS DENTAL COALITION    | 68-5800     | DEC 2020 EXPECTED CLAIMS             |                 | 12,255.00         |
| 701072       | 11/19/2020 | LESLIE'S POOL SUPPLIES INC     | 01-4300     | Pool Supplies                        | 623.17          |                   |
|              |            |                                |             |                                      |                 | Unpaid Tax 3.54-  |
|              |            |                                |             |                                      |                 | 619.63            |
| 701073       | 11/19/2020 | LITTLE LAKE AUTO PARTS         | 01-4300     | GROUNDS                              |                 | 37.15             |
| 701074       | 11/19/2020 | MENDOCINO COUNTY YOUTH PROJECT | 01-5800     | DIRECT STUDENT SERVICES OCTOBER 2020 |                 | 494.40            |
| 701075       | 11/19/2020 | MENDORECYCLE                   | 01-5600     | Hazmat Waste                         |                 | 113.00            |
| 701076       | 11/19/2020 | KEMPTON-MILLIKEN, NANCY        | 01-3701     | OCT 2020 RETIREE BENEFITS            |                 | 362.39            |
| 701077       | 11/19/2020 | MYERS, MARETTE                 | 01-3701     | NOV 2020 RETIREE BENEFITS            |                 | 223.32            |
| 701078       | 11/19/2020 | NEWEGG BUSINESS INC            | 01-4300     | FISCAL BATTERY BACKUP                |                 | 233.01            |
| 701079       | 11/19/2020 | NCS PEARSON INC                | 01-4300     | SPED CELF-5 EXAMINERS MANUAL         | 182.07          |                   |

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ESCAPE ONLINE



Checks Dated 11/01/2020 through 11/30/2020

| Check Number | Check Date | Pay to the Order of | Fund-Object | Comment | Expensed Amount | Check Amount |
|--------------|------------|---------------------|-------------|---------|-----------------|--------------|
|--------------|------------|---------------------|-------------|---------|-----------------|--------------|

**Fund Recap**

| Fund                      | Description             | Check Count | Expensed Amount   |
|---------------------------|-------------------------|-------------|-------------------|
| 01                        | GENERAL FUND            | 92          | 161,535.67        |
| 11                        | ADULT EDUCATION         | 2           | 775.94            |
| 12                        | CHILD DEVELOPMENT       | 1           | 87.38             |
| 13                        | CAFETERIA SPECIAL REVEN | 7           | 26,677.77         |
| 68                        | SELF-INSURANCE (dental) | 1           | 12,255.00         |
| 69                        | SELF-INSURANCE (vision) | 1           | 366.00            |
| Total Number of Checks    |                         | <b>100</b>  | 201,697.76        |
| Less Unpaid Tax Liability |                         |             | 262.53            |
| <b>Net (Check Amount)</b> |                         |             | <b>201,435.23</b> |

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ESCAPE ONLINE

**WILLITS UNIFIED SCHOOL DISTRICT  
OFFICE OF THE SUPERINTENDENT**

1277 Blosser Lane  
Willits, CA 95490  
(707) 459-5314

Date: 12/9/2020  
To: Trina Cardillo  
From: Lynda Walker  
Re: Info for December 09, 2020 Board Meeting

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Certificated New Hire:  
Certificated Leave of Absence:  
Certificated Job Share:  
Certificated Resignation:

Patrick Keough, 1.0 FTE, Teacher, Baechtel Grove Middle School, 12/31/2020

Certificated Retirement:

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Classified Resignation:

Jodi Phillips, .75 FTE, Special Education Instructional Assistant, Blosser Lane Elementary School, 11/3/2020

Classified Unsuccessful Probation:  
Classified Leave of Absence:  
Classified Retirement:  
Classified New Hire:

Elizabeth Rountree, .75 FTE, Special Education Instructional Assistant, Baechtel Grove Middle School, 10/26/2020

Leticia Nieto Ceja, .75 FTE, Special Education Instructional Assistant, Baechtel Grove Middle School, 11/30/2020

Leticia Sanchez, .63 FTE, Instructional Assistant, Blosser Lane Elementary School, 11/30/2020

**WILLITS UNIFIED SCHOOL DISTRICT  
SUPERINTENDENT'S OFFICE**

TO: Board of Trustees  
FROM: Mark Westerburg, Superintendent  
DATE: December 18, 2020  
RE: Board Policy Revision- **Exhibit 4112.9/4212.9/4312.9 - Employee Notifications**

**Priority:**

Communication

**Objective:**

To conduct a final read of the revised policy

**Background:**

Exhibit updates Section I (All Employees) to (1) delete cite to 2 CCR 11024 which does not directly include a sexual harassment notice requirement; (2) indicate that the notification regarding a public hearing on an alternative schedule for secondary grades is addressed in BP 6112 rather than the AR; (3) delete an item regarding the oath or affirmation for disaster service workers since law does not specifically require an employee notification; (4) indicate that the notification regarding AIDS and hepatitis B was moved from AR 4119.43/4219.43/4319.43 to the BP; (5) indicate that the notification of workers' compensation benefits is addressed in AR 4157.1/4257.1/4357.1 rather than the BP; and (6) indicate that the notification regarding the district's nondiscrimination policy and complaint procedures are addressed in AR 4030 rather than the BP. Section II (Certificated Employees) updated to expand legal cites for the reelection notice for probationary employees and broaden the item to apply to districts with less than 250 average daily attendance. Section III (Classified Employees) updated to (1) delete the dismissal notice for merit system districts since the personnel commission establishes dismissal procedures for such districts and the notice is not reflected in policy; (2) add another legal cite pertaining to the notice of employee drug testing requirements and indicate that the notification is addressed in AR 4112.42/4212.42/4312.42 rather than the BP; and (3) add a requirement to provide school bus drivers with information regarding post-accident procedures. Section V (Individual Employees Under Special Circumstances) updated to indicate that the notice on potential eligibility for workers' compensation benefits is addressed in AR 4157.1/4257.1/4357.1 rather than the BP.

**Funding/Source:**

None

**Recommendation:**

Administration recommends the board conduct a final read of the revised policy

## **Employee Notifications**

The Governing Board ~~of Trustees~~ believes that providing clear communications to staff is essential to establishing a professional, positive work environment and enhancing their job performance. The Superintendent or designee shall provide district employees all notifications required by law and any other notifications ~~the Superintendent or designee he/she~~ believes will promote staff knowledge of the district's policies, programs, activities, and operations.

When required by law, Board policy, or administrative regulation, district employees shall be asked to sign an acknowledgment indicating receipt of the notification. Such acknowledgments shall be retained in each employee's personnel file.

(cf. 3580 - District Records)

(cf. 4112.6/4212.6/4312.6 - Personnel Files)

Legal Reference:

EDUCATION CODE

231.5 Sexual harassment policy

17612 Notification of pesticide use

22455.5 STRS information to potential members

22461 Postretirement compensation limitation

35031 Nonreelection of superintendent, assistant superintendent, or manager of classified services

35171 Notice of regulations pertaining to certificated employee evaluations

37616 Notice of public hearing on year-round schedule

44031 Personnel file contents, inspection

44663-44664 Evaluation of certificated employees

44842 Reemployment notices, certificated employees

44896 Transfer of administrator or supervisor to teaching position

44916 Written statement of employment status

44929.21 Reelection or nonreelection of probationary employee after second year

44929.23 Reelection notice, districts with less than 250 ADA

44934 Notice of disciplinary action for cause

44934.1 Suspension or dismissal for egregious misconduct

44936 Notice of suspension or dismissal

44938 Notice of unprofessional conduct and opportunity to correct

44940.5-44941 Notification of suspension and intent to dismiss

44948.3-44948.5 Dismissal of probationary employees

44948.5 Nonreelection procedures districts under 250 ADA

44949 Cause, notice and right to hearing

44951 Continuation in position unless notified, administrative or supervisory personnel

44954 Nonreelection of temporary employees

44955 Reduction in number of employees

45113 Notification of charges, classified employees

45117 Notice of layoff, classified employees

45169 Employee salary data, classified employees

45192 Industrial and accident leave

45195 Additional leave

46162 Notice of public hearing on block schedule

49013 Complaints regarding student fees

49079 Notification to teacher; student who has engaged in acts re: grounds suspension or expulsion

49414 Epinephrine auto-injectors

49414.3 Administration of opioid

CIVIL CODE

1798.29 District records, breach of security

GOVERNMENT CODE

1126 Incompatible activities of employees

~~3100-3109 Oath or affirmation of allegiance~~

8355 Certification of drug-free workplace, including notification

12950 Sexual harassment

~~21029 Retirement credit for period of military service~~

54957 Complaints against employees; right to open session

54963 Unauthorized disclosure of confidential information

HEALTH AND SAFETY CODE

~~1797.196 Automated external defibrillators: notification of use and locations~~

104420 Tobacco-free schools

~~120875 Information on AIDS, AIDS-related conditions, and hepatitis B~~

120880 Notification to employees re AIDS, AIDS-related conditions, and hepatitis B

LABOR CODE

~~245-249 Healthy Workplaces, Health Families Act of 2014~~

1034 Lactation accomodation

2800.2 Notification of availability of continuation health coverage

2810.7 Notice to participate in flexible spending account

~~3550-3553 Notifications re: workers' compensation benefits~~

5401 Workers' compensation; claim form and notice of potential eligibility

PENAL CODE

~~11105 Access to criminal history information~~

~~11105.2 Subsequent arrest notification~~

[11165.7](#) Child Abuse and Neglect Reporting Act; notification requirement

[11166.5](#) Employment; statement of knowledge of duty to report child abuse or neglect

UNEMPLOYMENT INSURANCE CODE

[2613](#) Disability insurance; notice of rights and benefits

CODE OF REGULATIONS, TITLE 2

*[11023](#) Nondiscrimination in employment*

*[11049](#) Notice of right to request pregnancy disability leave or transfer*

*[11091](#) California Family Rights Act, designation notice*

*[11096](#) Notice of right to request family care leave*

~~*[7288.0](#) Sexual harassment training, provision of district policy*~~

CODE OF REGULATIONS, TITLE 5

[4622](#) Uniform complaint procedures

[80303](#) Reports of change in employment status, alleged misconduct

CODE OF REGULATIONS, TITLE 8

[3204](#) Employees exposed to bloodborne pathogens, access to exposure and medical records

[5193](#) California bloodborne pathogens standard

*[CODE OF REGULATIONS, TITLE 13](#)*

*[1234](#) Reports regarding school buses and bus drivers*

*[2480](#) Vehicle idling, limitations*

UNITED STATES CODE, TITLE 38

4344 Uniformed Services Employment and Reemployment Rights Act, notice requirement

UNITED STATES CODE, TITLE 41

8101-8106 Drug-Free Workplace Act

CODE OF FEDERAL REGULATIONS, TITLE 29



825.300 Family and Medical Leave Act; notice requirement

CODE OF FEDERAL REGULATIONS, TITLE 34

84.205-84.210 *Drug-free workplace statement*

104.8 Nondiscrimination

106.9 Dissemination of policy, nondiscrimination on basis of sex

CODE OF FEDERAL REGULATIONS, TITLE 40

763.84 Asbestos inspections, response actions and post-response actions

763.93 Asbestos management plans

CODE OF FEDERAL REGULATIONS, TITLE 49

382.113 *Controlled substance and alcohol use and testing notifications*

382.303 *Post-accident information, procedures, and instructions*

382.601 Controlled substance and alcohol use and testing notifications

Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: August 7, 2013 Willits, California

revised: November 18, 2020

## **Employee Notifications**

The Governing Board believes that providing clear communications to staff is essential to establishing a professional, positive work environment and enhancing their job performance. The Superintendent or designee shall provide district employees all notifications required by law and any other notifications the Superintendent or designee believes will promote staff knowledge of the district's policies, programs, activities, and operations.

When required by law, Board policy, or administrative regulation, district employees shall be asked to sign an acknowledgment indicating receipt of the notification. Such acknowledgments shall be retained in each employee's personnel file.

(cf. [3580](#) - District Records)

(cf. [4112.6/4212.6/4312.6](#) - Personnel Files)

Legal Reference:

### EDUCATION CODE

[231.5](#) Sexual harassment policy

[17612](#) Notification of pesticide use

[22455.5](#) STRS information to potential members

[22461](#) Postretirement compensation limitation

[35031](#) Nonreelection of superintendent, assistant superintendent, or manager of classified services

[35171](#) Notice of regulations pertaining to certificated employee evaluations

[37616](#) Notice of public hearing on year-round schedule

[44031](#) Personnel file contents, inspection

[44663-44664](#) Evaluation of certificated employees

[44842](#) Reemployment notices, certificated employees

[44896](#) Transfer of administrator or supervisor to teaching position

[44916](#) Written statement of employment status

[44929.21](#) Reelection or nonreelection of probationary employee after second year

44929.23 Reelection notice, districts with less than 250 ADA

44934 Notice of disciplinary action for cause

44934.1 Suspension or dismissal for egregious misconduct

44936 Notice of suspension or dismissal

44938 Notice of unprofessional conduct and opportunity to correct

44940.5-44941 Notification of suspension and intent to dismiss

44948.3- Dismissal of probationary employees

44948.5 Nonreelection procedures districts under 250 ADA

44949 Cause, notice and right to hearing

44951 Continuation in position unless notified, administrative or supervisory personnel

44954 Nonreelection of temporary employees

44955 Reduction in number of employees

45113 Notification of charges, classified employees

45117 Notice of layoff, classified employees

45169 Employee salary data, classified employees

45192 Industrial and accident leave

45195 Additional leave

46162 Notice of public hearing on block schedule

49013 Complaints regarding student fees

49079 Notification to teacher; student who has engaged in acts re: grounds suspension or expulsion

49414 Epinephrine auto-injectors

49414.3 Administration of opioid

## CIVIL CODE

1798.29 District records, breach of security

## GOVERNMENT CODE

[1126](#) Incompatible activities of employees

[8355](#) Certification of drug-free workplace, including notification

[12950](#) Sexual harassment

21029 Retirement credit for period of military service

[54957](#) Complaints against employees; right to open session

[54963](#) Unauthorized disclosure of confidential information

## HEALTH AND SAFETY CODE

1797.196 Automated external defibrillators: notification of use and locations

[104420](#) Tobacco-free schools

[120880](#) Notification to employees re AIDS, AIDS-related conditions, and hepatitis B

## LABOR CODE

245-249 Healthy Workplaces, Health Families Act of 2014

1034 Lactation accommodation

[2800.2](#) Notification of availability of continuation health coverage

2810.7 Notice to participate in flexible spending account

[3550-3553](#) Notifications re: workers' compensation benefits

[5401](#) Workers' compensation; claim form and notice of potential eligibility

## PENAL CODE

*11105 Access to criminal history information*

*11105.2 Subsequent arrest notification*

[11165.7](#) Child Abuse and Neglect Reporting Act; notification requirement

[11166.5](#) Employment; statement of knowledge of duty to report child abuse or neglect

UNEMPLOYMENT INSURANCE CODE

[2613](#) Disability insurance; notice of rights and benefits

CODE OF REGULATIONS, TITLE 2

*11023 Nondiscrimination in employment*

*11049 Notice of right to request pregnancy disability leave or transfer*

*11091 California Family Rights Act, designation notice*

*11096 Notice of right to request family care leave*

CODE OF REGULATIONS, TITLE 5

[4622](#) Uniform complaint procedures

[80303](#) Reports of change in employment status, alleged misconduct

CODE OF REGULATIONS, TITLE 8

[3204](#) Employees exposed to blood borne pathogens, access to exposure and medical records

[5193](#) California blood borne pathogens standard

CODE OF REGULATIONS, TITLE 13

*1234 Reports regarding school buses and bus drivers*

*2480 Vehicle idling, limitations*

UNITED STATES CODE, TITLE 38

4344 Uniformed Services Employment and Reemployment Rights Act, notice requirement

UNITED STATES CODE, TITLE 41

8101-8106 Drug-Free Workplace Act

CODE OF FEDERAL REGULATIONS, TITLE 29

[825.300](#) Family and Medical Leave Act; notice requirement

CODE OF FEDERAL REGULATIONS, TITLE 34

*84.205-84.210 Drug-free workplace statement*

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382.601 Controlled substance and alcohol use and testing notifications

Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: August 7, 2013 Willits, California

revised: November 18, 2020

## Employee Notifications

**Note:** The following exhibit lists notices which the law requires be provided to employees. See the referenced Board policy, administrative regulation, or Board bylaw for further information about related program and notice requirements.

### ~~I. To All Employees~~

~~When/Whom to Notify: At the beginning of school year or upon employment~~

~~Education or Other Legal Code: Education Code 231.5, Government Code 12950, 2 CCR-11024~~

~~Board Policy/Administrative Regulation #: AR 4119.11/4219.11/4319.11~~

~~Subject: The district's policy on sexual harassment, legal remedies, complaints~~

~~When/Whom to Notify: Annually to all employees and 72 hours before pesticide application~~

~~Education or Other Legal Code: Education Code 17612~~

~~Board Policy/Administrative Regulation #: AR 3514.2~~

~~Subject: Use of pesticide product, active ingredients, Internet address to access information~~

~~When/Whom to Notify: To all employees, prior to implementing year round schedule~~

~~Education or Other Legal Code: Education Code 37616~~

~~Board Policy/Administrative Regulation #: BP 6117~~

~~Subject: Public hearing on year round implementing year round program schedule~~

~~When/Whom to Notify: To all employees, prior to implementing alternative schedule~~

~~Education or Other Legal Code: Education Code 46162~~

~~Board Policy/Administrative Regulation #: AR 6112~~

~~Subject: Public hearing on alternative schedule~~

~~When/Whom to Notify: To all employees~~

~~Education or Other Legal Code: Education Code 49013; 5 CCR 4622~~

~~Board Policy/Administrative Regulation #: AR 1312.3; BP 0460; BP 3260~~



~~Subject: Uniform complaint procedures, appeals, civil law remedies, coordinator, complaints about student fees and local control accountability plan~~

~~When/Whom to Notify: To all employees~~

~~Education or Other Legal Code: Education Code 49414~~

~~Board Policy/Administrative Regulation #: AR 5141.21~~

~~Subject: Request for volunteers to be trained to administer epinephrine auto-injectors~~

~~When/Whom to Notify: At least once per year~~

~~Education or Other Legal Code: Education Code 49414.3~~

~~Board Policy/Administrative Regulation #: AR 5141.21~~

~~Subject: Request for volunteers to be trained to administer opioid antagonist~~

~~When/Whom to Notify: To all employees~~

~~Education or Other Legal Code: Government Code 1126~~

~~Board Policy/Administrative Regulation #: BP 4136/4236/4336~~

~~Subject: Prohibition of activities that are inconsistent, incompatible, in conflict with, or inimical to duties; discipline; appeal~~

~~When/Whom to Notify: Prior to beginning employment~~

~~Education or Other Legal Code: Government Code 3102~~

~~Board Policy/Administrative Regulation #: AR 4112.3/4212.3/4312.3~~

~~Subject: Oath or affirmation of allegiance required of disaster service workers~~

~~When/Whom to Notify: To all employees~~

~~Education or Other Legal Code: Government Code 8355; 41 USC 8102; 34 CFR 84.205, 84.210~~

~~Board Policy/Administrative Regulation #: BP 4020, BP 4159/4259/4359~~

~~Subject: District's drug and alcohol free workplace; actions that will be taken if violated; available employee assistance programs~~

~~When/Whom to Notify: Upon employment~~

~~Education or Other Legal Code: Government Code 21029~~

~~Board Policy/Administrative Regulation #: None~~

~~Subject: Right to purchase PERS service credit for military service performed prior to public employment~~

~~When/Whom to Notify: Upon placement of automated external defibrillator (AED) in school, annually thereafter~~

~~Education or Other Legal Code: Health and Safety Code 1797.196~~

~~Board Policy/Administrative Regulation #: AR 5141~~

~~Subject: Proper use of AED; location of all AEDs on campus, sudden cardiac arrest, school's emergency response plan~~

~~When/Whom to Notify: To all employees, if the district receives Tobacco Use Prevention Education funds~~

~~Education or Other Legal Code: Health and Safety Code 104420~~

~~Board Policy/Administrative Regulation #: AR 3513.3~~

~~Subject: District's tobacco free schools policy and enforcement procedures~~

~~When/Whom to Notify: Annually to all employees, or more frequently if there is new information~~

~~Education or Other Legal Code: Health and Safety Code 120875, 120880~~

~~Board Policy/Administrative Regulation #: AR 4119.43/4219.43/4319.43~~

~~Subject: AIDS and hepatitis B, methods to prevent exposure~~

~~When/Whom to Notify: To all employees, with each paycheck~~

~~Education or Other Legal Code: Labor Code 246~~

~~Board Policy/Administrative Regulation #: AR 4161.1/4261.1/4361.1~~

~~Subject: Amount of sick leave available~~

~~When/Whom to Notify: To covered employees and former employees~~

~~Education or Other Legal Code: Labor Cod e2800.2~~

~~Board Policy/Administrative Regulation #: AR 4154/4254/4354~~

~~Subject: Availability of COBRA/Cal COBRA continuation and conversion coverage; statement encouraging careful examination of options before declining coverage~~



~~When/Whom to Notify: To every new employee, either at the time employee is hired or by end of first pay period~~

~~Education or Other Legal Code: Labor Code 3551~~

~~Board Policy/Administrative Regulation #: BP 4157.1/4257.1/4357.1~~

~~Subject: Workers' compensation benefits, how to obtain medical care, role of primary physician, form for reporting personal physician/chiropractor~~

~~When/Whom to Notify: Prior to beginning employment~~

~~Education or Other Legal Code: Penal Code 11165.7, 11166.5~~

~~Board Policy/Administrative Regulation #: AR 5141.4~~

~~Subject: Status as a mandated reporter of child abuse, reporting obligations, confidentiality rights, copy of law~~

~~When/Whom to Notify: Upon employment, and when employee goes on leave for specified reasons~~

~~Education or Other Legal Code: Unemployment Insurance Code 2613~~

~~Board Policy/Administrative Regulation #: AR 4154/4254/4354~~

~~Subject: Disability insurance rights and benefits~~

~~When/Whom to Notify: To all employees and job applicants~~

~~Education or Other Legal Code: 2 CCR 11023; 34 CFR 104.8, 106.9~~

~~Board Policy/Administrative Regulation #: BP 0410, BP 4030~~

~~Subject: District's policy on nondiscrimination and related complaint procedures~~

~~When/Whom to Notify: To all employees via employee handbook, or to each new employee~~

~~Education or Other Legal Code: 2 CCR 11091, 11095; 29 CFR 825.300~~

~~Board Policy/Administrative Regulation #: AR 4161.8/4261.8/4361.8~~

~~Subject: Benefits through Family and Medical Leave Act (FMLA) and California Family Rights Act (CFRA); obligation to provide 30 days' notice of need for leave when possible~~

~~When/Whom to Notify: Annually to all employees~~

~~Education or Other Legal Code: 40 CFR 763.84, 763.93~~

~~Board Policy/Administrative Regulation #: AR 3514~~

~~Subject: Availability of asbestos management plan; any inspections, response actions or post response actions planned or in progress~~

~~II. To Certificated Employees~~

~~When/Whom to Notify: To eligible certificated employees in a timely manner, and to part-time and substitute certificated employees within 30 days of hire~~

~~Education or Other Legal Code: Education Code 22455.5~~

~~Board Policy/Administrative Regulation #: AR 4121~~

~~Subject: Criteria for membership in retirement system; right to elect membership at any time~~

~~When/Whom to Notify: Upon employment of a retired certificated individual~~

~~Education or Other Legal Code: Education Code 22461~~

~~Board Policy/Administrative Regulation #: AR 4117.14/4317.14~~

~~Subject: Postretirement earnings limitation or employment restriction; monthly report of compensation~~

~~When/Whom to Notify: To certificated employees~~

~~Education or Other Legal Code: Education Code 35171~~

~~Board Policy/Administrative Regulation #: AR 4115, BP 4315~~

~~Subject: District regulations related to performance evaluations~~

~~When/Whom to Notify: 30 days before last day of school year for instructional staff, or by June 30 for noninstructional certificated staff, in any year in which employee is evaluated~~

~~Education or Other Legal Code: Education Code 44663~~

~~Board Policy/Administrative Regulation #: AR 4115~~

~~Subject: Copy of employee's evaluation~~

~~When/Whom to Notify: To a certificated employee with unsatisfactory evaluation, once per year for probationary employee or at least once every other year for permanent employee~~

~~Education or Other Legal Code: Education Code 44664~~

~~Board Policy/Administrative Regulation #: AR 4115~~



~~Subject: Notice and description of the unsatisfactory performance~~

~~When/Whom to Notify: By May 30, if district elects to issue reemployment notices to certificated employees~~

~~Education or Other Legal Code: Education Code 44842~~

~~Board Policy/Administrative Regulation #: AR 4112.1~~

~~Subject: Request that the employee notify district of intent to remain in service next year~~

~~When/Whom to Notify: To certificated employees upon employment and to nonpermanent employees in July of each school year~~

~~Education or Other Legal Code: Education Code 44916~~

~~Board Policy/Administrative Regulation #: AR 4112.1, AR 4121~~

~~Subject: Employment status and salary~~

~~When/Whom to Notify: To probationary employees in district with ADA of 250 or more, by March 15 of employee's second consecutive year of employment~~

~~Education or Other Legal Code: Education Code 44929.21~~

~~Board Policy/Administrative Regulation #: AR 4117.6~~

~~Subject: Whether or not employee is reelected for next school year~~

~~When/Whom to Notify: When certificated employee is subject to disciplinary action for cause, at any time of year or, for charge of unsatisfactory performance, during instructional year~~

~~Education or Other Legal Code: Education Code 44934, 44934.1, 44936~~

~~Board Policy/Administrative Regulation #: BP 4118; AR 4118~~

~~Subject: Notice of charges, procedures, and employee rights; intent to dismiss or suspend 30 days after notice~~

~~When/Whom to Notify: To certificated employee charged with unprofessional conduct, at least 45 days prior to suspension/dismissal notice~~

~~Education or Other Legal Code: Education Code 44938~~

~~Board Policy/Administrative Regulation #: BP 4118~~

~~Subject: Notice of deficiency and opportunity to correct~~

~~When/Whom to Notify: To certificated employee charged with unsatisfactory performance, at least 90 days prior to suspension/dismissal notice or prior to last quarter of school year~~

~~Education or Other Legal Code: Education Code 44938~~

~~Board Policy/Administrative Regulation #: BP 4118~~

~~Subject: Notice of deficiency and opportunity to correct~~

~~When/Whom to Notify: To certificated employee charged with mandatory leave of absence offense, within 10 days of entry of judgment in proceedings~~

~~Education or Other Legal Code: Education Code 44940.5~~

~~Board Policy/Administrative Regulation #: AR 4118~~

~~Subject: Notice of intent to dismiss 30 days from notice unless employee demands hearing~~

~~When/Whom to Notify: To probationary employees 30 days prior to dismissal during school year, but not later than March 15 for second-year probationary employees~~

~~Education or Other Legal Code: Education Code 44948.3~~

~~Board Policy/Administrative Regulation #: AR 4118~~

~~Subject: Reasons for dismissal and opportunity to appeal~~

~~When/Whom to Notify: By March 15 when necessary to reduce certificated personnel, with final notice by May 15~~

~~Education or Other Legal Code: Education Code 44949, 44955~~

~~Board Policy/Administrative Regulation #: BP 4117.3~~

~~Subject: Reasons for personnel reduction and employees' right to hearing; final notice of Board decision re: termination~~

~~When/Whom to Notify: On or before June 30, to temporary employee who served 75 percent of school year but will be released~~

~~Education or Other Legal Code: Education Code 44954~~

~~Board Policy/Administrative Regulation #: BP 4121~~

~~Subject: District's decision not to reelect employee for following school year~~

~~When/Whom to Notify: To teacher, when a student engages in or is reasonably suspected of specified acts~~



~~Education or Other Legal Code: Education Code 49079~~

~~Board Policy/Administrative Regulation #: AR 4158/4258/4358~~

~~Subject: Student has committed specified act that constitutes ground for suspension or expulsion~~

~~When/Whom to Notify: To certificated employee upon change in employment status due to alleged misconduct~~

~~Education or Other Legal Code: 5 CCR 80303~~

~~Board Policy/Administrative Regulation #: AR 4117.7/4317.7~~

~~Subject: Contents of state regulation re: report to Commission on Teacher Credentialing~~

### ~~III. To Classified Employees~~

~~When/Whom to Notify: To classified employee charged with mandatory leave of absence offense, in merit system district~~

~~Education or Other Legal Code: Education Code 44940.5~~

~~Board Policy/Administrative Regulation #: AR 4218~~

~~Subject: Notice of intent to dismiss in 30 days~~

~~When/Whom to Notify: When classified employee is subject to disciplinary action for cause, in nonmerit district~~

~~Education or Other Legal Code: Education Code 45113~~

~~Board Policy/Administrative Regulation #: AR 4218~~

~~Subject: Notice of charges, procedures, and employee rights~~

~~When/Whom to Notify: To classified employees at least 60 days prior to layoff, or by April 29 if specially funded program that expires at end of school year~~

~~Education or Other Legal Code: Education Code 45117~~

~~Board Policy/Administrative Regulation #: AR 4217.3~~

~~Subject: Notice of layoff and reemployment rights~~

~~When/Whom to Notify: To classified employees upon employment and upon each change in classification~~

~~Education or Other Legal Code: Education Code 45169~~



~~Board Policy/Administrative Regulation #: AR 4212~~

~~Subject: Employee's class specification, salary data, assignment or work location, duty hours, prescribed workweek~~

~~When/Whom to Notify: To classified permanent employee whose leave is exhausted~~

~~Education or Other Legal Code: Education Code 45192, 45195~~

~~Board Policy/Administrative Regulation #: AR 4261.1, AR 4261.11~~

~~Subject: Exhaustion of leave, opportunity to request additional leave~~

~~When/Whom to Notify: To school bus drivers and school activity bus drivers prior to expiration of specified documents~~

~~Education or Other Legal Code: 13 CCR 1234~~

~~Board Policy/Administrative Regulation #: AR 3542~~

~~Subject: Expiration date of driver's license, driver's certificate and medical certificate; need to renew~~

~~When/Whom to Notify: To school bus drivers and school activity bus drivers upon employment and at least once per year thereafter~~

~~Education or Other Legal Code: 13 CCR 2480~~

~~Board Policy/Administrative Regulation #: AR 3542~~

~~Subject: Limitations on vehicle idling; consequences of not complying~~

~~When/Whom to Notify: To school bus drivers, prior to district drug testing program and thereafter upon employment~~

~~Education or Other Legal Code: 49 CFR 382.601~~

~~Board Policy/Administrative Regulation #: BP 4112.42/4212.42/4312.42~~

~~Subject: Explanation of federal requirements for drug testing program and district's policy~~

~~IV. To Administrative/Supervisory Personnel~~

~~When/Whom to Notify: To deputy, associate, or assistant superintendent or senior manager of classified service, at least 45 days before expiration of contract~~

~~Education or Other Legal Code: Education Code 35031~~

~~Board Policy/Administrative Regulation #: BP 4312.1~~

~~Subject: Decision not to reelect or reemploy upon expiration of contract or term~~

~~When/Whom to Notify: Upon request by administrative or supervisory employee transferred to teaching position~~

~~Education or Other Legal Code: Education Code 44896~~

~~Board Policy/Administrative Regulation #: AR 4313.2~~

~~Subject: Statement of the reasons for the release or reassignment~~

~~When/Whom to Notify: By March 15 to employee who may be released/reassigned the following school year~~

~~Education or Other Legal Code: Education Code 44951~~

~~Board Policy/Administrative Regulation #: AR 4313.2~~

~~Subject: Notice that employee may be released or reassigned the following school year~~

~~V. To Individual Employees Under Special Circumstances~~

~~When/Whom to Notify: In the event of a breach of security of district records to affected employees~~

~~Education or Other Legal Code: Civil Code 1798.29~~

~~Board Policy/Administrative Regulation #: BP 3580~~

~~Subject: Types of records affected, date of breach, description of incident, and, as applicable, contact information for credit reporting agencies~~

~~When/Whom to Notify: Prior to placing derogatory information in personnel file~~

~~Education or Other Legal Code: Education Code 44031~~

~~Board Policy/Administrative Regulation #: AR 4112.6/4212.6/4312.6~~

~~Subject: Notice of derogatory information, opportunity to review and comment~~

~~When/Whom to Notify: To employees who volunteer to administer epinephrine auto-injector~~

~~Education or Other Legal Code: Education Code 49414~~

~~Board Policy/Administrative Regulation #: AR 5141.21~~

~~Subject: Defense and indemnification from civil liability by the district~~

~~When/Whom to Notify: To employees returning from military leave of absence, within 30 days of return~~



~~Education or Other Legal Code: Government Code 20997~~

~~Board Policy/Administrative Regulation #: AR 4161.5/4261.5/4361.5~~

~~Subject: Right to receive PERS service credit for military service; application form~~

~~When/Whom to Notify: 24 hours before Board meets in closed session to hear complaints or charges against employee~~

~~Education or Other Legal Code: Government Code 54957~~

~~Board Policy/Administrative Regulation #: BB 9321~~

~~Subject: Employee's right to have complaints/charges heard in open session~~

~~When/Whom to Notify: When taking disciplinary action against employee for disclosure of confidential information~~

~~Education or Other Legal Code: Government Code 54963~~

~~Board Policy/Administrative Regulation #: BP 4119.23/4219.23/4319.23~~

~~Subject: Law prohibiting disclosure of confidential information obtained in closed session~~

~~When/Whom to Notify: Within one working day of work related injury or victimization of crime~~

~~Education or Other Legal Code: Labor Code 3553, 5401~~

~~Board Policy/Administrative Regulation #: BP 4157.1/4257.1/4357.1~~

~~Subject: Potential eligibility for workers' compensation benefits, claim form~~

~~When/Whom to Notify: When adverse employment action is based on DOJ criminal history information or subsequent arrest notification~~

~~Education or Other Legal Code: Penal Code 11105, 11105.2~~

~~Board Policy/Administrative Regulation #: AR 4112.5/4212.5/4312.5~~

~~Subject: Copy of DOJ notification~~

~~When/Whom to Notify: To any employee with exposure to blood or potentially infectious materials, upon initial employment and at least annually thereafter~~

~~Education or Other Legal Code: 8 CCR 3204, 5193~~

~~Board Policy/Administrative Regulation #: AR 4119.42/4219.42/4319.42~~

~~Subject: The existence, location, and availability of exposure and medical records; person responsible for maintaining and providing access to records; right to access records~~

~~When/Whom to Notify: To any employee assigned to a work area where hazardous chemical are present, upon initial assignment and upon new exposure situation~~

~~Education or Other Legal Code: 8 CCR 5191~~

~~Board Policy/Administrative Regulation #: AR 3514.1~~

~~Subject: Location and availability of chemical hygiene plan, exposure limits, signs and symptoms of exposure, location of reference material~~

~~When/Whom to Notify: To any employee who may be exposed to hazardous substances in the work area, upon initial assignment and when new hazard is introduced into work area~~

~~Education or Other Legal Code: 8 CCR 5194~~

~~Board Policy/Administrative Regulation #: AR 3514.1~~

~~Subject: Any presence of hazardous substances in the work area, location and availability of hazard communication program, new material safety data sheet, employee rights~~

~~When/Whom to Notify: To employee eligible for military leave~~

~~Education or Other Legal Code: 38 USC 4334~~

~~Board Policy/Administrative Regulation #: AR 4161.5/4261.5/4361.5~~

~~Subject: Notice of rights, benefits, and obligations under military leave~~

~~When/Whom to Notify: Within five days of employee's request for family care and medical leave, receipt of supporting information, or district's knowledge that the requested leave may qualify as FMLA leave~~

~~Education or Other Legal Code: 29 CFR 825.300; 2 CCR 11049, 11091~~

~~Board Policy/Administrative Regulation #: AR 4161.8/4261.8/4361.8~~

~~Subject: Designation of leave as FMLA or non-FMLA; if not eligible, reason not eligible; requirement to use paid leave; any requirement for fitness-for-duty certification; any subsequent changes in designation notice~~

~~When/Whom to Notify: Whenever notice of eligibility for FMLA is provided to employee~~

~~Education or Other Legal Code: 29 CFR 825.300~~

~~Board Policy/Administrative Regulation #: AR 4161.8/4261.8/4361.8~~

~~Subject: Rights and responsibilities re: use of FMLA; consequences of failure to meet obligations~~



| <u>When/Whom to Notify</u>                                                                         | <u>Education or Other Legal Code</u>                            | <u>Board Policy/Administrative Regulation #</u> | <u>Subject</u>                                                                                                                                         |
|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b><u>I. To All Employees</u></b>                                                                  |                                                                 |                                                 |                                                                                                                                                        |
| <u>At the beginning of school year or upon employment</u>                                          | <u>Education Code 231.5; Government Code 12950</u>              | <u>AR 4119.11<br/>4219.11<br/>4319.11</u>       | <u>The district's policy on sexual harassment, legal remedies, complaints</u>                                                                          |
| <u>Annually to all employees, and 72 hours before pesticide application</u>                        | <u>Education Code 17612</u>                                     | <u>AR 3514.2</u>                                | <u>Use of pesticide product, active ingredients, Internet address to access information</u>                                                            |
| <u>To all employees, prior to implementing year-round schedule</u>                                 | <u>Education Code 37616</u>                                     | <u>BP 6117</u>                                  | <u>Public hearing on year-round program</u>                                                                                                            |
| <u>To all employees, prior to implementing alternative schedule</u>                                | <u>Education Code 46162</u>                                     | <u>BP 6112</u>                                  | <u>Public hearing on alternative schedule in secondary grades</u>                                                                                      |
| <u>Annually to all employees</u>                                                                   | <u>Education Code 49013; 5 CCR 4622</u>                         | <u>AR 1312.3<br/>BP 0460<br/>BP 3260</u>        | <u>Uniform complaint procedures, appeals, civil law remedies, coordinator, complaints about student fees and local control and accountability plan</u> |
| <u>Annually to all employees</u>                                                                   | <u>Education Code 49414</u>                                     | <u>AR 5141.21</u>                               | <u>Request for volunteers to be trained to administer epinephrine auto-injectors</u>                                                                   |
| <u>At least once per year</u>                                                                      | <u>Education Code 49414.3</u>                                   | <u>AR 5141.21</u>                               | <u>Request for volunteers to be trained to administer opioid antagonist</u>                                                                            |
| <u>To all employees</u>                                                                            | <u>Government Code 1126</u>                                     | <u>BP 4136<br/>4236<br/>4336</u>                | <u>Prohibition of activities that are inconsistent, incompatible, in conflict with, or inimical to duties; discipline; appeal</u>                      |
| <u>To all employees</u>                                                                            | <u>Government Code 8355; 41 USC 8102; 34 CFR 84.205, 84.210</u> | <u>BP 4020<br/>BP 4159<br/>4259<br/>4359</u>    | <u>District's drug- and alcohol-free workplace; actions to be taken if violated; available employee assistance programs</u>                            |
| <u>Upon employment</u>                                                                             | <u>Government Code 21029</u>                                    | <u>None</u>                                     | <u>Right to purchase PERS service credit for military service performed prior to public employment</u>                                                 |
| <u>Upon placement of automated external defibrillator (AED) in school, and annually thereafter</u> | <u>Health and Safety Code 1797.196</u>                          | <u>AR 5141</u>                                  | <u>Proper use of AED; location of all AEDs on campus, sudden cardiac arrest, school's emergency response plan</u>                                      |
| <u>To all employees, if the</u>                                                                    | <u>Health and Safety</u>                                        | <u>AR 3513.3</u>                                | <u>District's tobacco-free schools</u>                                                                                                                 |

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| <u>district receives Tobacco-Use Prevention Education funds</u>                                  | <u>Code 104420</u>                           |                                           | <u>policy and enforcement procedures</u>                                                                                                                                  |
| <u>Annually to all employees, or more frequently if there is new information</u>                 | <u>Health and Safety Code 120875, 120880</u> | <u>BP 4119.43<br/>4219.43<br/>4319.43</u> | <u>AIDS and hepatitis B, including methods to prevent exposure</u>                                                                                                        |
| <u>To all employees, with each paycheck</u>                                                      | <u>Labor Code 246</u>                        | <u>AR 4161.1<br/>4361.1<br/>AR 4261.1</u> | <u>Amount of sick leave available</u>                                                                                                                                     |
| <u>Upon hire, in employee handbook, and upon request for parental leave</u>                      | <u>Labor Code 1034</u>                       | <u>BP 4033</u>                            | <u>The district's policy on lactation accommodation</u>                                                                                                                   |
| <u>To covered employees and former employees</u>                                                 | <u>Labor Code 2800.2<br/>4354</u>            | <u>AR 4154<br/>4254</u>                   | <u>Availability of COBRA/ Cal-COBRA continuation and conversion coverage; statement encouraging careful examination of options before declining coverage</u>              |
| <u>To employees participating in a flexible spending account</u>                                 | <u>Labor Code 2810.7</u>                     | <u>None</u>                               | <u>Deadline to withdraw funds from account before the end of the plan year</u>                                                                                            |
| <u>To every new employee, either at the time employee is hired or by end of first pay period</u> | <u>Labor Code 3551</u>                       | <u>AR 4157.1<br/>4257.1<br/>4357.1</u>    | <u>Workers' compensation benefits, how to obtain medical care, role of primary physician, form for reporting personal physician/chiropractor</u>                          |
| <u>Prior to beginning employment</u>                                                             | <u>Penal Code 11165.7, 11166.5</u>           | <u>AR 5141.4</u>                          | <u>Status as a mandated reporter of child abuse, reporting obligations, confidentiality rights, copy of law</u>                                                           |
| <u>Upon employment, and when employee goes on leave for specified reasons</u>                    | <u>Unemployment Insurance Code 2613</u>      | <u>AR 4154<br/>4254<br/>4354</u>          | <u>Disability insurance rights and benefits</u>                                                                                                                           |
| <u>To all employees and job applicants</u>                                                       | <u>2 CCR 11023; 34 CFR 104.8, 106.9</u>      | <u>BP 0410<br/>AR 4030</u>                | <u>District's policy on nondiscrimination and related complaint procedures</u>                                                                                            |
| <u>To all employees via employee handbook, or to each new employee</u>                           | <u>2 CCR 11091, 11095; 29 CFR 825.300</u>    | <u>AR 4161.8<br/>4261.8<br/>4361.8</u>    | <u>Benefits through Family and Medical Leave Act (FMLA) and California Family Rights Act(CFRA); obligation to provide 30 days' notice of need for leave when possible</u> |
| <u>Annually to all employees</u>                                                                 | <u>40 CFR 763.84, 763.93</u>                 | <u>AR 3514</u>                            | <u>Availability of asbestos management plan; inspections, response actions, post-response actions planned or in progress</u>                                              |



## II. To Certificated Employees

|                                                                                                                                                                            |                                                         |                                     |                                                                                                              |
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| <u>To eligible certificated employees in a timely manner, and to part-time and substitute certificated employees within 30 days of hire</u>                                | <u>Education Code</u><br>22455.5                        | <u>AR 4121</u>                      | <u>Criteria for membership in retirement system; right to elect membership at any time</u>                   |
| <u>Upon employment of a retired certificated individual</u>                                                                                                                | <u>Education Code</u><br>22461                          | <u>AR 4117.14</u><br><u>4317.14</u> | <u>Postretirement earnings limitation or employment restriction; monthly report of compensation</u>          |
| <u>To certificated employees</u>                                                                                                                                           | <u>Education Code</u><br>35171                          | <u>AR 4115</u><br><u>BP 4315</u>    | <u>District regulations related to performance evaluations</u>                                               |
| <u>30 days before last day of school year for instructional staff, or by June 30 for noninstructional certificated staff, in any year in which employee is evaluated</u>   | <u>Education Code</u><br>44663                          | <u>AR 4115</u>                      | <u>Copy of employee's evaluation</u>                                                                         |
| <u>To a certificated employee with unsatisfactory evaluation, once per year for probationary employee or at least once every other year for permanent employee</u>         | <u>Education Code</u><br>44664                          | <u>AR 4115</u>                      | <u>Notice and description of the unsatisfactory performance</u>                                              |
| <u>By May 30, if district issues reemployment notices to certificated employees</u>                                                                                        | <u>Education Code</u><br>44842                          | <u>AR 4112.1</u>                    | <u>Request that the employee notify district of intent to remain in service next year</u>                    |
| <u>To certificated employees upon employment, and to nonpermanent employees in July of each school year</u>                                                                | <u>Education Code</u><br>44916                          | <u>AR 4112.1</u><br><u>AR 4121</u>  | <u>Employment status and salary</u>                                                                          |
| <u>To probationary employee, by March 15</u>                                                                                                                               | <u>Education Code</u><br>44929.21, 44929.23,<br>44948.5 | <u>BP 4116</u>                      | <u>Whether or not employee is reelected for next school year</u>                                             |
| <u>When certificated employee is subject to disciplinary action for cause, at any time of year or, for charge of unsatisfactory performance, during instructional year</u> | <u>Education Code</u><br>44934, 44934.1,<br>44936       | <u>BP 4118</u><br><u>AR 4118</u>    | <u>Notice of charges, procedures, and employee rights; intent to dismiss or suspend 30 days after notice</u> |
| <u>To certificated employee charged with unprofessional conduct, at least 45 days prior to suspension/dismissal notice</u>                                                 | <u>Education Code</u><br>44938                          | <u>BP 4118</u>                      | <u>Notice of deficiency and opportunity to correct</u>                                                       |
| <u>To certificated employee charged with unsatisfactory performance, at least 90 days prior to</u>                                                                         | <u>Education Code</u><br>44938                          | <u>BP 4118</u>                      | <u>Notice of deficiency and opportunity to correct</u>                                                       |

suspension/dismissal notice or  
prior to last quarter of school year

|                                                                                                                                                 |                                  |                |                                                                                                |
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| <u>To certificated employee charged<br/>with mandatory leave of absence<br/>offense, within 10 days of entry<br/>of judgment in proceedings</u> | <u>Education Code</u><br>44940.5 | <u>AR 4118</u> | <u>Notice of intent to dismiss<br/>30 days from notice unless<br/>employee demands hearing</u> |
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| <u>To probationary employees<br/>30 days prior to dismissal during<br/>school year, but not later than<br/>March 15 for second-year<br/>probationary employees</u> | <u>Education Code</u><br>44948.3 | <u>AR 4118</u> | <u>Reasons for dismissal and<br/>opportunity to appeal</u> |
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| <u>By March 15 when necessary<br/>to reduce certificated personnel,<br/>with final notice by May 15</u> | <u>Education Code</u><br>44949, 44955 | <u>BP 4117.3</u> | <u>Reasons for personnel<br/>reduction and employees' right<br/>to hearing; final notice of<br/>Board decision re: termination</u> |
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| <u>On or before June 30, to<br/>temporary employee who<br/>served 75 percent of school year<br/>but will be released</u> | <u>Education Code</u><br>44954 | <u>BP 4121</u> | <u>District's decision not to<br/>reelect employee for<br/>following school year</u> |
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| <u>To teacher, when a student<br/>engages in or is reasonably<br/>suspected of specified acts</u> | <u>Education Code</u><br>49079 | <u>AR 4158</u><br>4258<br>4358 | <u>Student has committed<br/>specified act that constitutes<br/>ground for suspension or<br/>expulsion</u> |
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| <u>To certificated employee upon<br/>change in employment status<br/>due to alleged misconduct or<br/>while allegation is pending</u> | <u>5 CCR 80303</u> | <u>AR 4117.7</u><br>4317.7 | <u>Contents of state regulation<br/>re: report to Commission on<br/>Teacher Credentialing</u> |
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### **III. To Classified Employees**

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| <u>When classified employee is<br/>subject to disciplinary action<br/>for cause, in nonmerit district</u> | <u>Education Code</u><br>45113 | <u>AR 4218</u> | <u>Notice of charges, right to<br/>hearing, timeline for<br/>requesting hearing</u> |
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| <u>To classified employees at<br/>least 60 days prior to layoff, or<br/>by April 29 for specially funded<br/>program that expires at end of<br/>school year</u> | <u>Education Code</u><br>45117 | <u>AR 4217.3</u> | <u>Notice of layoff and<br/>reemployment rights</u> |
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| <u>To classified employees upon<br/>employment and upon each<br/>change in classification</u> | <u>Education Code</u><br>45169 | <u>AR 4212</u> | <u>Employee's class specification,<br/>salary data, assignment or<br/>work location, duty hours,<br/>prescribed workweek</u> |
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| <u>To classified permanent<br/>employee whose leave<br/>is exhausted</u> | <u>Education Code</u><br>45192, 45195 | <u>AR 4261.1</u><br>AR 4261.11 | <u>Exhaustion of leave,<br/>opportunity to request<br/>additional leave</u> |
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| <u>To school bus drivers and<br/>school activity bus drivers</u> | <u>13 CCR 1234</u> | <u>AR 3542</u> | <u>Expiration date of driver's<br/>license, driver's certificate and</u> |
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|                                                                                                                    |                         |                                  |                                                                                           |
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| <u>prior to expiration of specified documents</u>                                                                  |                         |                                  | <u>medical certificate; need to renew</u>                                                 |
| <u>To school bus drivers and school activity bus drivers upon employment and at least once per year thereafter</u> | 13 CCR 2480             | AR 3542                          | <u>Limitations on vehicle idling; consequences of not complying</u>                       |
| <u>To school bus drivers, prior to district drug testing program and thereafter upon employment</u>                | 49 CFR 382.113, 382.601 | AR 4112.42<br>4212.42<br>4312.42 | <u>Explanation of federal requirements for drug testing program and district's policy</u> |
| <u>To school bus drivers, prior to operating school bus</u>                                                        | 49 CFR 382.303          | AR 4112.42<br>4212.42<br>4312.42 | <u>Post-accident information, procedures, and instructions</u>                            |

#### **IV. To Administrative/Supervisory Personnel**

|                                                                                                                                                                  |                             |                                  |                                                                                                                  |
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| <u>To superintendent, deputy, associate, or assistant superintendent or senior manager of classified service, at least 45 days before expiration of contract</u> | Education Code 35031        | BP 2121<br>BP 4312.1             | <u>Decision not to reelect or reemploy upon expiration of contract or term</u>                                   |
| <u>To classified employees at least 60 days prior to layoff, or by April 29 for specially funded program that expires at end of school year</u>                  | Education Code 45117        | AR 4217.3                        | <u>Notice of layoff and reemployment rights</u>                                                                  |
| <u>To classified employees upon employment and upon each change in classification</u>                                                                            | Education Code 45169        | AR 4212                          | <u>Employee's class specification, salary data, assignment or work location, duty hours, prescribed workweek</u> |
| <u>To classified permanent employee whose leave is exhausted</u>                                                                                                 | Education Code 45192, 45195 | AR 4261.1<br>AR 4261.11          | <u>Exhaustion of leave, opportunity to request additional leave</u>                                              |
| <u>To school bus drivers and school activity bus drivers prior to expiration of specified documents</u>                                                          | 13 CCR 1234                 | AR 3542                          | <u>Expiration date of driver's license, driver's certificate and medical certificate; need to renew</u>          |
| <u>To school bus drivers and school activity bus drivers upon employment and at least once per year thereafter</u>                                               | 13 CCR 2480                 | AR 3542                          | <u>Limitations on vehicle idling; consequences of not complying</u>                                              |
| <u>To school bus drivers, prior to district drug testing program and thereafter upon employment</u>                                                              | 49 CFR 382.113, 382.601     | AR 4112.42<br>4212.42<br>4312.42 | <u>Explanation of federal requirements for drug testing program and district's policy</u>                        |
| <u>To school bus drivers, prior to operating school bus</u>                                                                                                      | 49 CFR 382.303              | AR 4112.42<br>4212.42<br>4312.42 | <u>Post-accident information, procedures, and instructions</u>                                                   |

#### IV. To Administrative/Supervisory Personnel

|                                                                                                                                                                  |                                |                                    |                                                                                     |
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| <u>To superintendent, deputy, associate, or assistant superintendent or senior manager of classified service, at least 45 days before expiration of contract</u> | <u>Education Code</u><br>35031 | <u>BP 2121</u><br><u>BP 4312.1</u> | <u>Decision not to reelect or reemploy upon expiration of contract or term</u>      |
| <u>Upon request by administrative or supervisory employee transferred to teaching position</u>                                                                   | <u>Education Code</u><br>44896 | <u>AR 4313.2</u>                   | <u>Statement of the reasons for the release or reassignment</u>                     |
| <u>By March 15 to employee who may be released/reassigned the following school year</u>                                                                          | <u>Education Code</u><br>44951 | <u>AR 4313.2</u>                   | <u>Notice that employee may be released or reassigned the following school year</u> |

#### V. To Individual Employees Under Special Circumstances

|                                                                                                                      |                                     |                                                       |                                                                                                                                                  |
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| <u>In the event of a breach of security of district records, to affected employees</u>                               | <u>Civil Code 1798.29</u>           | <u>BP 3580</u>                                        | <u>Types of records affected, date of breach, description of incident, and, as applicable, contact information for credit reporting agencies</u> |
| <u>Prior to placing derogatory information in personnel file</u>                                                     | <u>Education Code</u><br>44031      | <u>AR 4112.6</u><br><u>4212.6</u><br><u>4312.6</u>    | <u>Notice of derogatory information, opportunity to review and comment</u>                                                                       |
| <u>To employees who volunteer to administer epinephrine auto-injector</u>                                            | <u>Education Code</u><br>49414      | <u>AR 5141.21</u>                                     | <u>Defense and indemnification from civil liability by the district</u>                                                                          |
| <u>To employees returning from military leave of absence, within 30 days of return</u>                               | <u>Government Code</u><br>20997     | <u>AR 4161.5</u><br><u>4261.5</u><br><u>4361.5</u>    | <u>Right to receive PERS service credit for military service; application form</u>                                                               |
| <u>24 hours before Board meets in closed session to hear complaints or charges against employee</u>                  | <u>Government Code</u><br>54957     | <u>BB 9321</u>                                        | <u>Employee's right to have complaints/charges heard in open session</u>                                                                         |
| <u>When taking disciplinary action against employee for disclosure of confidential information</u>                   | <u>Government Code</u><br>54963     | <u>BP 4119.23</u><br><u>4219.23</u><br><u>4319.23</u> | <u>Law prohibiting disclosure of confidential information obtained in closed session</u>                                                         |
| <u>Within one working day of work-related injury or victimization of crime</u>                                       | <u>Labor Code 3553,</u><br>5401     | <u>AR 4157.1</u><br><u>4257.1</u><br><u>4357.1</u>    | <u>Potential eligibility for workers' compensation benefits, claim form</u>                                                                      |
| <u>When adverse employment action is based on DOJ criminal history information or subsequent arrest notification</u> | <u>Penal Code 11105,</u><br>11105.2 | <u>AR 4112.5</u><br><u>4212.5</u><br><u>4312.5</u>    | <u>Copy of DOJ notification</u>                                                                                                                  |
| <u>To any employee with exposure to blood or other potentially infectious materials,</u>                             | <u>8 CCR 3204</u>                   | <u>AR 4119.42</u><br><u>4219.42</u><br><u>4319.42</u> | <u>The existence, location, and availability of exposure and medical records; person</u>                                                         |



|                                                                                                                                                                             |                                                               |                                                    |                                                                                                                                                                                                                        |
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| <u>upon initial employment and at least annually thereafter</u>                                                                                                             |                                                               |                                                    | <u>responsible for maintaining and providing access to records; right to access records</u>                                                                                                                            |
| <u>To any employee assigned to a work area where hazardous chemicals are present, upon initial assignment and upon new exposure situation</u>                               | <u>8 CCR 5191</u>                                             | <u>AR 3514.1</u>                                   | <u>Location and availability of chemical hygiene plan, exposure limits, signs and symptoms of exposure, location of reference material</u>                                                                             |
| <u>To any employee who may be exposed to hazardous substances in the work area, upon initial assignment and when new hazard is introduced into work area</u>                | <u>8 CCR 5194</u>                                             | <u>AR 3514.1</u>                                   | <u>Any presence of hazardous substances in the work area, location and availability of hazard communication program, new material safety data sheet, employee rights</u>                                               |
| <u>To employee eligible for military leave</u>                                                                                                                              | <u>38 USC 4334</u>                                            | <u>AR 4161.5</u><br><u>4261.5</u><br><u>4361.5</u> | <u>Notice of rights, benefits, and obligations under military leave</u>                                                                                                                                                |
| <u>Within five days of employee's request for FMLA leave, receipt of supporting information, or district's knowledge that the requested leave may qualify as FMLA leave</u> | <u>29 CFR 825.300;</u><br><u>2 CCR 11049,</u><br><u>11091</u> | <u>AR 4161.8</u><br><u>4261.8</u><br><u>4361.8</u> | <u>Designation of leave as FMLA or non-FMLA; if not eligible, reason not eligible; requirement to use paid leave; any requirement for fitness-for-duty certification; any subsequent changes in designation notice</u> |
| <u>Whenever notice of eligibility for FMLA is provided to employee</u>                                                                                                      | <u>29 CFR 825.300</u>                                         | <u>AR 4161.8</u><br><u>4261.8</u><br><u>4361.8</u> | <u>Rights and responsibilities re: use of FMLA; consequences of failure to meet obligations</u>                                                                                                                        |

Exhibit WILLITS UNIFIED SCHOOL DISTRICT

version: June 14, 2017 Willits, California

revised: November 18, 2020

**Employee Notifications**

Note: The following exhibit lists notices which the law requires be provided to employees. See the referenced Board policy, administrative regulation, or Board bylaw for further information about related program and notice requirements.

| <b>When/Whom to Notify</b>                                           | <b>Education or Other Legal Code</b>                     | <b>Board Policy/ Administrative Regulation #</b> | <b>Subject</b>                                                                                                                                  |
|----------------------------------------------------------------------|----------------------------------------------------------|--------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>I. To All Employees</b>                                           |                                                          |                                                  |                                                                                                                                                 |
| At the beginning of school year or upon employment                   | Education Code 231.5; Government Code 12950              | AR 4119.11<br>4219.11<br>4319.11                 | The district's policy on sexual harassment, legal remedies, complaints                                                                          |
| Annually to all employees, and 72 hours before pesticide application | Education Code 17612                                     | AR 3514.2                                        | Use of pesticide product, active ingredients, Internet address to access information                                                            |
| To all employees, prior to implementing year-round schedule          | Education Code 37616                                     | BP 6117                                          | Public hearing on year-round program                                                                                                            |
| To all employees, prior to implementing alternative schedule         | Education Code 46162                                     | BP 6112                                          | Public hearing on alternative schedule in secondary grades                                                                                      |
| Annually to all employees                                            | Education Code 49013; 5 CCR 4622                         | AR 1312.3<br>BP 0460<br>BP 3260                  | Uniform complaint procedures, appeals, civil law remedies, coordinator, complaints about student fees and local control and accountability plan |
| Annually to all employees                                            | Education Code 49414                                     | AR 5141.21                                       | Request for volunteers to be trained to administer epinephrine auto-injectors                                                                   |
| At least once per year                                               | Education Code 49414.3                                   | AR 5141.21                                       | Request for volunteers to be trained to administer opioid antagonist                                                                            |
| To all employees                                                     | Government Code 1126                                     | BP 4136<br>4236<br>4336                          | Prohibition of activities that are inconsistent, incompatible, in conflict with, or inimical to duties; discipline; appeal                      |
| To all employees                                                     | Government Code 8355; 41 USC 8102; 34 CFR 84.205, 84.210 | BP 4020<br>BP 4159<br>4259<br>4359               | District's drug- and alcohol-free workplace; actions to be taken if violated; available employee assistance programs                            |
| Upon employment                                                      | Government Code 21029                                    | None                                             | Right to purchase PERS service credit for military service performed prior to                                                                   |



|                                                                                             |                                       |                                  |                                                                                                                                                       |
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|                                                                                             |                                       |                                  | public employment                                                                                                                                     |
| Upon placement of automated external defibrillator (AED) in school, and annually thereafter | Health and Safety Code 1797.196       | AR 5141                          | Proper use of AED; location of all AEDs on campus, sudden cardiac arrest, school's emergency response plan                                            |
| To all employees, if the district receives Tobacco-Use Prevention Education funds           | Health and Safety Code 104420         | AR 3513.3                        | District's tobacco-free schools policy and enforcement procedures                                                                                     |
| Annually to all employees, or more frequently if there is new information                   | Health and Safety Code 120875, 120880 | BP 4119.43<br>4219.43<br>4319.43 | AIDS and hepatitis B, including methods to prevent exposure                                                                                           |
| To all employees, with each paycheck                                                        | Labor Code 246                        | AR 4161.1<br>4361.1<br>AR 4261.1 | Amount of sick leave available                                                                                                                        |
| Upon hire, in employee handbook, and upon request for parental leave                        | Labor Code 1034                       | BP 4033                          | The district's policy on lactation accommodation                                                                                                      |
| To covered employees and former employees                                                   | Labor Code 2800.2<br>4354             | AR 4154<br>4254                  | Availability of COBRA/ Cal-COBRA continuation and conversion coverage; statement encouraging careful examination of options before declining coverage |
| To employees participating in a flexible spending account                                   | Labor Code 2810.7                     | None                             | Deadline to withdraw funds from account before the end of the plan year                                                                               |
| To every new employee, either at the time employee is hired or by end of first pay period   | Labor Code 3551                       | AR 4157.1<br>4257.1<br>4357.1    | Workers' compensation benefits, how to obtain medical care, role of primary physician, form for reporting personal physician/chiropractor             |
| Prior to beginning employment                                                               | Penal Code 11165.7, 11166.5           | AR 5141.4                        | Status as a mandated reporter of child abuse, reporting obligations, confidentiality rights, copy of law                                              |
| Upon employment, and when employee goes on leave for specified reasons                      | Unemployment Insurance Code 2613      | AR 4154<br>4254<br>4354          | Disability insurance rights and benefits                                                                                                              |
| To all employees and job applicants                                                         | 2 CCR 11023; 34 CFR 104.8, 106.9      | BP 0410<br>AR 4030               | District's policy on nondiscrimination and related complaint procedures                                                                               |
| To all employees via employee handbook, or to each new employee                             | 2 CCR 11091, 11095; 29 CFR 825.300    | AR 4161.8<br>4261.8<br>4361.8    | Benefits through Family and Medical Leave Act (FMLA) and California Family Rights Act(CFRA); obligation                                               |

to provide 30 days' notice of need for leave when possible

|                           |                       |         |                                                                                                                       |
|---------------------------|-----------------------|---------|-----------------------------------------------------------------------------------------------------------------------|
| Annually to all employees | 40 CFR 763.84, 763.93 | AR 3514 | Availability of asbestos management plan; inspections, response actions, post-response actions planned or in progress |
|---------------------------|-----------------------|---------|-----------------------------------------------------------------------------------------------------------------------|

## II. To Certificated Employees

|                                                                                                                                      |                        |         |                                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------|-------------------------------------------------------------------------------------|
| To eligible certificated employees in a timely manner, and to part-time and substitute certificated employees within 30 days of hire | Education Code 22455.5 | AR 4121 | Criteria for membership in retirement system; right to elect membership at any time |
|--------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------|-------------------------------------------------------------------------------------|

|                                                      |                      |                       |                                                                                              |
|------------------------------------------------------|----------------------|-----------------------|----------------------------------------------------------------------------------------------|
| Upon employment of a retired certificated individual | Education Code 22461 | AR 4117.14<br>4317.14 | Postretirement earnings limitation or employment restriction; monthly report of compensation |
|------------------------------------------------------|----------------------|-----------------------|----------------------------------------------------------------------------------------------|

|                           |                      |                    |                                                         |
|---------------------------|----------------------|--------------------|---------------------------------------------------------|
| To certificated employees | Education Code 35171 | AR 4115<br>BP 4315 | District regulations related to performance evaluations |
|---------------------------|----------------------|--------------------|---------------------------------------------------------|

|                                                                                                                                                                   |                      |         |                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------|-------------------------------|
| 30 days before last day of school year for instructional staff, or by June 30 for noninstructional certificated staff, in any year in which employee is evaluated | Education Code 44663 | AR 4115 | Copy of employee's evaluation |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------|-------------------------------|

|                                                                                                                                                             |                      |         |                                                          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------|----------------------------------------------------------|
| To a certificated employee with unsatisfactory evaluation, once per year for probationary employee or at least once every other year for permanent employee | Education Code 44664 | AR 4115 | Notice and description of the unsatisfactory performance |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------|----------------------------------------------------------|

|                                                                              |                      |           |                                                                                    |
|------------------------------------------------------------------------------|----------------------|-----------|------------------------------------------------------------------------------------|
| By May 30, if district issues reemployment notices to certificated employees | Education Code 44842 | AR 4112.1 | Request that the employee notify district of intent to remain in service next year |
|------------------------------------------------------------------------------|----------------------|-----------|------------------------------------------------------------------------------------|

|                                                                                                      |                      |                      |                              |
|------------------------------------------------------------------------------------------------------|----------------------|----------------------|------------------------------|
| To certificated employees upon employment, and to nonpermanent employees in July of each school year | Education Code 44916 | AR 4112.1<br>AR 4121 | Employment status and salary |
|------------------------------------------------------------------------------------------------------|----------------------|----------------------|------------------------------|

|                                       |                                            |         |                                                           |
|---------------------------------------|--------------------------------------------|---------|-----------------------------------------------------------|
| To probationary employee, by March 15 | Education Code 44929.21, 44929.23, 44948.5 | BP 4116 | Whether or not employee is reelected for next school year |
|---------------------------------------|--------------------------------------------|---------|-----------------------------------------------------------|

|                                                                                                                                                                     |                                      |                    |                                                                                                       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------|-------------------------------------------------------------------------------------------------------|
| When certificated employee is subject to disciplinary action for cause, at any time of year or, for charge of unsatisfactory performance, during instructional year | Education Code 44934, 44934.1, 44936 | BP 4118<br>AR 4118 | Notice of charges, procedures, and employee rights; intent to dismiss or suspend 30 days after notice |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------|-------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                 |                                |                         |                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|-------------------------|-----------------------------------------------------------------------------------------------------------------|
| To certificated employee charged with unprofessional conduct, at least 45 days prior to suspension/dismissal notice                                             | Education Code<br>44938        | BP 4118                 | Notice of deficiency and opportunity to correct                                                                 |
| To certificated employee charged with unsatisfactory performance, at least 90 days prior to suspension/dismissal notice or prior to last quarter of school year | Education Code<br>44938        | BP 4118                 | Notice of deficiency and opportunity to correct                                                                 |
| To certificated employee charged with mandatory leave of absence offense, within 10 days of entry of judgment in proceedings                                    | Education Code<br>44940.5      | AR 4118                 | Notice of intent to dismiss 30 days from notice unless employee demands hearing                                 |
| To probationary employees 30 days prior to dismissal during school year, but not later than March 15 for second-year probationary employees                     | Education Code<br>44948.3      | AR 4118                 | Reasons for dismissal and opportunity to appeal                                                                 |
| By March 15 when necessary to reduce certificated personnel, with final notice by May 15                                                                        | Education Code<br>44949, 44955 | BP 4117.3               | Reasons for personnel reduction and employees' right to hearing; final notice of Board decision re: termination |
| On or before June 30, to temporary employee who served 75 percent of school year but will be released                                                           | Education Code<br>44954        | BP 4121                 | District's decision not to reelect employee for following school year                                           |
| To teacher, when a student engages in or is reasonably suspected of specified acts                                                                              | Education Code<br>49079        | AR 4158<br>4258<br>4358 | Student has committed specified act that constitutes ground for suspension or expulsion                         |
| To certificated employee upon change in employment status due to alleged misconduct or while allegation is pending                                              | 5 CCR 80303                    | AR 4117.7<br>4317.7     | Contents of state regulation re: report to Commission on Teacher Credentialing                                  |
| <b>III. To Classified Employees</b>                                                                                                                             |                                |                         |                                                                                                                 |
| When classified employee is subject to disciplinary action for cause, in nonmerit district                                                                      | Education Code<br>45113        | AR 4218                 | Notice of charges, right to hearing, timeline for requesting hearing                                            |
| To classified employees at least 60 days prior to layoff, or by April 29 for specially funded program that expires at end of school year                        | Education Code<br>45117        | AR 4217.3               | Notice of layoff and reemployment rights                                                                        |
| To classified employees upon employment and upon each change in classification                                                                                  | Education Code<br>45169        | AR 4212                 | Employee's class specification, salary data, assignment or work location, duty hours,                           |

|                                                                                                             |                             |                                  |                                                                                                  |
|-------------------------------------------------------------------------------------------------------------|-----------------------------|----------------------------------|--------------------------------------------------------------------------------------------------|
|                                                                                                             |                             |                                  | prescribed workweek                                                                              |
| To classified permanent employee whose leave is exhausted                                                   | Education Code 45192, 45195 | AR 4261.1<br>AR 4261.11          | Exhaustion of leave, opportunity to request additional leave                                     |
| To school bus drivers and school activity bus drivers prior to expiration of specified documents            | 13 CCR 1234                 | AR 3542                          | Expiration date of driver's license, driver's certificate and medical certificate; need to renew |
| To school bus drivers and school activity bus drivers upon employment and at least once per year thereafter | 13 CCR 2480                 | AR 3542                          | Limitations on vehicle idling; consequences of not complying                                     |
| To school bus drivers, prior to district drug testing program and thereafter upon employment                | 49 CFR 382.113, 382.601     | AR 4112.42<br>4212.42<br>4312.42 | Explanation of federal requirements for drug testing program and district's policy               |
| To school bus drivers, prior to operating school bus                                                        | 49 CFR 382.303              | AR 4112.42<br>4212.42<br>4312.42 | Post-accident information, procedures, and instructions                                          |

**IV. To Administrative/Supervisory Personnel**

|                                                                                                                                                           |                             |                         |                                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-------------------------|-----------------------------------------------------------------------------------------------------------|
| To superintendent, deputy, associate, or assistant superintendent or senior manager of classified service, at least 45 days before expiration of contract | Education Code 35031        | BP 2121<br>BP 4312.1    | Decision not to reelect or reemploy upon expiration of contract or term                                   |
| To classified employees at least 60 days prior to layoff, or by April 29 for specially funded program that expires at end of school year                  | Education Code 45117        | AR 4217.3               | Notice of layoff and reemployment rights                                                                  |
| To classified employees upon employment and upon each change in classification                                                                            | Education Code 45169        | AR 4212                 | Employee's class specification, salary data, assignment or work location, duty hours, prescribed workweek |
| To classified permanent employee whose leave is exhausted                                                                                                 | Education Code 45192, 45195 | AR 4261.1<br>AR 4261.11 | Exhaustion of leave, opportunity to request additional leave                                              |
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|                                                                                              |                         |                                  |                                                                                    |
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**IV. To Administrative/Supervisory Personnel**

|                                                                                                                                                           |                      |                      |                                                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|------------------------------------------------------------------------------|
| To superintendent, deputy, associate, or assistant superintendent or senior manager of classified service, at least 45 days before expiration of contract | Education Code 35031 | BP 2121<br>BP 4312.1 | Decision not to reelect or reemploy upon expiration of contract or term      |
| Upon request by administrative or supervisory employee transferred to teaching position                                                                   | Education Code 44896 | AR 4313.2            | Statement of the reasons for the release or reassignment                     |
| By March 15 to employee who may be released/reassigned the following school year                                                                          | Education Code 44951 | AR 4313.2            | Notice that employee may be released or reassigned the following school year |

**V. To Individual Employees Under Special Circumstances**

|                                                                                              |                       |                                  |                                                                                                                                           |
|----------------------------------------------------------------------------------------------|-----------------------|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| In the event of a breach of security of district records, to affected employees              | Civil Code 1798.29    | BP 3580                          | Types of records affected, date of breach, description of incident, and, as applicable, contact information for credit reporting agencies |
| Prior to placing derogatory information in personnel file                                    | Education Code 44031  | AR 4112.6<br>4212.6<br>4312.6    | Notice of derogatory information, opportunity to review and comment                                                                       |
| To employees who volunteer to administer epinephrine auto-injector                           | Education Code 49414  | AR 5141.21                       | Defense and indemnification from civil liability by the district                                                                          |
| To employees returning from military leave of absence, within 30 days of return              | Government Code 20997 | AR 4161.5<br>4261.5<br>4361.5    | Right to receive PERS service credit for military service; application form                                                               |
| 24 hours before Board meets in closed session to hear complaints or charges against employee | Government Code 54957 | BB 9321                          | Employee's right to have complaints/charges heard in open session                                                                         |
| When taking disciplinary action against employee for disclosure of confidential information  | Government Code 54963 | BP 4119.23<br>4219.23<br>4319.23 | Law prohibiting disclosure of confidential information obtained in closed session                                                         |
| Within one working day of work-related injury or victimization of crime                      | Labor Code 3553, 5401 | AR 4157.1<br>4257.1<br>4357.1    | Potential eligibility for workers' compensation benefits, claim form                                                                      |

|                                                                                                                                                                      |                                          |                                  |                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| When adverse employment action is based on DOJ criminal history information or subsequent arrest notification                                                        | Penal Code 11105, 11105.2                | AR 4112.5<br>4212.5<br>4312.5    | Copy of DOJ notification                                                                                                                                                                                        |
| To any employee with exposure to blood or other potentially infectious materials, upon initial employment and at least annually thereafter                           | 8 CCR 3204                               | AR 4119.42<br>4219.42<br>4319.42 | The existence, location, and availability of exposure and medical records; person responsible for maintaining and providing access to records; right to access records                                          |
| To any employee assigned to a work area where hazardous chemicals are present, upon initial assignment and upon new exposure situation                               | 8 CCR 5191                               | AR 3514.1                        | Location and availability of chemical hygiene plan, exposure limits, signs and symptoms of exposure, location of reference material                                                                             |
| To any employee who may be exposed to hazardous substances in the work area, upon initial assignment and when new hazard is introduced into work area                | 8 CCR 5194                               | AR 3514.1                        | Any presence of hazardous substances in the work area, location and availability of hazard communication program, new material safety data sheet, employee rights                                               |
| To employee eligible for military leave                                                                                                                              | 38 USC 4334                              | AR 4161.5<br>4261.5<br>4361.5    | Notice of rights, benefits, and obligations under military leave                                                                                                                                                |
| Within five days of employee's request for FMLA leave, receipt of supporting information, or district's knowledge that the requested leave may qualify as FMLA leave | 29 CFR 825.300;<br>2 CCR 11049,<br>11091 | AR 4161.8<br>4261.8<br>4361.8    | Designation of leave as FMLA or non-FMLA; if not eligible, reason not eligible; requirement to use paid leave; any requirement for fitness-for-duty certification; any subsequent changes in designation notice |
| Whenever notice of eligibility for FMLA is provided to employee                                                                                                      | 29 CFR 825.300                           | AR 4161.8<br>4261.8<br>4361.8    | Rights and responsibilities re: use of FMLA; consequences of failure to meet obligations                                                                                                                        |

Exhibit WILLITS UNIFIED SCHOOL DISTRICT

version: June 14, 2017 Willits, California

revised: November 18, 2020



WILLITS UNIFIED SCHOOL DISTRICT  
SUPERINTENDENT'S OFFICE

TO: Board of Trustees  
FROM: Mark Westerburg, Superintendent  
DATE: December 16, 2020  
RE: Board Policy Revision- **Board Policy 4113 - Assignment**

**Priority:**

Communication

**Objective:**

To conduct a final read of the revised policy

**Background:**

Policy updated to reflect **NEW LAW (AB 1219, 2019)** which requires annual monitoring of the assignment of certificated employees at all schools, and requires the Commission on Teacher Credentialing (CTC) to administer a statewide system that produces an annual data file of vacancies and misassignments and provides districts an opportunity to submit additional evidence that an employee is legally authorized for the assignment. Policy also adds legal requirements to report misassignments in the school accountability report card and to use Williams uniform complaint procedures to address any complaint alleging teacher misassignment or vacancy.

**Funding/Source:**

None

**Recommendation:**

Administration recommends the board conduct a final read of the revised policy

## Assignment

In order to serve the best interests of students and the educational program, the Governing Board of Trustees authorizes the Superintendent or designee to assign certificated personnel to positions for which they are qualified pursuant to their preparation, certification, preparation, professional experience, and aptitude qualify them.

(cf. 4112.2 - Certification)

(cf. 4112.21 - Interns)

(cf. 4112.22 - Staff Teaching English Language Learners)

(cf. 4112.23 - Special Education Staff)

(cf. 4112.8/4212.8/4312.8 - Employment of Relatives)

Teachers may be assigned to any school within the district in accordance with the collective bargaining agreement or Board policy.

(cf. 4141/4241 - Collective Bargaining Agreement)

### Assignment to Courses/Classes

The Superintendent or designee shall assign teachers to courses based on the grade level and subject matter authorized by their credentials.

When there is no credential authorization requirement for teaching an elective course, the Superintendent or designee shall select the credentialed teacher whose knowledge and skills best prepare the teacher him/her to provide instruction in that subject.

When specifically authorized by law or regulation, the Superintendent or designee may, with the teacher's assign a teacher, with his/her consent, assign a teacher to a position outside the his/her credential teacher's credential authorization in accordance with the local teaching assignment options described in the Commission on Teacher Credentialing's (CTC) Administrator's Assignment Manual. Such a Assignments made pursuant to Education Code 44256, 44258.2, and 44263 shall be annually approved by Board resolution. In such cases, the Superintendent or designee shall reference in district records the statute or regulation under which the assignment is authorized.

(cf. 3580 - District Records)

If at any time a certificated employee is required by the district to accept an assignment which the employee believes is not legally authorized by the employee's credential, the employee shall notify the Superintendent or designee, in writing, of the misassignment. Within 15 working days, the Superintendent or designee shall notify the employee of the legality of the assignment. If no action is taken by the district, the employee shall provide written notification to the County

Superintendent of Schools. No adverse action shall be taken against an employee who files a notice of misassignment. (Education Code 44258.9)

The Superintendent or designee shall periodically report to the Board on teacher assignments and vacancies, including the number and type of assignments made outside a teacher's credential authorization through a local teaching assignment option. Whenever district misassignments and vacancies are reviewed by the County Superintendent of Schools or CTC, as applicable, the Superintendent or designee shall report the results to the Board and shall provide recommendations for remedying any identified issues.

### Vacancies and Misassignments

Annually, the district shall review potential misassignments and vacant positions throughout the district. Upon receiving notification from CTC of the availability of data regarding potential misassignments and vacant positions in the district, the Superintendent shall review the data within 60 days. When necessary, the Superintendent or designee may respond by submitting additional documentation to the County Superintendent showing that an employee is legally authorized for an assignment and/or that a position identified as vacant was miscoded and a legally authorized employee is assigned to the position. (Education Code 44258.9)

If the district subsequently receives, within 90 days of CTC's initial notification, a notification from the County Superintendent indicating that a certificated employee in the district is assigned to a position for which the employee has no legal authorization, the district shall correct the assignment within 30 calendar days. (Education Code 44258.9)

The district shall serve as the monitoring authority for teacher assignments in any charter school it has authorized, in accordance with Education Code 44258.9-44258.10.

*(cf. 0420.41 - Charter School Oversight)*

Any complaint alleging teacher misassignment or vacancy shall be filed and addressed through the district's procedures specified in AR 1312.4 - Williams Uniform Complaint Procedures.

(cf. 1312.4 - Williams Uniform Complaint Procedures)

The school accountability report card for each school shall include any assignment of teachers outside their subject areas of competence, misassignments, including misassignments of teachers of English learners, and the number of vacant teacher positions for the most recent three-year period. (Education Code 33126)

*(cf. 0510 - School Accountability Report Card)*

### Equitable Distribution of Qualified Teachers

The Superintendent or designee shall identify and address the equitable distribution of ~~ensure that~~ highly qualified and experienced teachers ~~are equitably distributed~~ among district schools, including those with higher than average levels of low-income, minority, and/or academically underperforming students. The

Superintendent or designee ~~He/she~~ shall annually report to the Board comparisons of teacher qualifications across district schools, including the number of teachers serving under a provisional internship permit, short-term staff permit, intern credential, emergency permit, or credential waiver.

(cf. [0520.2](#) - Title I Program Improvement Schools)

Strategies for ensuring equitable access to experienced teachers may include, but are not limited to, incentives for voluntary transfers, provision of professional development, and/or programs to recruit and retain effective teachers.

(cf. 0460 - Local Control and Accountability Plan)

(cf. [4111/4211/4311](#) - Recruitment and Selection)

(cf. [4114](#) - Transfers)

(cf. [4131](#) - Staff Development)

(cf. [4131.1](#) - Teacher Support and Guidance)

(cf. [6171](#) - Title I Programs)

Legal Reference:

#### EDUCATION CODE

33126 School accountability report card

35035 Additional powers and duties of superintendent

35186 Complaint process

37616 Assignment of teachers to year-round schools

44225.6 Commission report to the legislature re: teachers

44250-44277 Credentials and assignments of teachers

44314 Subject matter programs, approved subjects

44824 Assignment of teachers to weekend classes

44955 Reduction in number of employees

#### GOVERNMENT CODE

3543.2 Scope of representation

CODE OF REGULATIONS, TITLE 5

80003-80005 Credential authorizations

80020-80020.5 Additional assignment authorizations

80335 Performance of unauthorized professional services

80339-80339.6 Unauthorized certificated employee assignment

UNITED STATES CODE, TITLE 20

6311 State plan

6312 Local educational agency plans

6601-6651 Teacher and Principal Training and Recruiting Fund

Management Resources:

CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS

California State Plan to Ensure Equitable Access to Excellent Educators

Every Student Succeeds Act 2016-17 School Year Transition Plan, April 2016

COMMISSION ON TEACHER CREDENTIALING PUBLICATIONS

Administrator's Assignment Manual - Updates and Revisions, May 2014

The Administrator's Assignment Manual, rev. September 2007

U.S. DEPARTMENT OF EDUCATION GUIDANCE

Transitioning to the Every Student Succeeds Act (ESSA): Frequently Asked Questions, rev. May 4, 2016

Improving Teacher Quality State Grants: ESEA Title II, Part A, rev. October 5, 2006

WEB SITES

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

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

Commission on Teacher Credentialing: <http://www.ctc.ca.gov>

U.S. Department of Education: <http://www.ed.gov>

Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: February 1, 2017 Willits, California

revised: December 9, 2020



**Assignment**

In order to serve the best interests of students and the educational program, the Governing Board authorizes the Superintendent or designee to assign certificated personnel to positions for which they are qualified pursuant to their certification, preparation, professional experience, and aptitude.

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*(cf. 0520.2 - Title I Program Improvement Schools)*

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(cf. 0460 - Local Control and Accountability Plan)

(cf. 4111/4211/4311 - Recruitment and Selection)

(cf. 4114 - Transfers)

(cf. 4131 - Staff Development)

(cf. 4131.1 - Teacher Support and Guidance)

(cf. 6171 - Title I Programs)

Legal Reference:

#### EDUCATION CODE

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U.S. Department of Education: <http://www.ed.gov>

Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: February 1, 2017 Willits, California

revised: December 9, 2020

## Assignment

### Assignment to Departmentalized Classes Outside Credential Authorization

Any holder of a credential other than an emergency permit may be assigned, with consent, to teach departmentalized classes in grades K-12 regardless of the designations on the teaching credential, provided that their subject matter knowledge is verified prior to the assignment. (Education Code [44258.3](#))

Procedures for verifying a teacher's subject matter knowledge shall be developed and implemented by the Superintendent or designee with the involvement of appropriate subject matter specialists, including curriculum specialists, resource teachers, classroom teachers certified to teach the subject, staff assigned to regional subject matter projects or curriculum institutes, or college faculty. (Education Code [44258.3](#))

Procedures to be used for this purpose shall specify: (Education Code [44258.3](#))

1. One or more of the following ways in which subject matter competence shall be assessed:
  - a. Observation by subject matter specialists
  - b. Oral interviews
  - c. Demonstration lessons
  - d. Presentation of curricular portfolios
  - e. Written examinations
2. Specific criteria and standards for verifying subject matter knowledge by any of the above methods. These criteria shall include, but need not be limited to, evidence of the individual's knowledge of the subject matter to be taught, including demonstrated knowledge of the curriculum framework for the subject and the specific content of the district's course of study for the subject at the grade level to be taught.

(cf. [4115](#) - Evaluation/Supervision)

Whenever a teacher is assigned to teach departmentalized classes pursuant to Education Code [44258.3](#), the Superintendent or designee shall notify the exclusive representative of the district's certificated employees. (Education Code [44258.3](#))

(cf. [4140/4240/4340](#) - Bargaining Units)

### Assignment to Elective Courses Outside Credential Authorization

A full-time teacher with special skills and preparation outside ~~the his/her~~ credential authorization may, with ~~the teacher's his/her~~ consent and the prior approval of a district committee on assignments, be

assigned to teach an elective course in the area of the special skills or preparation, excluding a course in English, mathematics, science, or social studies. (Education Code [44258.7](#))

The Superintendent or designee shall establish a committee on assignments, consisting of an equal number of teachers selected by teachers and school administrators selected by school administrators, to approve such assignments. (Education Code [44258.7](#))

Committee members shall serve a two-year term but may be reappointed using the same procedure as the initial appointment.

When determining whether a teacher is qualified for an assignment pursuant to Education Code [44258.7](#), the committee may consider the teacher's education, prior experience, observation by subject matter specialists, oral interviews, demonstration lessons, presentation of curricular portfolios, and/or written examinations.

Assignments approved by the committee shall be for a maximum of one school year, but may be extended by action of the committee upon application by the principal and teacher. (Education Code [44258.7](#))

#### Assignment to Special Schedules

The Superintendent or designee shall make every reasonable effort to accommodate the preferences of certificated staff when assigning them to schools with year-round or regular schedules. (Education Code [37616](#))

(cf. 6117 - Year-Round Schedules)

Full-time probationary or permanent classroom teachers employed by the district prior to implementation of weekend classes shall not, without their written consent, be required to teach for more than 180 full days during a school year or for more than the number of full days during the preceding school year, whichever is greater. No teacher shall be assigned to work on a Saturday or Sunday if the teacher he/she objects in writing that such assignment would conflict with ~~his/her~~ religious beliefs or practices. (Education Code [44824](#))

(cf. [6176](#) - Weekend/Saturday Classes)

Regulation WILLITS UNIFIED SCHOOL DISTRICT

approved: August 7, 2013 Willits, California

revised: December 9, 2020



## **Assignment**

### Assignment to Departmentalized Classes Outside Credential Authorization

Any holder of a credential other than an emergency permit may be assigned, with consent, to teach departmentalized classes in grades K-12 regardless of the designations on the teaching credential, provided that their subject matter knowledge is verified prior to the assignment. (Education Code [44258.3](#))

Procedures for verifying a teacher's subject matter knowledge shall be developed and implemented by the Superintendent or designee with the involvement of appropriate subject matter specialists, including curriculum specialists, resource teachers, classroom teachers certified to teach the subject, staff assigned to regional subject matter projects or curriculum institutes, or college faculty. (Education Code [44258.3](#))

Procedures to be used for this purpose shall specify: (Education Code [44258.3](#))

1. One or more of the following ways in which subject matter competence shall be assessed:
  - a. Observation by subject matter specialists
  - b. Oral interviews
  - c. Demonstration lessons
  - d. Presentation of curricular portfolios
  - e. Written examinations
2. Specific criteria and standards for verifying subject matter knowledge by any of the above methods. These criteria shall include, but need not be limited to, evidence of the individual's knowledge of the subject matter to be taught, including demonstrated knowledge of the curriculum framework for the subject and the specific content of the district's course of study for the subject at the grade level to be taught.

(cf. [4115](#) - Evaluation/Supervision)

Whenever a teacher is assigned to teach departmentalized classes pursuant to Education Code [44258.3](#), the Superintendent or designee shall notify the exclusive representative of the district's certificated employees. (Education Code [44258.3](#))

(cf. [4140/4240/4340](#) - Bargaining Units)

### Assignment to Elective Courses Outside Credential Authorization

A full-time teacher with special skills and preparation outside the credential authorization may, with the teacher's consent and the prior approval of a district committee on assignments, be assigned to teach an

elective course in the area of the special skills or preparation, excluding a course in English, mathematics, science, or social studies. (Education Code [44258.7](#))

The Superintendent or designee shall establish a committee on assignments, consisting of an equal number of teachers selected by teachers and school administrators selected by school administrators, to approve such assignments. (Education Code [44258.7](#))

Committee members shall serve a two-year term but may be reappointed using the same procedure as the initial appointment.

When determining whether a teacher is qualified for an assignment pursuant to Education Code [44258.7](#), the committee may consider the teacher's education, prior experience, observation by subject matter specialists, oral interviews, demonstration lessons, presentation of curricular portfolios, and/or written examinations.

Assignments approved by the committee shall be for a maximum of one school year, but may be extended by action of the committee upon application by the principal and teacher. (Education Code [44258.7](#))

#### Assignment to Special Schedules

The Superintendent or designee shall make every reasonable effort to accommodate the preferences of certificated staff when assigning them to schools with year-round or regular schedules. (Education Code [37616](#))

(cf. 6117 - Year-Round Schedules)

Full-time probationary or permanent classroom teachers employed by the district prior to implementation of weekend classes shall not, without their written consent, be required to teach for more than 180 full days during a school year or for more than the number of full days during the preceding school year, whichever is greater. No teacher shall be assigned to work on a Saturday or Sunday if the teacher objects in writing that such assignment would conflict with religious beliefs or practices. (Education Code [44824](#))

(cf. [6176](#) - Weekend/Saturday Classes)

Regulation WILLITS UNIFIED SCHOOL DISTRICT

approved: August 7, 2013 Willits, California

revised: December 9, 2020

**WILLITS UNIFIED SCHOOL DISTRICT  
SUPERINTENDENT'S OFFICE**

TO: Board of Trustees  
FROM: Mark Westerburg, Superintendent  
DATE: December 16, 2020  
RE: Board Policy Revision- **Board Policy, Administrative Policy, and Exhibit  
4119.42/4219.42/4319.42 - Exposure Control Plan for Bloodborne Pathogens**

**Priority:**

Communication

**Objective:**

To conduct a final read of the revised policy

**Background:**

**Board Policy 4119.42/4219.42/4319.42 - Exposure Control Plan for Bloodborne Pathogens**

Policy updated to add the requirement that the district's exposure control plan for bloodborne pathogens be consistent with the district's injury and illness prevention program established pursuant to Labor Code 6401.7. Legal cites added for training and hepatitis B vaccination requirements, and material deleted regarding the exemption of designated first aid providers from the pre-exposure hepatitis B vaccination, which is repeated in the AR. Paragraph added to include the district's responsibility to implement follow-up procedures in the event of an exposure incident.

**Administrative Regulation 4119.42/4219.42/4319.42 - Exposure Control Plan for Bloodborne Pathogens**

Regulation updated to add federal legal cites where applicable, add definition of personal protective equipment, and delete requirement to communicate hazards to employees through labels and signs, which is not applicable to school districts. Section on "Preventive Measures" expanded to include the provision of personal protective equipment, observance of universal precautions, and compliance with state regulations for needleless systems, needle devices, and non-needle sharps. Regulation also adds more detail regarding the exemption of certain first aid providers from the pre-exposure hepatitis B vaccine and adds required components of staff training.

**Exhibit 4119.42/4219.42/4319.42 - Exposure Control Plan for Bloodborne Pathogens**

Exhibit updated to clarify which employees are required to sign a statement when they decline to accept the hepatitis B vaccination offered by the district.

**Funding/Source:**

None

**Recommendation:**

Administration recommends the board conduct a final read of the revised policy

## Exposure Control Plan For Bloodborne Pathogens

As part of its commitment to provide a safe and healthful work environment, the Governing Board of Trustees recognizes the importance of protecting employees from possible infection due to contact with bloodborne pathogens, including, but not limited to, hepatitis B virus, hepatitis C virus, and human immunodeficiency virus (HIV). ~~developing an exposure control plan.~~ The Superintendent or designee shall establish a written exposure control plan in accordance with state and federal standards for dealing with potentially infectious materials in the workplace ~~to protect employees from possible infection due to contact with bloodborne pathogens, including but not limited to hepatitis B virus, hepatitis C virus and human immunodeficiency virus (HIV).~~

(cf. 4119.43/4219.43/4319.43 - Universal Precautions)

*(cf. 5141.21 - Administering Medication and Monitoring Health Conditions)*

*(cf. 5141.6 - School Health Services)*

~~(cf. 4157/4257/4357 - Employee Safety)~~

The exposure control plan shall be consistent with the district's injury and illness prevention program established pursuant to Labor Code 6401.7 and 8 CCR 3203. (8 CCR 5193)

*(cf. 4157/4257/4357 - Employee Safety)*

The Superintendent or designee shall determine which employees have occupational exposure to bloodborne pathogens and other potentially infectious materials. In accordance with the district's exposure control plan, employees having occupational exposure shall be offered the hepatitis B vaccination. (8 CCR 5193; 29 CFR 1910.1030)

~~The Superintendent or designee may exempt designated first-aid providers from pre-exposure hepatitis B vaccination under the conditions specified by state regulations. (8 CCR 5193(f))~~

Any employee not identified by the Superintendent or designee as having occupational exposure may submit a request to the Superintendent or designee to be included in the training and hepatitis B vaccination program. The Superintendent or designee may deny a request when there is no reasonable anticipation of contact with any infectious material.

In the event that an employee has an exposure incident, the district shall implement follow-up procedures in accordance with the exposure control plan. All such incidents shall be evaluated to determine whether changes need to be made in district practices.

Legal Reference:

GOVERNMENT CODE

3543.2 Scope of bargaining

LABOR CODE

142.3 Authority of Cal/OSHA to adopt standards

144.7 Requirement to amend standards

6401.7 Injury and illness prevention program

CODE OF REGULATIONS, TITLE 8

3203 Injury and illness prevention program

3204 Access to employee exposure and medical records

5193 California bloodborne pathogens standards

CODE OF FEDERAL REGULATIONS, TITLE 29

1910.1030 OSHA bloodborne pathogens standards

Management Resources:

*CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS PUBLICATIONS*

*Frequently Asked Questions About the Bloodborne Pathogens Standard*

*A Best Practices Approach for Reducing Bloodborne Pathogens Exposure, 2001*

*Exposure Control Plan for Bloodborne Pathogens, 2001*

~~CDE ADVISORIES~~

~~1016.89 Guidelines for Informing School Employees about Preventing the Spread of Infectious Diseases, including Hepatitis B and AIDS/HIV Infections and Policies for Dealing with HIV-Infected Persons in School Settings~~

WEB SITES

OSHA: <http://www.osha.gov>

Cal/OSHA: [http://www.dir.ca.gov/occupational\\_safety.html](http://www.dir.ca.gov/occupational_safety.html)

Centers for Disease Control and Prevention: <http://www.cdc.gov>

Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: August 7, 2013 Willits, California

## **Exposure Control Plan For Bloodborne Pathogens**

As part of its commitment to provide a safe and healthful work environment, the Governing Board recognizes the importance of protecting employees from possible infection due to contact with bloodborne pathogens, including, but not limited to, hepatitis B virus, hepatitis C virus, and human immunodeficiency virus (HIV). The Superintendent or designee shall establish a written exposure control plan in accordance with state and federal standards for dealing with potentially infectious materials in the workplace.

(cf. 4119.43/4219.43/4319.43 - Universal Precautions)

(cf. 5141.21 - *Administering Medication and Monitoring Health Conditions*)

(cf. 5141.6 - *School Health Services*)

The exposure control plan shall be consistent with the district's injury and illness prevention program established pursuant to Labor Code 6401.7 and 8 CCR 3203. (8 CCR 5193)

(cf. 4157/4257/4357 - *Employee Safety*)

The Superintendent or designee shall determine which employees have occupational exposure to bloodborne pathogens and other potentially infectious materials. In accordance with the district's exposure control plan, employees having occupational exposure shall be offered the hepatitis B vaccination. (8 CCR 5193; 29 CFR 1910.1030)

Any employee not identified by the Superintendent or designee as having occupational exposure may submit a request to the Superintendent or designee to be included in the training and hepatitis B vaccination program. The Superintendent or designee may deny a request when there is no reasonable anticipation of contact with any infectious material.

In the event that an employee has an exposure incident, the district shall implement follow-up procedures in accordance with the exposure control plan. All such incidents shall be evaluated to determine whether changes need to be made in district practices.

Legal Reference:

### GOVERNMENT CODE

3543.2 *Scope of bargaining*

### LABOR CODE

142.3 Authority of Cal/OSHA to adopt standards

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*Frequently Asked Questions About the Bloodborne Pathogens Standard*

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*Exposure Control Plan for Bloodborne Pathogens, 2001*

WEB SITES

OSHA: <http://www.osha.gov>

Cal/OSHA: [http://www.dir.ca.gov/occupational\\_safety.html](http://www.dir.ca.gov/occupational_safety.html)

Centers for Disease Control and Prevention: <http://www.cdc.gov>

Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: August 7, 2013 Willits, California

revised: December 9, 2020

## **Exposure Control Plan For Bloodborne Pathogens**

### Definitions

Occupational exposure means reasonably anticipated skin, eye, mucous membrane, or parenteral contact with blood or other potentially infectious materials that may result from the performance of an employee's duties. (8 CCR 5193(b))

Exposure incident means a specific eye, mouth, other mucous membrane, nonintact skin, or parenteral contact with blood or other potentially infectious materials that result from the performance of an employee's duties. (8 CCR 5193 (b))

Parenteral contact means piercing mucous membranes or the skin barrier through such events as needlesticks, human bites, cuts, and abrasions. (8 CCR 5193(b))

A sharp is any object that can be reasonably anticipated to penetrate the skin or any other part of the body and to result in an exposure incident. (8 CCR 5193(b))

A sharps injury is any injury caused by a sharp, including but not limited to cuts, abrasions or needlesticks. (8 CCR 5193(b))

Work practice controls are controls that reduce the likelihood of exposure by defining the manner in which a task is performed. (8 CCR 5193(b))

Engineering controls are controls, such as sharps disposal containers, needleless systems, and sharps with engineered sharps injury protection, that isolate or remove the bloodborne pathogens hazard from the workplace. (8 CCR 5193(b))

Engineered sharps injury protection is a physical attribute, such as a barrier, blunting, encapsulation, withdrawal, or other effective mechanism, built into a needle device or into a non-needle sharp which effectively reduces the risk of an exposure incident. (8 CCR 5193(b))

Personal protective equipment is specialized clothing or equipment worn or used by an employee for protection against a hazard, such as gloves, gowns, laboratory coats, face shields or masks. (8 CCR 5193)

### Exposure Control Plan

The district's written exposure control plan for bloodborne pathogens, shall contain at least the following components: (8 CCR 5193;29 CFR 1910.1030(e))

1. A determination of which employees have occupational exposure to blood or other potentially infectious materials, which shall be made without regard to the use of personal protective equipment and shall include a list of:

~~The district's exposure determination shall be made without regard to the use of personal protective equipment and shall include a list of:~~

- a. All job classifications in which all employees have occupational exposure
- b. Job classifications in which some employees have occupational exposure
- c. All tasks and procedures, or groups of closely related tasks and procedures, in which occupational exposure occurs and which are performed by employees listed in item #1b above

(cf. 5141.21 - Administering Medication and Monitoring Health Conditions)

(cf. 5141.6 - School Health Services)

2. The schedule and method of implementing each of the following in accordance with 8 CCR5193 and this administrative regulation:

a. Methods of compliance required by 8 CCR 5193(d) and 29 CFR 1910.1030, including, ~~such as~~ universal precautions, general and specific engineering and work practice controls, and personal protective equipment

(cf. 4119.43/4219.43/4319.43 - Universal Precautions)

b. Hepatitis B vaccination

c. Bloodborne pathogen post-exposure evaluation and follow-up

d. Communication of hazards to employees, including labels, signs, information and training

e. Recordkeeping, including medical records, training records, and a log of sharps injuries

3. The district's procedure for documenting the route(s) of exposure and the evaluating circumstances under which surrounding exposure incidents occurred

4. An effective procedure for gathering information about each exposure incident involving a sharp, ~~as required for the log of sharps injuries~~

5. An effective procedure for periodically determining the frequency of use of the types and brands of sharps involved in exposure incidents ~~documented in the sharps injury log~~

6. An effective procedure for identifying currently available engineering controls and selecting such controls as appropriate for the procedures performed by employees in their work areas or departments

7. An effective procedure for documenting instances when a licensed healthcare professional directly involved in a patient's care determines, in the reasonable exercise of clinical judgment, that the use of an engineering control would jeopardize an individual's safety or the success of a medical, dental or nursing procedure involving the ~~employee~~ individual

8. An effective procedure for obtaining the active involvement of employees in reviewing and updating the exposure control plan with respect to the procedures performed by employees in their respective work areas or departments

The exposure control plan shall be reviewed and updated at least annually and whenever necessary to: (8 CCR [5193](#); 29 CFR [1910.1030\(e\)](#))

1. Reflect new or modified tasks and procedures affecting occupational exposure
2. Reflect changes in technology that eliminate or reduce exposure to bloodborne pathogens and, to the extent that sharps are used in the district, document consideration and implementation of appropriate commercially available ~~reflect progress in implementing the use of~~ needleless systems and need devices and sharps with engineered sharps injury protection
3. Include new or revised employee positions with occupational exposure
4. Review and evaluate the exposure incidents which occurred since the previous update
5. Review and respond to information indicating that the exposure control plan is deficient in any area

The district's exposure control plan shall be accessible to employees upon request. (8 CCR [3204\(e\)](#), [5193](#); 29 CFR [1910.1030](#))

#### Preventive Measures

The Superintendent or designee shall use engineering controls and work practice controls, as defined above, to eliminate or minimize employee exposure to bloodborne pathogens. Engineering controls and work practice controls shall be evaluated on a regular schedule and, as applicable, maintained, replaced or updated and shall regularly ~~examine and update controls~~ to ensure their effectiveness. (8 CCR [5193](#); 29 CFR [1910.1030\(d\)](#))

Whenever potential occupational exposure continues to exist after institution of engineering and work practice controls, the district shall provide, at no cost to the employee, appropriate personal protective equipment. (8 CCR [5193](#); 29 CFR [1910.1030](#))

Employees shall observe universal precautions to prevent contact with blood or other potentially infectious materials, including, but not limited to, handwashing, proper use of personal protective equipment, and proper disposal or washing of contaminated garments or objects. (8 CCR [5193](#); 29 CFR [1910.1030](#))

Any use of needleless systems, needle devices, or non-needle sharps shall adhere to the specific requirements of 8 CCR [5193\(d\)](#) and 29 CFR [1910.1030](#).

#### Pre-Exposure Hepatitis B Vaccination

The hepatitis B vaccination and vaccination series shall be made available at no cost to all employees who have occupational exposure. The hepatitis B vaccination shall be made available after an employee with occupational exposure has received the required training and within 10 working days of initial assignment, unless the employee has previously received the complete hepatitis B vaccination series, or antibody testing has revealed that the employee is immune, or vaccination is contraindicated by medical reasons. (8 CCR [5193](#); 29 CFR [1910.1030\(f\)](#))

Employees who decline to accept the vaccination shall sign the hepatitis B declination statement. (8 CCR [5193](#); 29 CFR 1910.1030(f))

The Superintendent or designee may exempt from the pre-exposure hepatitis B vaccine designated first aid providers whose primary job assignment is not the rendering of first aid, provided that the district implements the procedures in its exposure control plan for providing hepatitis B vaccine to all unvaccinated first aid providers who have rendered assistance in any situation involving the presence of blood or other potentially infectious materials and provides appropriate follow-up for those who experience an exposure incident. ~~from the pre-exposure hepatitis B vaccine in accordance with 8 CCR [5193](#) (f).~~

#### Information and Training

The Superintendent or designee shall ensure that all employees with occupational exposure participate in a training program at the time of initial assignment to tasks where occupational exposure may take place and at least annually thereafter. The training shall be offered during working hours and at no cost to the employee. containing the elements required by state regulations, during working hours and at no cost to the employee. This program shall be offered at the time of initial assignment to tasks where occupational exposure may take place, at least annually thereafter, and whenever a change of tasks or procedures affects the employee's exposure. (8 CCR [5193](#); 29 CFR 1910.1030(g))

The training shall address, at a minimum: (8 CCR 5193; 29 CFR 1910.1030)

1. The exposure control standard contained in 8 CCR 5193 and 29 CFR 1910.1030
2. The epidemiology and symptoms of bloodborne diseases
3. Modes of transmission of bloodborne pathogens
4. The district's exposure control plan and the means by which employees may obtain a copy of the written plan
5. Appropriate methods for recognizing tasks and other activities that may involve exposure to blood and other potentially infectious materials
6. The use and limitations of methods to prevent or reduce exposure, including appropriate engineering controls, administrative or work practice controls, and personal protective equipment
7. The types, proper use, location, removal, handling, decontamination, and disposal of personal protective equipment
8. The basis for selecting personal protective equipment
9. The hepatitis B vaccine, including its efficacy, safety, and method of administration; the benefits of being vaccinated; and that the vaccine will be offered free of charge



10. Appropriate actions to take and persons to contact in an emergency or exposure incident involving blood or other potentially infectious materials

11. The post-exposure evaluation and follow-up that the district is required to provide for the employee following an exposure incident

Additional training shall be provided to affected employees whenever a change, such as the introduction or modification of tasks or procedures or the introduction of new engineering, administrative, or work practice controls, affects the employee's exposure. The additional training may be limited to addressing the new exposures created. (8 CCR 5193; 29 CFR 1910.1030)

Designated first aid providers shall receive training that includes the specifics of reporting first-aid incidents which involve blood or body fluids which are potentially infectious. (8 CCR 5193(g))

#### Reporting Incidents

All exposure incidents shall be reported as soon as possible to the Superintendent or designee.

Unvaccinated designated first aid providers must report any first aid incident involving the presence of blood or other potentially infectious material, regardless of whether an exposure incident occurred, by the end of the work shift. The full hepatitis B vaccination series shall be made available to such employees no later than 24 hours after the first aid incident. (8 CCR 5193(f))

#### Sharps Injury Log

The Superintendent or designee shall establish and maintain a log recording each exposure incident involving a sharp. (8 CCR 5193; 29 CFR 1910.1030)

The exposure incident shall be recorded within 14 working days of the date the incident is reported to the district. (8 CCR 5193(e))

The information recorded shall include the following, if known or reasonably available: (8 CCR 5193; 29 CFR 1910.1030(e))

1. Date and time of the exposure incident
2. Type and brand of sharp involved in the exposure incident
3. A description of the exposure incident, including:
  - a. Job classification of the exposed employee
  - b. Department or work area where the exposure incident occurred
  - c. The procedure that the exposed employee was performing at the time of the incident
  - d. How the incident occurred



e. The body part involved in the incident

f. If the sharp had engineered sharps injury protection, whether the protective mechanism was activated and whether the injury occurred before, during or after the protective mechanism was activated

g. If the sharp had no engineered sharps injury protection, the injured employee's opinion as to whether and how such a mechanism could have prevented the injury

h. The employee's opinion about whether any other engineering, administrative or work practice could have prevented the injury

#### Post-Exposure Evaluation and Follow-up

Following a report of an exposure incident, the Superintendent or designee shall immediately make available to the exposed employee, at no cost, a confidential medical evaluation, post-exposure evaluation and follow-up. The Superintendent or designee shall, at a minimum: (8 CCR [5193](#); 29 CFR [1910.1030](#)(f))

1. Document the route(s) of exposure and the circumstances under which the exposure incident occurred
2. Identify and document the source individual, unless that identification is infeasible or prohibited by law
3. With the consent of the exposed employee, provide for the collection and testing of the employee's blood for hepatitis B, hepatitis C and HIV serological status
4. Provide for post-exposure prophylaxis, when medically indicated, as recommended by the U.S. Public Health Service
5. Provide for counseling and evaluation of reported illnesses

The Superintendent or designee shall provide the health care professional with a copy of 8 CCR [5193](#) and 29 CFR [1910.1030](#); a description of the employee's duties as they relate to the exposure incident; documentation of the route(s) of exposure and circumstances under which exposure occurred; results of the source individual's blood testing, if available; and all medical records maintained by the district relevant to the appropriate treatment of the employee, including vaccination status. (8 CCR [5193](#); 29 CFR [1910.1030](#)(f))

The district shall maintain the confidentiality of the affected employee and the exposure source during all phases of the post-exposure evaluation. (8 CCR [5193](#)(f))

(cf. [4119.23/4219.23/4319.23](#) - Unauthorized Release of Confidential/Privileged Information)

(cf. [9011](#) - Disclosure of Confidential/Privileged Information)

#### Records

Upon an employee's initial employment and at least annually thereafter, the Superintendent or designee shall inform employees with occupational exposure of the existence, location and availability of related records; the person responsible for maintaining and providing access to records; and the employee's right of access to these records. (8 CCR [3204](#))

(cf. 1340 - Access to District Records)

(cf. 3580 - District Records)

*(cf. 4112.9/4212.9/4312.9 - Employee Notifications)*

The district shall maintain a medical record of Medical records for each employee with occupational exposure, including the employee's hepatitis B vaccination status, the results of any post-exposure medical examinations and follow-up procedures, a copy of the information provided to the health care professional, and a copy of the health care professional's written opinion. The medical record shall be kept confidential and not disclosed or reported without the employee's written consent to any person within or outside the workplace except as required by law. (8 CCR 5193; 29 CFR 1910.1030(h))

Upon request by an employee, or a designated representative with the employee's written consent, the Superintendent or designee shall provide access to a record in a reasonable time, place and manner, no later than 15 days after the request is made. (8 CCR 3204(e))

Records shall be maintained as follows: (8 CCR 3204(d), 5193; 29 CFR 1910.1030(h))

1. The mMedical records of each employee with occupational exposure shall be maintained for the duration of employment plus 30 years.
2. Training records shall be maintained for three years from the date of training.
3. The sharps injury log shall be maintained five years from the date the exposure incident occurred.
4. Exposure records shall be maintained for at least 30 years.
5. Each analysis using medical or exposure records shall be maintained for at least 30 years.

Regulation WILLITS UNIFIED SCHOOL DISTRICT

approved: August 7, 2013 Willits, California

revised: December 9, 2020

## **Exposure Control Plan For Bloodborne Pathogens**

### Definitions

Occupational exposure means reasonably anticipated skin, eye, mucous membrane, or parenteral contact with blood or other potentially infectious materials that may result from the performance of an employee's duties. (8 CCR 5193(b))

Exposure incident means a specific eye, mouth, other mucous membrane, nonintact skin, or parenteral contact with blood or other potentially infectious materials that result from the performance of an employee's duties. (8 CCR 5193 (b))

Parenteral contact means piercing mucous membranes or the skin barrier through such events as needlesticks, human bites, cuts, and abrasions. (8 CCR 5193(b))

A sharp is any object that can be reasonably anticipated to penetrate the skin or any other part of the body and to result in an exposure incident. (8 CCR 5193(b))

A sharps injury is any injury caused by a sharp, including but not limited to cuts, abrasions or needlesticks. (8 CCR 5193(b))

Work practice controls are controls that reduce the likelihood of exposure by defining the manner in which a task is performed. (8 CCR 5193(b))

Engineering controls are controls, such as sharps disposal containers, needleless systems, and sharps with engineered sharps injury protection, that isolate or remove the bloodborne pathogens hazard from the workplace. (8 CCR 5193(b))

Engineered sharps injury protection is a physical attribute, such as a barrier, blunting, encapsulation, withdrawal, or other effective mechanism, built into a needle device or into a non-needle sharp which effectively reduces the risk of an exposure incident. (8 CCR 5193(b))

*Personal protective equipment* is specialized clothing or equipment worn or used by an employee for protection against a hazard, such as gloves, gowns, laboratory coats, face shields or masks. (8 CCR 5193)

### Exposure Control Plan

The district's written exposure control plan for bloodborne pathogens, shall contain at least the following components: (8 CCR 5193;29 CFR 1910.1030)

1. A determination of which employees have occupational exposure to blood or other potentially infectious materials, which shall be made without regard to the use of personal protective equipment and shall include a list of:

- a. All job classifications in which all employees have occupational exposure

- b. Job classifications in which some employees have occupational exposure
- c. All tasks and procedures, or groups of closely related tasks and procedures, in which occupational exposure occurs and which are performed by employees listed in item #1b above

*(cf. 5141.21 - Administering Medication and Monitoring Health Conditions)*

*(cf. 5141.6 - School Health Services)*

2. The schedule and method of implementing each of the following in accordance with 8 CCR5193 and this administrative regulation

a. Methods of compliance required by 8 CCR 5193(d) and 29 CFR 1910.1030, including, universal precautions, general and specific engineering and work practice controls, and personal protective equipment

*(cf. 4119.43/4219.43/4319.43 - Universal Precautions)*

- b. Hepatitis B vaccination
  - c. Bloodborne pathogen post-exposure evaluation and follow-up
  - d. Communication of hazards to employees, including labels, signs, information and training
  - e. Recordkeeping, including medical records, training records, and a log of sharps injuries
3. The district's procedure for documenting the route(s) of exposure and the circumstances under which exposure incidents occurred
4. An effective procedure for gathering information about each exposure incident involving a sharp
5. An effective procedure for periodically determining the frequency of use of the types and brands of sharps involved in exposure incidents
6. An effective procedure for identifying currently available engineering controls and selecting such controls as appropriate for the procedures performed by employees in their work areas or departments
7. An effective procedure for documenting instances when a licensed healthcare professional directly involved in a patient's care determines, in the reasonable exercise of clinical judgment, that the use of an engineering control would jeopardize an individual's safety or the success of a medical, dental or nursing procedure involving the employee
8. An effective procedure for obtaining the active involvement of employees in reviewing and updating the exposure control plan with respect to the procedures performed by employees in their respective work areas or departments

The exposure control plan shall be reviewed and updated at least annually and whenever necessary to: (8 CCR 5193; 29 CFR 1910.1030)

1. Reflect new or modified tasks and procedures affecting occupational exposure
2. Reflect changes in technology that eliminate or reduce exposure to bloodborne pathogens and, to the extent that sharps are used in the district, document consideration and implementation of appropriate commercially available needleless systems and need devices and sharps with engineered sharps injury protection
3. Include new or revised employee positions with occupational exposure
4. Review and evaluate the exposure incidents which occurred since the previous update
5. Review and respond to information indicating that the exposure control plan is deficient in any area

The district's exposure control plan shall be accessible to employees upon request. (8 CCR 3204(e), 5193; 29 CFR 1910.1030)

#### Preventive Measures

The Superintendent or designee shall use engineering controls and work practice controls, as defined above, to eliminate or minimize employee exposure to bloodborne pathogens. Engineering controls and work practice controls shall be evaluated on a regular schedule and, as applicable, maintained, replaced or updated to ensure their effectiveness. (8 CCR 5193; 29 CFR 1910.1030)

Whenever potential occupational exposure continues to exist after institution of engineering and work practice controls, the district shall provide, at no cost to the employee, appropriate personal protective equipment. (8 CCR 5193; 29 CFR 1910.1030)

Employees shall observe universal precautions to prevent contact with blood or other potentially infectious materials, including, but not limited to, handwashing, proper use of personal protective equipment, and proper disposal or washing of contaminated garments or objects. (8 CCR 5193; 29 CFR 1910.1030)

Any use of needleless systems, needle devices, or non-needle sharps shall adhere to the specific requirements of 8 CCR 5193(d) and 29 CFR 1910.1030.

#### Pre-Exposure Hepatitis B Vaccination

The hepatitis B vaccination and vaccination series shall be made available at no cost to all employees who have occupational exposure. The hepatitis B vaccination shall be made available after an employee with occupational exposure has received the required training and within 10 working days of initial assignment, unless the employee has previously received the complete hepatitis B vaccination series, or antibody testing has revealed that the employee is immune, or vaccination is contraindicated by medical reasons. (8 CCR 5193; 29 CFR 1910.1030)

Employees who decline to accept the vaccination shall sign the hepatitis B declination statement. (8 CCR 5193; 29 CFR 1910.1030)

The Superintendent or designee may exempt from the pre-exposure hepatitis B vaccine designated first aid providers whose primary job assignment is not the rendering of first aid, provided that the district implements the procedures in its exposure control plan for providing hepatitis B vaccine to all unvaccinated first aid providers who have rendered assistance in any situation involving the presence of blood or other potentially infectious materials and provides appropriate follow-up for those who experience an exposure incident. 8 CCR 5193 .

#### Training

The Superintendent or designee shall ensure that all employees with occupational exposure participate in a training program at the time of initial assignment to tasks where occupational exposure may take place and at least annually thereafter. The training shall be offered during working hours and at no cost to the employee. (8 CCR 5193; 29 CFR 1910.1030)

The training shall address, at a minimum: (8 CCR 5193; 29 CFR 1910.1030)

1. The exposure control standard contained in 8 CCR 5193 and 29 CFR 1910.1030
2. The epidemiology and symptoms of bloodborne diseases
3. Modes of transmission of bloodborne pathogens
4. The district's exposure control plan and the means by which employees may obtain a copy of the written plan
5. Appropriate methods for recognizing tasks and other activities that may involve exposure to blood and other potentially infectious materials
6. The use and limitations of methods to prevent or reduce exposure, including appropriate engineering controls, administrative or work practice controls, and personal protective equipment
7. The types, proper use, location, removal, handling, decontamination, and disposal of personal protective equipment
8. The basis for selecting personal protective equipment
9. The hepatitis B vaccine, including its efficacy, safety, and method of administration; the benefits of being vaccinated; and that the vaccine will be offered free of charge
10. Appropriate actions to take and persons to contact in an emergency or exposure incident involving blood or other potentially infectious materials
11. The post-exposure evaluation and follow-up that the district is required to provide for the employee following an exposure incident

Additional training shall be provided to affected employees whenever a change, such as the introduction or modification of tasks or procedures or the introduction of new engineering,



administrative, or work practice controls, affects the employee's exposure. The additional training may be limited to addressing the new exposures created. (8 CCR 5193; 29 CFR 1910.1030)

Designated first aid providers shall receive training that includes the specifics of reporting first-aid incidents which involve blood or body fluids which are potentially infectious. (8 CCR 5193)

#### Reporting Incidents

All exposure incidents shall be reported as soon as possible to the Superintendent or designee.

Unvaccinated designated first aid providers must report any first aid incident involving the presence of blood or other potentially infectious material, regardless of whether an exposure incident occurred, by the end of the work shift. The full hepatitis B vaccination series shall be made available to such employees no later than 24 hours after the first aid incident. (8 CCR 5193)

#### Sharps Injury Log

The Superintendent or designee shall establish and maintain a log recording each exposure incident involving a sharp. (8 CCR5193; 29 CFR 1910.1030)

The exposure incident shall be recorded within 14 working days of the date the incident is reported to the district. (8 CCR 5193)

The information recorded shall include the following, if known or reasonably available: (8 CCR 5193; 29 CFR 1910.1030)

1. Date and time of the exposure incident
2. Type and brand of sharp involved in the exposure incident
3. A description of the exposure incident, including:
  - a. Job classification of the exposed employee
  - b. Department or work area where the exposure incident occurred
  - c. The procedure that the exposed employee was performing at the time of the incident
  - d. How the incident occurred
  - e. The body part involved in the incident
  - f. If the sharp had engineered sharps injury protection, whether the protective mechanism was activated and whether the injury occurred before, during or after the protective mechanism was activated
  - g. If the sharp had no engineered sharps injury protection, the injured employee's opinion as to whether and how such a mechanism could have prevented the injury

h. The employee's opinion about whether any other engineering, administrative or work practice could have prevented the injury

#### Post-Exposure Evaluation and Follow-up

Following a report of an exposure incident, the Superintendent or designee shall immediately make available to the exposed employee, at no cost, a confidential medical evaluation, post-exposure evaluation and follow-up. The Superintendent or designee shall, at a minimum: (8 CCR [5193](#); 29 CFR 1910.1030)

1. Document the route(s) of exposure and the circumstances under which the exposure incident occurred
2. Identify and document the source individual, unless that identification is infeasible or prohibited by law
3. With the consent of the exposed employee, provide for the collection and testing of the employee's blood for hepatitis B, hepatitis C and HIV serological status
4. Provide for post-exposure prophylaxis, when medically indicated, as recommended by the U.S. Public Health Service
5. Provide for counseling and evaluation of reported illnesses

The Superintendent or designee shall provide the health care professional with a copy of 8 CCR [5193](#) and 29 CFR 1910.1030; a description of the employee's duties as they relate to the exposure incident; documentation of the route(s) of exposure and circumstances under which exposure occurred; results of the source individual's blood testing, if available; and all medical records maintained by the district relevant to the appropriate treatment of the employee, including vaccination status. (8 CCR [5193](#); 29 CFR 1910.1030)

The district shall maintain the confidentiality of the affected employee and the exposure source during all phases of the post-exposure evaluation. (8 CCR [5193\(f\)](#))

(cf. [4119.23/4219.23/4319.23](#) - Unauthorized Release of Confidential/Privileged Information)

(cf. [9011](#) - Disclosure of Confidential/Privileged Information)

#### Records

Upon an employee's initial employment and at least annually thereafter, the Superintendent or designee shall inform employees with occupational exposure of the existence, location and availability of related records; the person responsible for maintaining and providing access to records; and the employee's right of access to these records. (8 CCR [3204](#))

(cf. [1340](#) - Access to District Records)

(cf. [3580](#) - District Records)

(cf. [4112.9/4212.9/4312.9](#) - *Employee Notifications*)

The district shall maintain a medical record of each employee with occupational exposure, including the employee's hepatitis B vaccination status, the results of any post-exposure medical examinations and follow-up procedures, a copy of the information provided to the health care professional, and a copy of the health care professional's written opinion. The medical record shall be kept confidential and not disclosed or reported without the employee's written consent to any person within or outside the workplace except as required by law. (8 CCR 5193; 29 CFR 1910.1030)

Upon request by an employee, or a designated representative with the employee's written consent, the Superintendent or designee shall provide access to a record in a reasonable time, place and manner, no later than 15 days after the request is made. (8 CCR 3204(e))

Records shall be maintained as follows: (8 CCR 3204, 5193; 29 CFR 1910.1030)

1. The medical records of each employee with occupational exposure shall be maintained for the duration of employment plus 30 years.
2. Training records shall be maintained for three years from the date of training.
3. The sharps injury log shall be maintained five years from the date the exposure incident occurred.
4. Exposure records shall be maintained for at least 30 years.
5. Each analysis using medical or exposure records shall be maintained for at least 30 years.

Regulation WILLITS UNIFIED SCHOOL DISTRICT

approved: August 7, 2013 Willits, California

revised: December 9, 2020

**Exposure Control Plan For Bloodborne Pathogens**

Hepatitis B Vaccine Declination

In accordance with 8 CCR 5193 and 29 CFR 1910.1030, the district makes the hepatitis B vaccine available to employees who may reasonably be expected to have contact with blood or other potentially infectious materials in the performance of their duties. Any employee who declines this vaccine is required to read and sign the following statement:

I understand that due to my occupational exposure to blood or other potentially infectious materials, I may be at risk of acquiring hepatitis B virus (HBV) infection. I have been given the opportunity to be vaccinated with hepatitis B vaccine, at no charge to myself. However, I decline hepatitis B vaccination at this time. I understand that by declining this vaccine, I continue to be at risk of acquiring hepatitis B, a serious disease. If in the future I continue to have occupational exposure to blood or other potentially infectious materials and I want to be vaccinated with hepatitis B vaccine, I can receive the vaccination series at no charge to myself.

Signature

Employee Name (Please print)

Date

Exhibit WILLITS UNIFIED SCHOOL DISTRICT

version: August 7, 2013 Willits, California

revised: December 9, 2020

**Exposure Control Plan For Bloodborne Pathogens**

Hepatitis B Vaccine Declination

In accordance with 8 CCR 5193 and 29 CFR 1910.1030, the district makes the hepatitis B vaccine available to employees who may reasonably be expected to have contact with blood or other potentially infectious materials in the performance of their duties. Any employee who declines this vaccine is required to read and sign the following statement:

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Signature \_\_\_\_\_

Employee Name (Please print) \_\_\_\_\_

Date \_\_\_\_\_

Exhibit WILLITS UNIFIED SCHOOL DISTRICT

version: August 7, 2013 Willits, California

revised: December 9, 2020

WILLITS UNIFIED SCHOOL DISTRICT  
SUPERINTENDENT'S OFFICE

TO: Board of Trustees  
FROM: Mark Westerburg, Superintendent  
DATE: December 16, 2020  
RE: Board Policy Revision- **Board Policy & Administrative Regulation  
4119.43/4219.43/4319.43 - Universal Precautions**

**Priority:**

Communication

**Objective:**

To conduct a final read of the revised policy

**Background:**

**Board Policy 4119.43/4219.43/4319.43 - Universal Precautions**

Policy updated to include material formerly in the AR on the provision of information to employees regarding acquired immune deficiency syndrome (AIDS), AIDS-related conditions, and hepatitis B and appropriate methods to prevent exposure. Policy also adds optional paragraph regarding the inclusion of related information in employee handbooks.

**Administrative Regulation 4119.43/4219.43/4319.43 - Universal Precautions**

Regulation updated to add a definition of occupational exposure and delete other unnecessary definitions. Section on "Employee Information" moved to BP. Section on "Infection Control Practices" revised to delete detailed requirements that are specifically applicable to employees identified as having occupational exposure, which are addressed in BP/AR 4119.42 - Exposure Control Plan for Bloodborne Pathogens, and to delete items with limited applicability in school settings.

**Funding/Source:**

None

**Recommendation:**

Administration recommends the board conduct a final read of the revised policy



## **Universal Precautions**

In order to protect employees from contact with potentially infectious blood or other body fluids, the Governing Board of Trustees requires that universal precautions be observed throughout the district.

Universal precautions are appropriate for preventing the spread of all infectious diseases and shall be used regardless of whether bloodborne pathogens are known to be present.

(cf. 4157/4257/4357 - Employee Safety)

(cf. 5141 - Health Care and Emergencies)

(cf. 5141.22 - Infectious Diseases)

(cf. 5141.24 - Specialized Health Care Services)

(cf. 5141.6 - School Health Services)

(cf. 6145.2 - Athletic Competition)

The Superintendent or designee shall distribute to employees information provided by the California Department of Education (CDE) regarding acquired immune deficiency syndrome (AIDS), AIDS-related conditions, and hepatitis B. This information shall include, but not be limited to, any appropriate methods employees may use to prevent exposure to AIDS and hepatitis B, including information concerning the availability of a vaccine to prevent contraction of hepatitis B, and that the cost of this vaccination may be covered by the health plan of the employees. Information shall be distributed annually, or more frequently if there is new information supplied by CDE. (Health and Safety Code 120875, 120880)

*(cf. 4112.9/4212.9/4312.9 - Employee Notifications)*

Information regarding universal precautions may be included in employee handbooks.

Employees shall immediately report any exposure incident or first aid incident in accordance with the district's exposure control plan or other safety procedures.

(cf. 4119.42/4219.42/4319.42 - Exposure Control Plan for Bloodborne Pathogens)

Legal Reference:

GOVERNMENT CODE

3543.2 Scope of bargaining

HEALTH AND SAFETY CODE

117600-118360 Handling and disposal of regulated waste

120875 Providing information to school districts on AIDS, AIDS-related conditions and Hepatitis B

120880 Information to employees of school district

LABOR CODE

6401.7 *Injury and illness prevention program*

CODE OF REGULATIONS, TITLE 8

3203 *Injury and illness prevention program*

5193 California bloodborne pathogens standard

CODE OF FEDERAL REGULATIONS, TITLE 29

1910.1030 OSHA bloodborne pathogens standards

Management Resources:

CENTERS FOR DISEASE CONTROL AND PREVENTION PUBLICATIONS

Hepatitis B Questions and Answers for the Public

CDE PROGRAM ADVISORIES

1016.89 ~~Guidelines for Informing School Employees about Preventing the Spread of Infectious Diseases, including Hepatitis B and AIDS/HIV Infections and Policies for Dealing with HIV-Infected Persons in School Settings~~

WEB SITES

American Federation of Teachers: <https://www.aft.org>

California Department of Industrial Relations, Occupational Safety and Health: [http://www.dir.ca.gov/occupational\\_safety.html](http://www.dir.ca.gov/occupational_safety.html)

California Department of Public Health: <https://www.cdph.ca.gov>

Centers for Disease Control and Prevention: <http://www.cdc.gov>

U.S. Department of Labor, Occupational Safety and Health Administration: <http://www.osha.gov>

Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: August 7, 2013 Willits, California

## **Universal Precautions**

In order to protect employees from contact with potentially infectious blood or other body fluids, the Governing Board requires that universal precautions be observed throughout the district. Universal precautions are appropriate for preventing the spread of all infectious diseases and shall be used regardless of whether bloodborne pathogens are known to be present.

(cf. [4157/4257/4357](#) - Employee Safety)

(cf. [5141](#) - Health Care and Emergencies)

(cf. [5141.22](#) - Infectious Diseases)

(cf. [5141.24](#) - Specialized Health Care Services)

(cf. [5141.6](#) - School Health Services)

(cf. [6145.2](#) - Athletic Competition)

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(cf. [4112.9/4212.9/4312.9](#) - Employee Notifications)

Information regarding universal precautions may be included in employee handbooks.

Employees shall immediately report any exposure incident or first aid incident in accordance with the district's exposure control plan or other safety procedures.

(cf. [4119.42/4219.42/4319.42](#) - Exposure Control Plan for Bloodborne Pathogens)

Legal Reference:

### GOVERNMENT CODE

*3543.2 Scope of bargaining*

### HEALTH AND SAFETY CODE

[117600-118360](#) Handling and disposal of regulated waste

120875 Providing information to school districts on AIDS, AIDS-related conditions and Hepatitis B

120880 Information to employees of school district

LABOR CODE

*6401.7 Injury and illness prevention program*

CODE OF REGULATIONS, TITLE 8

3203 Injury and illness prevention program

5193 California bloodborne pathogens standard

CODE OF FEDERAL REGULATIONS, TITLE 29

1910.1030 OSHA bloodborne pathogens standards

Management Resources:

*CENTERS FOR DISEASE CONTROL AND PREVENTION PUBLICATIONS*

*Hepatitis B Questions and Answers for the Public*

WEB SITES

*American Federation of Teachers: <https://www.aft.org>*

*California Department of Industrial Relations, Occupational Safety and Health:  
[http://www.dir.ca.gov/occupational\\_safety.html](http://www.dir.ca.gov/occupational_safety.html)*

*California Department of Public Health: <https://www.cdph.ca.gov>*

Centers for Disease Control and Prevention: <http://www.cdc.gov>

*U.S. Department of Labor, Occupational Safety and Health Administration: <http://www.osha.gov>*

Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: August 7, 2013 Willits, California

revised: December 9, 2020

## **Universal Precautions**

### **Definitions**

Universal precautions are an approach to infection control. All human blood and certain human body fluids, including but not limited to semen, vaginal secretions and any body fluid that is visibly contaminated with blood, are treated as if known to be infectious for human immunodeficiency virus (HIV), hepatitis B virus (HBV), hepatitis C virus (HCV) and other bloodborne pathogens. (8 CCR 5193; 29 CFR 1910.1030(b))

Occupational exposure means reasonably anticipated contact with blood or other potentially infectious materials that may result from the performance of an employee's duties. (8 CCR 5193; 29 CFR 1910.1030)

~~Personal protective equipment includes specialized clothing or equipment worn or used for protection against a hazard. General work clothes such as uniforms, pants, shirts or blouses not intended to function as protection against a hazard are not considered to be personal protective equipment. (8 CCR 5193(b))~~

A sharp is any object that can be reasonably anticipated to penetrate the skin or any other part of the body and to result in an exposure incident. (8 CCR 5193(b))

~~Engineered sharps injury protection is a physical attribute built into a needle device or into a non-needle sharp which effectively reduces the risk of an exposure incident. (8 CCR 5193(b))~~

### **Employee Information**

~~The Superintendent or designee shall distribute to employees information provided by the California Department of Education regarding acquired immune deficiency syndrome (AIDS), AIDS-related conditions, and hepatitis B. This information shall include, but not be limited to, any appropriate methods employees may use to prevent exposure to AIDS and hepatitis B, including information concerning the availability of a vaccine to prevent contraction of hepatitis B, and that the cost of this vaccination may be covered by the health plan benefits of the employees. Information shall be distributed at least annually, or more frequently if there is new information supplied by the California Department of Education. (Health and Safety Code 120875, 120880)~~

~~(cf. 4112.9/4212.9/4312.9 – Employee Notifications)~~

~~(cf. 4119.42/4219.42/4319.42 – Exposure Control Plan for Bloodborne Pathogens)~~

### **Infection Control Practices**

~~The Superintendent or designee shall ensure that the worksite is effectively maintained in a clean and sanitary condition, and shall implement an appropriate written schedule for cleaning and decontamination of the worksite. (8 CCR 5193(d))~~

~~Where occupational exposure remains after the institution of engineering and work practice controls, the Superintendent or designee shall provide appropriate personal protective equipment at no cost to the~~



employee. Such equipment may include gloves, gowns, masks, eye protection, and other devices that do not permit blood or other potentially infectious materials to pass through or reach the employee's clothes, skin, eyes, mouth or other mucous membranes under normal conditions of use. The Superintendent or designee shall maintain, repair, make accessible and require employees to use and properly handle protective equipment. (8 CCR 5193(d))

The Superintendent or designee shall provide handwashing facilities which are readily accessible to employees. When provision of handwashing facilities is not feasible, the Superintendent or designee shall provide an appropriate antiseptic hand cleanser in conjunction with clean cloth or paper towels, or antiseptic towelettes. (8 CCR 5193(d))

### Infection Control Practices

For the prevention of infectious disease, the district shall: employees shall routinely: (8 CCR 5193(d))

~~1. Perform all procedures involving blood or other potentially infectious materials in such a manner as to minimize splashing, spraying, spattering, and generating droplets of these substances.~~

1. Effectively maintain the worksite in a clean and sanitary condition, and implement an appropriate written schedule for cleaning and decontamination of the worksite

*(cf. 4119.42/4219.42/4319.42 - Exposure Control Plan for Bloodborne Pathogens)*

2. When necessary for employees with occupational exposure to bloodborne pathogens, provide appropriate personal protective equipment, such as gloves, masks, and outer garments, at no cost to the employee (8 CCR 5193)

3. Provide handwashing facilities which are readily accessible to employees, or, if not feasible, provide an appropriate antiseptic hand cleanser in conjunction with clean cloth or paper towels, or antiseptic towelettes

Any employee who has contact with blood or other body fluid, regardless of whether bloodborne pathogens are known to be present, shall:

1. Use personal protective equipment as appropriate.

12. Use personal protective equipment as appropriate.

a. Appropriate clothing, including but not limited to, gowns, aprons, lab coats, clinic jackets or similar outer garments, shall be worn in occupational exposure situations.

If a garment becomes penetrated by blood or other potentially infectious materials, the employee shall remove the garment immediately or as soon as feasible. All personal protective equipment shall be removed prior to leaving the work area. When removed, it shall be placed in an appropriately designated area or container for storage, washing, decontamination or disposal.

b. Gloves shall be worn when it can be reasonably anticipated that the employee may have hand contact with blood, other potentially infectious materials, mucous membranes and nonintact skin, and when handling or touching contaminated items or surfaces.



~~Disposable gloves shall be replaced as soon as practical when contaminated, or as soon as feasible if they are torn, punctured, or when their ability to function as a barrier is compromised. They shall not be washed or decontaminated for reuse. Utility gloves may be decontaminated for reuse if the integrity of the gloves is not compromised, but must be discarded if they are cracked, peeling, torn, punctured, or exhibit other signs of deterioration or when their ability to function as a barrier is compromised.~~

~~e. Masks in combination with eye protection devices or face shields shall be worn whenever splashes, spray, spatter, or droplets of blood or other potentially infectious materials may be generated and eye, nose or mouth contamination can be reasonably anticipated.~~

23. Wash hands and other skin surfaces thoroughly with soap and running water:

a. Immediately or as soon as feasible following contact of hands or any other skin or mucous membranes with blood or other potentially infectious materials

b. Immediately after removing gloves or other personal protective equipment

3. When handwashing facilities are not available, ~~the employee shall~~ use antiseptic hand cleanser in conjunction with clean cloth or paper towels, or antiseptic towelettes. In such instances, hands shall be washed with soap and running water as soon as feasible.

4. Refrain from eating, drinking, smoking, applying cosmetics or lip balm, or handling contact lenses in work areas with a reasonable likelihood of occupational exposure to bloodborne pathogens.

5. Clean and decontaminate all equipment and environmental and work surfaces after contact with blood or other potentially infectious material, no later than the end of the shift or more frequently as required by state regulations.

6. Rather than using the hands directly, use mechanical means such as a brush and dust pan, tongs or forceps to clean up broken glassware which may be contaminated.

7. Use effective patient-handling techniques and other methods designed to minimize the risk of a sharps injury in all procedures involving the use of sharps ~~in patient care~~.

(cf. 5141.21 - Administering Medication and Monitoring Health Conditions)

(cf. 5141.24 - Specialized Health Care Services)

~~a. Needleless systems shall be used to administer medication or fluids, withdraw body fluids after initial venous or arterial access is established, and conduct any other procedure involving the potential for an exposure incident for which a needleless system is available as an alternative to the use of needle devices. If needleless systems are not used, needles or non-needle sharps with engineered sharps injury protection shall be used.~~

~~b. Contaminated needles or other sharps shall not be broken, bent, recapped, removed from devices, or stored or processed in a manner that requires employees to reach by hand into the containers where these sharps have been placed.~~

~~c. Disposable sharps shall not be reused.~~

8. Handle, store, treat and dispose of regulated waste in accordance with Health and Safety Code [117600-118360](#) and other applicable state and federal regulations.

a. Immediately or as soon as possible after use, contaminated sharps shall be placed in containers meeting the requirements of 8 CCR [5193\(d\)\(3\)\(D\)](#). ~~Containers shall be easily accessible, maintained upright throughout use where feasible, and replaced as necessary to avoid overfilling.~~

b. Specimens of blood or other potentially infectious material shall be placed in a container which prevents leakage during collection, handling, processing, storage, transport or shipping.

(cf. [4157/4257/4357](#) - Employee Safety)

(cf. [5141](#) - Health Care and Emergencies)

(cf. [5141.22](#) - Infectious Diseases)

(cf. [5141.6](#) - School Health Services)

(cf. [6145.2](#) - Athletic Competition)

Regulation WILLITS UNIFIED SCHOOL DISTRICT

approved: August 7, 2013 Willits, California

revised: December 9, 2020

## **Universal Precautions**

### Definitions

Universal precautions are an approach to infection control. All human blood and certain human body fluids, including but not limited to semen, vaginal secretions and any body fluid that is visibly contaminated with blood, are treated as if known to be infectious for human immunodeficiency virus (HIV), hepatitis B virus (HBV), hepatitis C virus (HCV) and other bloodborne pathogens. (8 CCR 5193; 29 CFR 1910.1030)

*Occupational exposure* means reasonably anticipated contact with blood or other potentially infectious materials that may result from the performance of an employee's duties. (8 CCR 5193; 29 CFR 1910.1030)

A sharp is any object that can be reasonably anticipated to penetrate the skin or any other part of the body and to result in an exposure incident. (8 CCR 5193(b))

### Infection Control Practices

For the prevention of infectious disease, the district shall:

1. Effectively maintain the worksite in a clean and sanitary condition, and implement an appropriate written schedule for cleaning and decontamination of the worksite

*(cf. 4119.42/4219.42/4319.42 - Exposure Control Plan for Bloodborne Pathogens)*

2. When necessary for employees with occupational exposure to bloodborne pathogens, provide appropriate personal protective equipment, such as gloves, masks, and outer garments, at no cost to the employee (8 CCR 5193)
3. Provide handwashing facilities which are readily accessible to employees, or, if not feasible, provide an appropriate antiseptic hand cleanser in conjunction with clean cloth or paper towels, or antiseptic towelettes

Any employee who has contact with blood or other body fluid, regardless of whether bloodborne pathogens are known to be present, shall:

1. Use personal protective equipment as appropriate.

1. Use personal protective equipment as appropriate.

2. Wash hands and other skin surfaces thoroughly with soap and running water:

- a. Immediately or as soon as feasible following contact of hands or any other skin or mucous membranes with blood or other potentially infectious materials

- b. Immediately after removing gloves or other personal protective equipment

3. When handwashing facilities are not available, use antiseptic hand cleanser in conjunction with clean cloth or paper towels, or antiseptic towelettes. In such instances, hands shall be washed with soap and running water as soon as feasible.
4. Refrain from eating, drinking, smoking, applying cosmetics or lip balm, or handling contact lenses in work areas with a reasonable likelihood of occupational exposure to bloodborne pathogens.
5. Clean and decontaminate all equipment and environmental and work surfaces after contact with blood or other potentially infectious material, no later than the end of the shift or more frequently as required by state regulations.
6. Rather than using the hands directly, use mechanical means such as a brush and dust pan, tongs or forceps to clean up broken glassware which may be contaminated.
7. Use effective patient-handling techniques and other methods designed to minimize the risk of a sharps injury in all procedures involving the use of sharps.

(cf. [5141.21](#) - Administering Medication and Monitoring Health Conditions)

(cf. [5141.24](#) - Specialized Health Care Services)

8. Handle, store, treat and dispose of regulated waste in accordance with Health and Safety Code [117600-118360](#) and other applicable state and federal regulations.

a. Immediately or as soon as possible after use, contaminated sharps shall be placed in containers meeting the requirements of 8 CCR [5193](#)

b. Specimens of blood or other potentially infectious material shall be placed in a container which prevents leakage during collection, handling, processing, storage, transport or shipping.

(cf. [4157/4257/4357](#) - Employee Safety)

(cf. [5141](#) - Health Care and Emergencies)

(cf. [5141.22](#) - Infectious Diseases)

(cf. [5141.6](#) - School Health Services)

(cf. [6145.2](#) - Athletic Competition)

Regulation WILLITS UNIFIED SCHOOL DISTRICT

approved: August 7, 2013 Willits, California

revised: December 9, 2020

**WILLITS UNIFIED SCHOOL DISTRICT  
SUPERINTENDENT'S OFFICE**

TO: Board of Trustees  
FROM: Mark Westerburg, Superintendent  
DATE: December 16, 2020  
RE: Board Policy Revision- **Board Policy 4151/4251/4351 - Employee Compensation**

**Priority:**

Communication

**Objective:**

To conduct a final read of the revised policy

**Background:**

Policy updated to delete Labor Code citation that is not applicable to public agencies and instead reflect Education Code provisions related to overtime compensation for classified employees.

**Funding/Source:**

None

**Recommendation:**

Administration recommends the board conduct a final read of the revised policy

## **Employee Compensation**

In order to recruit and retain employees committed to the district's goals for student learning, the ~~Governing Board of Trustees~~ recognizes the importance of offering a competitive compensation package which includes salaries and health and welfare benefits.

(cf. [3100](#) - Budget)

(cf. [3400](#) - Management of Districts Assets/Accounts)

(cf. [4000](#) - Concepts and Roles)

(cf. [4154/4254/4354](#) - Health and Welfare Benefits)

The Board shall adopt separate salary schedules for certificated, classified, and supervisory and administrative personnel. These schedules shall comply with law and collective bargaining agreements and shall be printed and made available for review at the district office. (Education Code [45022](#), [45023](#), [45160](#), [45162](#), [45268](#))

(cf. [4121](#) - Temporary/Substitute Personnel)

(cf. [4141/4241](#) - Collective Bargaining Agreement)

(cf. [4143/4243](#) - Negotiations/Consultation)

Each certificated employee, except an employee in an administrative or supervisory position, shall be classified on the salary schedule on the basis of uniform allowance for ~~education level years of training~~ and years of experience, unless the Board and employee organization negotiate and mutually agree to a salary schedule based on different criteria. Certificated employees shall not be placed in different classifications on the schedule, nor paid different salaries, solely on the basis of the grade levels at which they teach. (Education Code [45028](#))

(cf. [4030](#) - Nondiscrimination in Employment)

Salary schedules for staff who are not a part of a bargaining unit shall be determined by the Board at the recommendation of the Superintendent or designee.

(cf. [4140/4240/4340](#) - Bargaining Units)

(cf. [4312.1](#) - Contracts)

The Board shall determine the frequency and schedule of salary payments, including whether payments for employees who work less than 12 months per year will be made over the course of the school year or in equal installments over the calendar year. (Education Code [45038](#), [45039](#), [45048](#), [45165](#))



In extraordinary circumstances or emergency situations, the Board may determine to continue to compensate employees during periods of extended closure or disruption of normal district operations when permitted by law and consistent with collective bargaining agreements and memoranda of understanding.

The Superintendent or designee shall post a notice explaining the Fair Labor Standards Act's wage and hour provisions in a conspicuous place at each work site. (29 CFR [516.4](#))

#### Overtime Compensation

~~A-District employees~~ shall be paid an overtime rate of not less than one and one-half times ~~their his/her~~ regular rate of pay for any hours worked in excess of eight hours in one day or 40 hours in one work week, or twice their regular rate of pay for any hours worked in excess of 12 hours in one day or eight hours on the seventh consecutive day of work. However, teachers, school administrators, and any other employees in positions established by the Board as executive, administrator, or professional shall be exempt from overtime rules. ~~if they are employed as teachers or school administrators or if they qualify as being employed in an executive, administrative, or professional capacity and are paid a fixed salary at or above the salary level established by federal regulations. (Labor Code 510; 29 USC 213; 29 CFR 541.0-541.710, 553.27, 553.32) (Education Code 45128, 45130; 29 USC 213; 29 CFR 541.0-541.710, 553.27, 553.32)~~

*(cf. [4300 - Administrative and Supervisory Personnel](#))*

When authorized in a collective bargaining agreement or other agreement between the district and employees, an employee may take compensatory time off in lieu of overtime compensation, provided ~~the employee~~he/she has not accrued compensatory time in excess of the limits specified in 29 USC [207](#). An employee who has requested the use of compensatory time shall be allowed to use such time within 12 calendar months a reasonable period after making the request if the use of the compensatory time does not unduly disrupt district operations. (Education Code [45129](#); 29 USC [207](#); 29 CFR [553.20-553.25](#))

For each nonexempt employee, the Superintendent or designee shall maintain records on the employee's wages, hours, and other information specified in 29 CFR [516.5-516.6](#).

(cf. [3580 - District Records](#))

(cf. [4112.6/4212.6/4312.6 - Personnel Files](#))

Legal Reference:

EDUCATION CODE

45022-45061.5 Salaries, especially:

45023 Availability of salary schedule

45028 Salary schedule for certificated employees

45127-45133.5 Classified employees; work week; overtime provisions

45160-45169 Salaries for classified employees

45268 Salary schedule for classified service in merit system districts

GOVERNMENT CODE

3540-3549 Meeting and negotiating, especially:

3543.2 Scope of representation

3543.7 Duty to meet and negotiate in good faith

LABOR CODE

226 Employee access to payroll records

232 Disclosure of wages

~~510 Overtime compensation; length of work day and week; alternative schedules~~

CODE OF REGULATIONS, TITLE 8

11040 Wages and hours; definitions of administrative, executive, and professional employees

UNITED STATES CODE, TITLE 26

409A Deferred compensation plans

UNITED STATES CODE, TITLE 29

201-219 Fair Labor Standards Act, especially:

203 Definitions

207 Overtime

213 Exemptions from minimum wage and overtime requirements

CODE OF FEDERAL REGULATIONS, TITLE 26

~~1.409A-1 Definitions and covered plans~~

CODE OF FEDERAL REGULATIONS, TITLE 29

516.4 Notice of minimum wage and overtime provisions

516.5-516.6 Records

541.0-541.710 Exemptions for executive, administrative, and professional employees

553.1-553.51 Fair Labor Standards Act; applicability to public agencies

#### COURT DECISIONS

Flores v. City of San Gabriel, 9th Cir., June 2, 2016, No. 14-56421

Management Resources:

#### OFFICE OF MANAGEMENT AND BUDGET PUBLICATIONS

*Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) Due to Loss of Operations, Memorandum M-20-17, March 19, 2020*

#### WEB SITES

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

Internal Revenue Service: <http://www.irs.gov>

School Services of California, Inc.: <http://www.sscal.com>

U.S. Department of Labor, Wage and Hour Division: <https://www.dol.gov/whd>

#### Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: March 1, 2017 Willits, California

revised: December 9, 2020

## **Employee Compensation**

In order to recruit and retain employees committed to the district's goals for student learning, the Governing Board recognizes the importance of offering a competitive compensation package which includes salaries and health and welfare benefits.

(cf. 3100 - Budget)

(cf. 3400 - Management of Districts Assets/Accounts)

(cf. 4000 - Concepts and Roles)

(cf. 4154/4254/4354 - Health and Welfare Benefits)

The Board shall adopt separate salary schedules for certificated, classified, and supervisory and administrative personnel. These schedules shall comply with law and collective bargaining agreements and shall be printed and made available for review at the district office. (Education Code 45022, 45023, 45160, 45162, 45268)

(cf. 4121 - Temporary/Substitute Personnel)

(cf. 4141/4241 - Collective Bargaining Agreement)

(cf. 4143/4243 - Negotiations/Consultation)

Each certificated employee, except an employee in an administrative or supervisory position, shall be classified on the salary schedule on the basis of uniform allowance for education level and years of experience, unless the Board and employee organization negotiate and mutually agree to a salary schedule based on different criteria. Certificated employees shall not be placed in different classifications on the schedule, nor paid different salaries, solely on the basis of the grade levels at which they teach. (Education Code 45028)

(cf. 4030 - Nondiscrimination in Employment)

Salary schedules for staff who are not a part of a bargaining unit shall be determined by the Board at the recommendation of the Superintendent or designee.

(cf. 4140/4240/4340 - Bargaining Units)

(cf. 4312.1 - Contracts)

The Board shall determine the frequency and schedule of salary payments, including whether payments for employees who work less than 12 months per year will be made over the course of the school year or in equal installments over the calendar year. (Education Code 45038, 45039, 45048, 45165)

In extraordinary circumstances or emergency situations, the Board may determine to continue to compensate employees during periods of extended closure or disruption of normal district operations when permitted by law and consistent with collective bargaining agreements and memoranda of understanding.

The Superintendent or designee shall post a notice explaining the Fair Labor Standards Act's wage and hour provisions in a conspicuous place at each work site. (29 CFR [516.4](#))

#### Overtime Compensation

District employees shall be paid an overtime rate of not less than one and one-half times their regular rate of pay for any hours worked in excess of eight hours in one day or 40 hours in one work week, or twice their regular rate of pay for any hours worked in excess of 12 hours in one day or eight hours on the seventh consecutive day of work. However, teachers, school administrators, and any other employees in positions established by the Board as executive, administrator, or professional shall be exempt from overtime rules. (Education Code 45128, 45130; 29 USC 213; 29 CFR 541.0-541.710, 553.27, 553.32)

*(cf. 4300 - Administrative and Supervisory Personnel)*

When authorized in a collective bargaining agreement or other agreement between the district and employees, an employee may take compensatory time off in lieu of overtime compensation, provided the employee has not accrued compensatory time in excess of the limits specified in 29 USC [207](#). An employee who has requested the use of compensatory time shall be allowed to use such time within 12 calendar months after making the request if the use of the compensatory time does not unduly disrupt district operations. (Education Code 45129; 29 USC [207](#); 29 CFR [553.20-553.25](#))

For each nonexempt employee, the Superintendent or designee shall maintain records on the employee's wages, hours, and other information specified in 29 CFR [516.5-516.6](#).

*(cf. [3580](#) - District Records)*

*(cf. [4112.6/4212.6/4312.6](#) - Personnel Files)*

#### Legal Reference:

##### EDUCATION CODE

45022-45061.5 Salaries, especially:

45023 Availability of salary schedule

45028 Salary schedule for certificated employees

*45127-45133.5 Classified employees; work week; overtime provisions*

45160-45169 Salaries for classified employees

45268 Salary schedule for classified service in merit system districts

GOVERNMENT CODE

3540-3549 Meeting and negotiating, especially:

3543.2 Scope of representation

3543.7 Duty to meet and negotiate in good faith

LABOR CODE

226 Employee access to payroll records

232 Disclosure of wages

CODE OF REGULATIONS, TITLE 8

*11040 Wages and hours; definitions of administrative, executive, and professional employees*

UNITED STATES CODE, TITLE 26

409A Deferred compensation plans

UNITED STATES CODE, TITLE 29

201-219 Fair Labor Standards Act, especially:

203 Definitions

207 Overtime

213 Exemptions from minimum wage and overtime requirements

CODE OF FEDERAL REGULATIONS, TITLE 26

CODE OF FEDERAL REGULATIONS, TITLE 29

516.4 Notice of minimum wage and overtime provisions

516.5-516.6 Records

541.0-541.710 Exemptions for executive, administrative, and professional employees

553.1-553.51 Fair Labor Standards Act; applicability to public agencies

COURT DECISIONS



Flores v. City of San Gabriel, 9th Cir., June 2, 2016, No. 14-56421

Management Resources:

OFFICE OF MANAGEMENT AND BUDGET PUBLICATIONS

*Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) Due to Loss of Operations, Memorandum M-20-17, March 19, 2020*

WEB SITES

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

Internal Revenue Service: <http://www.irs.gov>

School Services of California, Inc.: <http://www.sscal.com>

U.S. Department of Labor, Wage and Hour Division: <https://www.dol.gov/whd>

Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: March 1, 2017 Willits, California

revised: December 9, 2020

WILLITS UNIFIED SCHOOL DISTRICT  
SUPERINTENDENT'S OFFICE

TO: Board of Trustees  
FROM: Mark Westerburg, Superintendent  
DATE: December 16, 2020  
RE: Board Policy Revision- **NEW - Board Policy 5141.5 - Mental Health**

**Priority:**

Communication

**Objective:**

To conduct a final read of the revised policy

**Background:**

New policy addresses strategies and services to promote students' emotional well-being and mental health, including student instruction, staff training, crisis intervention, counseling services and referrals, Section 504 evaluation, and collaboration with mental health professionals, agencies, and organizations. Policy reflects **NEW LAW (SB 75, 2019)** which establishes the Mental Health Student Services Act for the purpose of supporting mental health partnerships among county mental health agencies and local educational agencies.

**Funding/Source:**

None

**Recommendation:**

Administration recommends the board conduct a final read of the revised policy

**MENTAL HEALTH- NEW POLICY**

The Governing Board recognizes that students' emotional well-being and mental health contribute to their ability to perform to their full academic and personal potential. The Superintendent or designee shall develop strategies and services to build students' resiliency skills, help students cope with life challenges, and reduce the stigma associated with mental illness.

The Superintendent or designee shall consult and collaborate with school-employed mental health professionals, the county mental health department, psychologists and other health professionals, social workers, and/or community organizations to strengthen local mental health services and develop and implement an integrated plan to support student mental health.

*(cf. 1220 - Citizen Advisory Committees)*

*(cf. 1400 - Relations Between Other Governmental Agencies and the Schools)*

To the extent possible, the district shall focus on preventive strategies which increase students' connectedness to school, create a support network of peers and trusted adults, and provide techniques for conflict resolution. The district shall investigate and resolve any complaint of bullying, intimidation, harassment, or discrimination in accordance with law and district policy.

*(cf. 0410 - Nondiscrimination in District Programs and Activities)*

*(cf. 1312.3 - Uniform Complaint Procedures)*

*(cf. 5131.2 - Bullying)*

*(cf. 5137 - Positive School Climate)*

*(cf. 5145.3 - Nondiscrimination/Harassment)*

*(cf. 5145.7 - Sexual Harassment)*

The district shall provide instruction to students that promotes their healthy mental, emotional, and social development. Health education courses shall be aligned with the state content standards and curriculum framework and shall include, but not be limited to, instruction related to identifying signs of depression and self-destructive behaviors, developing coping skills, and identifying resources that may provide assistance.

*(cf. 6142.8 - Comprehensive Health Education)*

The Superintendent or designee shall provide school staff with information and training to recognize the early signs of an emerging mental health condition, identify risk factors and warning signs of suicidal intent, respond to students who have been impacted by traumatic stress, and link students with effective services and supports. Such information may also be provided to parents/guardians and families.

*(cf. 1312.1 - Complaints Concerning District Employees)*

*(cf. 4131 - Staff Development)*

*(cf. 4231 - Staff Development)*

*(cf. 4331 - Staff Development)*

*(cf. 5141.52 - Suicide Prevention)*

The Superintendent or designee shall develop a protocol for identifying and assessing students who may be suffering from an anxiety disorder, depression, eating disorder, or other severe or disabling mental illness. The Superintendent or designee may establish districtwide or school-site crisis intervention team(s) to respond to mental health concerns in the school setting.

A school counselor, school psychologist, or school social worker may provide mental health counseling to students in accordance with the specialization(s) authorized on the individual's credential. As needed, students and their parents/guardians may be provided referrals to mental health services in the community and/or to mental health services at or near district schools.

*(cf. 5141.6 - School Health Services)*

*(cf. 6164.2 - Guidance/Counseling Services)*

If a student has an emotional or mental illness that limits a major life activity, has a record of such impairment, or is regarded as having such impairment, or may need special education and related services, the student shall be referred for an evaluation for purposes of determining whether any educational or related services are required in accordance with Section 504 of the Rehabilitation Act or the federal Individuals with Disabilities Education Act, as applicable. (Education Code 56301-56302; 29 USC 794; 28 CFR 35.108)

*(cf. 6164.4 - Identification and Evaluation of Individuals for Special Education)*

*(cf. 6164.6 - Identification and Education Under Section 504)*

The Superintendent or designee shall explore potential funding sources for district programs and services that support student's mental health. In accordance with local plans and priorities, the district may apply to the county for grants for prevention and early intervention activities that are designed to prevent mental illness from becoming severe and disabling and to improve timely access for underserved populations.

*Legal Reference:*

EDUCATION CODE

215-216 Student suicide prevention

234.6 Posting suicide prevention policy on web site

32280-32289.5 Comprehensive safety plan

49060-49079 Student records

49600 Responsibilities of school counselors

49602 Confidentiality of student information

49604 Suicide prevention training for school counselors

56171 Duty to identify and assess children in private schools who need special education services

56300-56385 Identification, referral, and assessment for special education

WELFARE AND INSTITUTIONS CODE

5698 Emotionally disturbed youth; legislative intent

5840-5840.8 Prevention and early intervention programs

5850-5886 Children's Mental Health Services Act

UNITED STATES CODE, TITLE 20

1400-1482 Individuals with Disabilities Education Act

UNITED STATES CODE, TITLE 29

794 Rehabilitation Act of 1973, Section 504

CODE OF FEDERAL REGULATIONS, TITLE 28

35.101-35.190 *Nondiscrimination on the basis of disability*

CODE OF FEDERAL REGULATIONS, TITLE 34

34 CFR 300.1-300.818 *Individuals with Disabilities Education Act*

*Management Resources:*

CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS

*Health Education Content Standards for California Public Schools, Kindergarten Through Grade Twelve, 2008*

*Health Framework for California Public Schools, Kindergarten Through Grade Twelve, 2019*

CENTERS FOR DISEASE CONTROL AND PREVENTION PUBLICATIONS

*School Connectedness: Strategies for Increasing Protective Factors Among Youth, 2009*

NATIONAL CHILD TRAUMATIC STRESS NETWORK PUBLICATIONS

*Child Trauma Toolkit for Educators, 2008*

WEB SITES

*American Association of Suicidology: <http://www.suicidology.org>*

*American Foundation for Suicide Prevention: <https://afsp.org>*

*American Psychological Association: <http://www.apa.org>*

*American School Counselor Association: <https://www.schoolcounselor.org>*

*California Department of Education, Mental Health: <http://www.cde.ca.gov/ls/cg/mh>*

*California Department of Health Care Services, Mental Health Services:*

*<http://www.dhcs.ca.gov/services/MH>*

*Centers for Disease Control and Prevention, Mental Health: <http://www.cdc.gov/mentalhealth>*

*National Association of School Psychologists: <https://www.nasponline.org>*

*National Child Traumatic Stress Network: <https://www.nctsn.org>*

*National Council for Behavioral Health, Mental Health First Aid: <https://www.mentalhealthfirstaid.org>*

*National Institute for Mental Health: <http://www.nimh.nih.gov>*

*Suicide Prevention Lifeline: <https://suicidepreventionlifeline.org>*

*Suicide Prevention Resource Center: <https://www.sprc.org/about-suicide>*

*U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services*

*Administration: <http://www.samhsa.gov>*

Policy  
adopted:

Willits Unified School District  
December 9, 2020

WILLITS UNIFIED SCHOOL DISTRICT  
SUPERINTENDENT'S OFFICE

TO: Board of Trustees  
FROM: Mark Westerburg, Superintendent  
DATE: December 16, 2020  
RE: Board Policy Revision- **Board Policy 5145.3 - Nondiscrimination/Harassment**

**Priority:**

Communication

**Objective:**

To conduct a final read of the revised policy

**Background:**

Policy updated to reflect law prohibiting discrimination based on medical condition and to reflect **NEW LAW (AB 34, 2019)** which requires the district, starting in the 2020-21 school year, to post its nondiscrimination policies, and specified state and federal laws regarding discrimination, bullying, and harassment, in a prominent location on the district's web site in a manner that is easily accessible to parents/guardians and students.

**Funding/Source:**

None

**Recommendation:**

Administration recommends the board conduct a final read of the revised policy



## **Nondiscrimination/Harassment**

This policy shall apply to all acts constituting unlawful discrimination or harassment related to school activity or to school attendance occurring within a district school, and to acts which occur off campus or outside of school-related or school-sponsored activities but which may have an impact or create a hostile environment at school.

The Governing Board ~~of Trustees~~ desires to provide a safe school environment that allows all students equal access and opportunities in the district's academic, extracurricular, and other educational support programs, services, and activities. The Board prohibits, at any district school or school activity, unlawful discrimination, including discriminatory harassment, intimidation, and bullying, targeted at any student by anyone, based on the student's actual or perceived race, color, ancestry, nationality, national origin, immigration status, ethnic group identification, ethnicity, age, religion, marital status, pregnancy, parental status, physical or mental disability, sex, sexual orientation, gender, gender identity, gender expression, or genetic information, or association with a person or group with one or more of these actual or perceived characteristics.

(cf. 0410 - Nondiscrimination in District Programs and Activities)

(cf. 5131 - Conduct)

(cf. 5131.2 - Bullying)

(cf. 5137 - Positive School Climate)

(cf. 5145.7 - Sexual Harassment)

(cf. 5145.9 - Hate-Motivated Behavior)

(cf. 5146 - Married/Pregnant/Parenting Students)

(cf. 6164.6 - Identification and Education Under Section 504)

~~This policy shall apply to all acts related to school activity or to school attendance occurring within a district school, and to acts which occur off campus or outside of school-related or school-sponsored activities but which may have an impact or create a hostile environment at school.~~

Unlawful discrimination, including discriminatory harassment, intimidation, or bullying, may result from physical, verbal, nonverbal, or written conduct based on any of the categories listed above. Unlawful discrimination also occurs when includes the creation of a hostile environment through prohibited conduct that is so severe, persistent, or pervasive that it affects a student's ability to participate in or benefit from an educational program or activity; creates an intimidating, threatening, hostile, or offensive educational environment; has the effect of substantially or unreasonably interfering with a student's academic performance; or otherwise adversely affects a student's educational opportunities.

Unlawful discrimination also includes disparate treatment of students based on one of the categories above with respect to the provision of opportunities to participate in school programs or activities or the provision or receipt of educational benefits or services.

The Board also prohibits any form of retaliation against any individual who reports or participates in the reporting of unlawful discrimination, files or participates in the filing of a complaint, or investigates or participates in the investigation of a complaint or report alleging unlawful discrimination. Retaliation complaints shall be investigated and resolved in the same manner as a discrimination complaint.

The Superintendent or designee shall facilitate students' access to the educational program by publicizing the district's nondiscrimination policy and related complaint procedures to students, parents/guardians, and employees. In addition, the Superintendent or designee He/she shall post the district's policies, prohibiting discrimination, harassment, intimidation, and bullying and other required information on the district's web site in a manner that is easily accessible to parents/guardians and students, in accordance with law and the accompanying administrative regulation.

The Superintendent or designee shall provide training and/or information on the scope and use of the policy and complaint procedures and take other measures designed to increase the school community's understanding of the requirements of law related to discrimination. The Superintendent or designee shall regularly review the implementation of the district's nondiscrimination policies and practices and, as necessary, shall take action to remove any identified barrier to student access to or participation in the district's educational program. The Superintendent or designee He/she shall report ~~the his/her~~ findings and recommendations to the Board after each review.

(cf. [1312.3](#) - Uniform Complaint Procedures)

(cf. [1330](#) - Use of Facilities)

(cf. [4131](#) - Staff Development)

(cf. [4231](#) - Staff Development)

(cf. [4331](#) - Staff Development)

(cf. [6145](#) - Extracurricular and Cocurricular Activities)

(cf. [6145.2](#) - Athletic Competition)

(cf. [6164.2](#) - Guidance/Counseling Services)

Regardless of whether a complainant complies with the writing, timeline, and/or other formal filing requirements, all complaints alleging unlawful discrimination, including discriminatory harassment, intimidation, or bullying, shall be investigated and prompt action taken to stop the discrimination, prevent recurrence, and address any continuing effect on students.

Students who engage in unlawful discrimination, including discriminatory harassment, intimidation, retaliation, or bullying, in violation of law, Board policy, or administrative regulation shall be subject to appropriate consequence or discipline, which may include suspension or expulsion when the behavior is severe or pervasive as defined in Education Code [48900.4](#). Any employee who permits or engages in

prohibited discrimination, including discriminatory harassment, intimidation, retaliation, or bullying, shall be subject to disciplinary action, up to and including dismissal.

(cf. [4118](#) - Dismissal/Suspension/Disciplinary Action)

(cf. [4119.21/4219.21/4319.21](#) - Professional Standards)

(cf. [4218](#) - Dismissal/Suspension/Disciplinary Action)

(cf. [5144](#) - Discipline)

(cf. [5144.1](#) - Suspension and Expulsion/Due Process)

(cf. [5144.2](#) - Suspension and Expulsion/Due Process (Students with Disabilities))

(cf. [5145.2](#) - Freedom of Speech/Expression)

#### Record-Keeping

The Superintendent or designee shall maintain a record of all reported cases of unlawful discrimination, including discriminatory harassment, intimidation, or bullying, to enable the district to monitor, address, and prevent repetitive prohibited behavior in district schools.

(cf. [3580](#) - District Records)

#### Legal Reference:

#### EDUCATION CODE

200-262.4 Prohibition of discrimination

48900.3 Suspension or expulsion for act of hate violence

48900.4 Suspension or expulsion for threats or harassment

48904 Liability of parent/guardian for willful student misconduct

48907 Student exercise of free expression

48950 Freedom of speech

48985 Translation of notices

49020-49023 Athletic programs

49060-49079 Student Records

51500 Prohibited instruction or activity

51501 Prohibited means of instruction

60044 Prohibited instructional materials

CIVIL CODE

1714.1 Liability of parents/guardians for willful misconduct of minor

GOVERNMENT CODE

11135 Nondiscrimination in programs or activities funded by state

PENAL CODE

422.55 Definition of hate crime

422.6 Crimes, harassment

CODE OF REGULATIONS, TITLE 5

432 Student record

4600-4670 Uniform complaint procedures

4900-4965 Nondiscrimination in elementary and secondary education programs

UNITED STATES CODE, TITLE 20

1681-1688 Title IX of the Education Amendments of 1972

~~12101-12213 Title II equal opportunity for individuals with disabilities~~

UNITED STATES CODE, TITLE 29

794 Section 504 of Rehabilitation Act of 1973

UNITED STATES CODE, TITLE 42

2000d-2000e-17 Title VI and Title VII Civil Rights Act of 1964, as amended

2000h-2-2000h-6 Title IX of the Civil Rights Act of 1964

6101-6107 Age Discrimination Act of 1975

CODE OF FEDERAL REGULATIONS, TITLE 28

35.107 Nondiscrimination on basis of disability; complaints

## CODE OF FEDERAL REGULATIONS, TITLE 34

99.31 Disclosure of personally identifiable information

100.3 Prohibition of discrimination on basis of race, color or national origin

104.7 Designation of responsible employee for Section 504

106.8 Designation of responsible employee for Title IX

106.9 Notification of nondiscrimination on basis of sex

110.25 Prohibition of discrimination based on age

## COURT DECISIONS

Donovan v. Poway Unified School District, (2008) 167 Cal.App.4th 567

Flores v. Morgan Hill Unified School District, (2003) 324 F.3d 1130

Management Resources:

## CSBA PUBLICATIONS

Updated Legal Guidance: Protecting Transgender and Gender Nonconforming Students Against Sex Discrimination, ~~March 2017~~ ~~July 2016~~

## CALIFORNIA OFFICE OF THE ATTORNEY GENERAL PUBLICATIONS

Promoting a Safe and Secure Learning Environment for All: Guidance and Model Policies to Assist California's K-12 Schools in Responding to Immigration Issues, April 2018

## FIRST AMENDMENT CENTER PUBLICATIONS

Public Schools and Sexual Orientation: A First Amendment Framework for Finding Common Ground, 2006

## U.S. DEPARTMENT OF EDUCATION, OFFICE FOR CIVIL RIGHTS PUBLICATIONS

Examples of Policies and Emerging Practices for Supporting Transgender Students, May 2016

Dear Colleague Letter: Title IX Coordinators, April 2015

*Resolution Agreement Between the Arcadia Unified School District, U.S. Department of Education, Office for Civil Rights, and the U.S. Department of Justice, Civil Rights Division, (2013) OCR 09-12-1020, DOJ 169-12C-70*

Dear Colleague Letter: Harassment and Bullying, October 2010

Notice of Non-Discrimination, Fact Sheet, August 2010

*U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES PUBLICATIONS*

*Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons, August 2003*

WEB SITES

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

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

*California Office of the Attorney General: <http://oag.ca.gov>*

California Safe Schools Coalition: <http://www.casafeschools.org>

California Office of the Attorney General: <http://oag.ca.gov>

First Amendment Center: <http://www.firstamendmentcenter.org>

National School Boards Association: <http://www.nsba.org>

U.S. Department of Education, Office for Civil Rights: <http://www.ed.gov/about/offices/list/ocr>

POLICY WILLITS UNIFIED SCHOOL DISTRICT

adopted: June 13, 2018 Willits, California

revised: December 9, 2020



### **Nondiscrimination/Harassment**

This policy shall apply to all acts constituting unlawful discrimination or harassment related to school activity or to school attendance occurring within a district school, and to acts which occur off campus or outside of school-related or school-sponsored activities but which may have an impact or create a hostile environment at school.

The Governing Board desires to provide a safe school environment that allows all students equal access and opportunities in the district's academic, extracurricular, and other educational support programs, services, and activities. The Board prohibits, at any district school or school activity, unlawful discrimination, including discriminatory harassment, intimidation, and bullying, targeted at any student by anyone, based on the student's actual or perceived race, color, ancestry, nationality, national origin, immigration status, ethnic group identification, ethnicity, age, religion, marital status, pregnancy, parental status, physical or mental disability, sex, sexual orientation, gender, gender identity, gender expression, or genetic information, or association with a person or group with one or more of these actual or perceived characteristics.

(cf. [0410](#) - Nondiscrimination in District Programs and Activities)

(cf. [5131](#) - Conduct)

(cf. [5131.2](#) - Bullying)

(cf. [5137](#) - Positive School Climate)

(cf. [5145.7](#) - Sexual Harassment)

(cf. [5145.9](#) - Hate-Motivated Behavior)

(cf. [5146](#) - Married/Pregnant/Parenting Students)

(cf. [6164.6](#) - Identification and Education Under Section 504)

Unlawful discrimination, including discriminatory harassment, intimidation, or bullying, may result from physical, verbal, nonverbal, or written conduct based on any of the categories listed above. Unlawful discrimination also occurs when prohibited conduct that is so severe, persistent, or pervasive that it affects a student's ability to participate in or benefit from an educational program or activity; creates an intimidating, threatening, hostile, or offensive educational environment; has the effect of substantially or unreasonably interfering with a student's academic performance; or otherwise adversely affects a student's educational opportunities.

Unlawful discrimination also includes disparate treatment of students based on one of the categories above with respect to the provision of opportunities to participate in school programs or activities or the provision or receipt of educational benefits or services.

The Board also prohibits any form of retaliation against any individual who reports or participates in the reporting of unlawful discrimination, files or participates in the filing of a complaint, or investigates or

participates in the investigation of a complaint or report alleging unlawful discrimination. Retaliation complaints shall be investigated and resolved in the same manner as a discrimination complaint.

The Superintendent or designee shall facilitate students' access to the educational program by publicizing the district's nondiscrimination policy and related complaint procedures to students, parents/guardians, and employees. In addition, the Superintendent or designee shall post the district's policies, prohibiting discrimination, harassment, intimidation, and bullying and other required information on the district's web site in a manner that is easily accessible to parents/guardians and students, in accordance with law and the accompanying administrative regulation.

The Superintendent or designee shall provide training and/or information on the scope and use of the policy and complaint procedures and take other measures designed to increase the school community's understanding of the requirements of law related to discrimination. The Superintendent or designee shall regularly review the implementation of the district's nondiscrimination policies and practices and, as necessary, shall take action to remove any identified barrier to student access to or participation in the district's educational program. The Superintendent or designee shall report the findings and recommendations to the Board after each review.

(cf. [1312.3](#) - Uniform Complaint Procedures)

(cf. [1330](#) - Use of Facilities)

(cf. [4131](#) - Staff Development)

(cf. [4231](#) - Staff Development)

(cf. [4331](#) - Staff Development)

(cf. [6145](#) - Extracurricular and Cocurricular Activities)

(cf. [6145.2](#) - Athletic Competition)

(cf. [6164.2](#) - Guidance/Counseling Services)

Regardless of whether a complainant complies with the writing, timeline, and/or other formal filing requirements, all complaints alleging unlawful discrimination, including discriminatory harassment, intimidation, or bullying, shall be investigated and prompt action taken to stop the discrimination, prevent recurrence, and address any continuing effect on students.

Students who engage in unlawful discrimination, including discriminatory harassment, intimidation, retaliation, or bullying, in violation of law, Board policy, or administrative regulation shall be subject to appropriate consequence or discipline, which may include suspension or expulsion when the behavior is severe or pervasive as defined in Education Code [48900.4](#). Any employee who permits or engages in prohibited discrimination, including discriminatory harassment, intimidation, retaliation, or bullying, shall be subject to disciplinary action, up to and including dismissal.

(cf. [4118](#) - Dismissal/Suspension/Disciplinary Action)

(cf. [4119.21/4219.21/4319.21](#) - Professional Standards)

(cf. [4218](#) - Dismissal/Suspension/Disciplinary Action)

(cf. [5144](#) - Discipline)

(cf. [5144.1](#) - Suspension and Expulsion/Due Process)

(cf. [5144.2](#) - Suspension and Expulsion/Due Process (Students with Disabilities))

(cf. [5145.2](#) - Freedom of Speech/Expression)

#### Record-Keeping

The Superintendent or designee shall maintain a record of all reported cases of unlawful discrimination, including discriminatory harassment, intimidation, or bullying, to enable the district to monitor, address, and prevent repetitive prohibited behavior in district schools.

(cf. [3580](#) - District Records)

#### Legal Reference:

##### EDUCATION CODE

200-262.4 Prohibition of discrimination

48900.3 Suspension or expulsion for act of hate violence

48900.4 Suspension or expulsion for threats or harassment

48904 Liability of parent/guardian for willful student misconduct

48907 Student exercise of free expression

48950 Freedom of speech

48985 Translation of notices

49020-49023 Athletic programs

49060-49079 Student Records

51500 Prohibited instruction or activity

51501 Prohibited means of instruction

60044 Prohibited instructional materials

##### CIVIL CODE

1714.1 Liability of parents/guardians for willful misconduct of minor

GOVERNMENT CODE

11135 Nondiscrimination in programs or activities funded by state

PENAL CODE

422.55 Definition of hate crime

422.6 Crimes, harassment

CODE OF REGULATIONS, TITLE 5

432 Student record

4600-4670 Uniform complaint procedures

4900-4965 Nondiscrimination in elementary and secondary education programs

UNITED STATES CODE, TITLE 20

1681-1688 Title IX of the Education Amendments of 1972

UNITED STATES CODE, TITLE 29

794 Section 504 of Rehabilitation Act of 1973

UNITED STATES CODE, TITLE 42

2000d-2000e-17 Title VI and Title VII Civil Rights Act of 1964, as amended

2000h-2-2000h-6 Title IX of the Civil Rights Act of 1964

6101-6107 Age Discrimination Act of 1975

CODE OF FEDERAL REGULATIONS, TITLE 28

35.107 Nondiscrimination on basis of disability; complaints

CODE OF FEDERAL REGULATIONS, TITLE 34

99.31 Disclosure of personally identifiable information

100.3 Prohibition of discrimination on basis of race, color or national origin

104.7 Designation of responsible employee for Section 504

106.8 Designation of responsible employee for Title IX

106.9 Notification of nondiscrimination on basis of sex

110.25 Prohibition of discrimination based on age

#### COURT DECISIONS

Donovan v. Poway Unified School District, (2008) 167 Cal.App.4th 567

Flores v. Morgan Hill Unified School District, (2003) 324 F.3d 1130

Management Resources:

#### CSBA PUBLICATIONS

Updated Legal Guidance: Protecting Transgender and Gender Nonconforming Students Against Sex Discrimination, March 2017

#### CALIFORNIA OFFICE OF THE ATTORNEY GENERAL PUBLICATIONS

Promoting a Safe and Secure Learning Environment for All: Guidance and Model Policies to Assist California's K-12 Schools in Responding to Immigration Issues, April 2018

#### FIRST AMENDMENT CENTER PUBLICATIONS

Public Schools and Sexual Orientation: A First Amendment Framework for Finding Common Ground, 2006

#### U.S. DEPARTMENT OF EDUCATION, OFFICE FOR CIVIL RIGHTS PUBLICATIONS

Examples of Policies and Emerging Practices for Supporting Transgender Students, May 2016

Dear Colleague Letter: Title IX Coordinators, April 2015

*Resolution Agreement Between the Arcadia Unified School District, U.S. Department of Education, Office for Civil Rights, and the U.S. Department of Justice, Civil Rights Division, (2013) OCR 09-12-1020, DOJ 169-12C-70*

Dear Colleague Letter: Harassment and Bullying, October 2010

Notice of Non-Discrimination, Fact Sheet, August 2010

#### U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES PUBLICATIONS

Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons, August 2003

WEB SITES

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

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

*California Office of the Attorney General: <http://oag.ca.gov>*

California Safe Schools Coalition: <http://www.casafeschools.org>

California Office of the Attorney General: <http://oag.ca.gov>

First Amendment Center: <http://www.firstamendmentcenter.org>

National School Boards Association: <http://www.nsba.org>

U.S. Department of Education, Office for Civil Rights: <http://www.ed.gov/about/offices/list/ocr>

Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: June 13, 2018 Willits, California

revised: December 9, 2020



**WILLITS UNIFIED SCHOOL DISTRICT  
SUPERINTENDENT'S OFFICE**

TO: Board of Trustees  
FROM: Mark Westerburg, Superintendent  
DATE: December 16, 2020  
RE: Board Policy Revision- **Board Policy & Administrative Regulation 6020 - Parent Involvement**

**Priority:**

Communication

**Objective:**

To conduct a final read of the revised policy

**Background:**

**Board Policy 6020 - Parent Involvement**

Policy updated to reflect the requirements to work with parents/guardians and family members to jointly develop the district's parent involvement policy and to include strategies for family engagement in the local control and accountability plan (LCAP). For districts that receive federal Title IV funding for family engagement programs, policy adds the requirement to inform parents/guardians and organizations of the existence of the program. Policy also contains material formerly in the AR regarding the inclusion of the Title I local educational agency plan into the LCAP and the distribution of the district and school-level parent involvement policies.

**Administrative Regulation 6020 - Parent Involvement**

Regulation updated to revise the section on "District Strategies for Title I Schools," including moving and adding strategies under item #2 to reflect means by which the district may provide coordination, technical assistance, and other support to build school capacity for parent involvement activities, and adding strategies under item #5 to reflect means by which the district may use evaluation findings to design evidence-based strategies for more effective parent/guardian and family involvement. Section on "School-Level Strategies for Title I Schools" revises item #7 to include strategies formerly in section on "District Strategies for Title I Schools." Minor changes made throughout section on "District Strategies for Non-Title I Schools" to more directly reflect law.

**Funding/Source:**

None

**Recommendation:**

Administration recommends the board conduct a final read of the revised policy

## **Parent Involvement**

The Governing Board ~~of Trustees~~ recognizes that parents/guardians are their children's first and most influential teachers and that sustained parent/guardian involvement in the education of their children contributes greatly to student achievement and a positive school environment. The Superintendent or designee shall consult with parents/guardians and family members to jointly develop and agree upon policy and strategies to meaningfully involve parents/guardians and family members ~~in the development of meaningful opportunities for them to be involved~~ in district and school activities at all grade levels; advisory, decision-making, and advocacy roles; and activities to support learning at home.

(cf. 0420 - School Plans/Site Councils)

(cf. 1220 - Citizen Advisory Committees)

(cf. 1230 - School-Connected Organizations)

(cf. 1240 - Volunteer Assistance)

(cf. 1250 - Visitors/Outsiders)

Parents/guardians shall be notified of their rights to be informed about and to participate in their children's education and of the opportunities available to them to do so.

(cf. 5020 - Parent Rights and Responsibilities)

The district's local control and accountability plan (LCAP) shall include goals and strategies for parent/guardian involvement and family engagement, including district efforts to seek parent/guardian input in district and school site decision making and to promote parent/guardian participation in programs for English learners, foster youth, students eligible for free and reduced-price meals, and students with disabilities. (Education Code 42238.02, 52060)

(cf. 0460 - Local Control and Accountability Plan)

The Superintendent or designee shall regularly evaluate and report to the Board on the effectiveness of the district's parent/guardian and family engagement efforts, including, but not limited to, input from parents/guardians, family members, and school staff on the adequacy of involvement opportunities and on barriers that may inhibit participation.

(cf. 0500 - Accountability)

## Title I Schools

The Superintendent or designee shall involve parents/guardians and family members in establishing district expectations and objectives for meaningful parent/guardian and family engagement in schools supported by Title I funding, developing strategies that describe how the district will carry out each activity listed in 20 USC 6318, as contained in the accompanying administrative regulation, and implementing and evaluating such programs, activities, and procedures. As appropriate, the

Superintendent or designee shall conduct outreach to all parents/guardians and family members. (Education Code [11503](#); 20 USC [6318](#))

(cf. [6171](#) - Title I Programs)

When the district's Title I, Part A allocation exceeds the amount specified in 20 USC [6318](#), the Board shall reserve at least one percent of the funding to implement parent/guardian and family engagement activities and shall distribute at least 90 percent of those reserved funds to eligible schools, with priority given to high-need schools as defined in 20 USC 6631. The Superintendent or designee shall involve parents/guardians and family members of participating students in decisions regarding how the district's Title I funds will be allotted for parent/guardian and family engagement activities. ~~and shall ensure that priority is given to schools in high poverty areas in accordance with law. (20 USC [6318](#), [6631](#))~~

(cf. [3100](#) - Budget)

Expenditures of such funds shall be consistent with the activities specified in this policy and shall include at least one of the following: (20 USC [6318](#))

1. Support for schools and nonprofit organizations in providing professional development for district and school staff regarding parent/guardian and family engagement strategies, which may be provided jointly to teachers, principals, other school leaders, specialized instructional support personnel, paraprofessionals, early childhood educators, and parents/guardians and family members
2. Support for programs that reach parents/guardians and family members at home, in the community, and at school
3. Dissemination of information on best practices focused on parent/guardian and family engagement, especially best practices for increasing the engagement of economically disadvantaged parents/guardians and family members
4. Collaboration, or the provision of subgrants to schools to enable collaboration, with community-based or other organizations or employers with a record of success in improving and increasing parent and family engagement
5. Any other activities and strategies that the district determines are appropriate and consistent with this policy

If the district also receives funds under federal Title IV, Part E, to coordinate and enhance family engagement programs, the Superintendent or designee shall inform parents/guardians and organizations of the existence of Title IV. (20 USC 6318)

The district's Board policy and administrative regulation containing parent/guardian and family engagement strategies shall be incorporated into the district's LCAP in accordance with 20 USC 6312. (20 USC 6318)

The Superintendent or designee shall ensure that each school receiving Title I funds develops a school-level parent/guardian and family engagement policy in accordance with 20 USC [6318](#).

District and school-level parent/guardian and family engagement policies and administrative regulations shall be distributed to parents/guardians of students participating in Title I programs and shall be available to the local community. Parents/guardians shall be notified of the policy in an understandable and uniform format and, to the extent practicable, provided in a language the parents/guardians can understand. (20 USC 6318)

*(cf. 5145.6 - Parental Notifications)*

#### Non-Title I Schools

The Superintendent or designee shall develop and implement strategies applicable to each school that does not receive federal Title I funds to encourage the involvement and support of parents/guardians in the education of their children, including, but not limited to, strategies describing how the district and schools will address the purposes and goals described in Education Code [11502](#). (Education Code [11504](#))

#### Legal Reference:

##### EDUCATION CODE

11500-1150~~56~~ Programs to encourage parent involvement

48985 Notices in languages other than English

51101 Parent rights and responsibilities

52060-52077 Local control and accountability plan

54444.1-54444.2 Parent advisory councils, services to migrant children

56190-56194 Community advisory committee, special education

64001 Single plan for student achievement

##### LABOR CODE

230.8 Time off to visit child's school

##### CODE OF REGULATIONS, TITLE 5

18275 Child care and development programs, parent involvement and education

##### UNITED STATES CODE, TITLE 20

6311 State plan

6312 Local educational agency plan

6314 Schoolwide programs

6318 Parent and family engagement

6631 Teacher and school leader incentive program, purposes and definitions

7241-7246 Family engagement in education programs

CODE OF FEDERAL REGULATIONS, TITLE 28

35.104 Definitions, auxiliary aids and services

35.160 Communications

Management Resources:

CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS

Title I School-Level Parental Involvement Policy

Family Engagement Framework: A Tool for California School Districts, 2014

U.S. DEPARTMENT OF EDUCATION PUBLICATIONS

Parental Involvement: Title I, Part A, Non-Regulatory Guidance, April 23, 2004

WEB SITES

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

California Department of Education, Family, School, Community  
Partnerships: <http://www.cde.ca.gov/ls/pf>

California Parent Center: <http://parent.sdsu.edu>

California State PTA: <http://www.capta.org>

National Coalition for Parent Involvement in Education: <http://www.ncpie.org>

National PTA: <http://www.pta.org>

Parent Information and Resource Centers: <http://www.pirc-info.net>

Parents as Teachers National Center: <http://www.parentsasteachers.org>

U.S. Department of Education: <http://www.ed.gov>

Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: April 11, 2018 Willits, California



## **Parent Involvement**

The Governing Board recognizes that parents/guardians are their children's first and most influential teachers and that sustained parent/guardian involvement in the education of their children contributes greatly to student achievement and a positive school environment. The Superintendent or designee shall consult with parents/guardians and family members to jointly develop and agree upon policy and strategies to meaningfully involve parents/guardians and family members in district and school activities at all grade levels; advisory, decision-making, and advocacy roles; and activities to support learning at home.

(cf. [0420](#) - School Plans/Site Councils)

(cf. [1220](#) - Citizen Advisory Committees)

(cf. [1230](#) - School-Connected Organizations)

(cf. [1240](#) - Volunteer Assistance)

(cf. [1250](#) - Visitors/Outsiders)

Parents/guardians shall be notified of their rights to be informed about and to participate in their children's education and of the opportunities available to them to do so.

(cf. [5020](#) - Parent Rights and Responsibilities)

The district's local control and accountability plan (LCAP) shall include goals and strategies for parent/guardian involvement and family engagement, including district efforts to seek parent/guardian input in district and school site decision making and to promote parent/guardian participation in programs for English learners, foster youth, students eligible for free and reduced-price meals, and students with disabilities. (Education Code [42238.02](#), [52060](#))

(cf. [0460](#) - Local Control and Accountability Plan)

The Superintendent or designee shall regularly evaluate and report to the Board on the effectiveness of the district's parent/guardian and family engagement efforts, including, but not limited to, input from parents/guardians, family members, and school staff on the adequacy of involvement opportunities and on barriers that may inhibit participation.

(cf. [0500](#) - Accountability)

## **Title I Schools**

The Superintendent or designee shall involve parents/guardians and family members in establishing district expectations and objectives for meaningful parent/guardian and family engagement in schools supported by Title I funding, developing strategies that describe how the district will carry out each activity listed in 20 USC [6318](#), as contained in the accompanying administrative regulation, and implementing and evaluating such programs, activities, and procedures. As appropriate, the



Superintendent or designee shall conduct outreach to all parents/guardians and family members. (Education Code [11503](#); 20 USC [6318](#))

(cf. [6171](#) - Title I Programs)

When the district's Title I, Part A allocation exceeds the amount specified in 20 USC [6318](#), the Board shall reserve at least one percent of the funding to implement parent/guardian and family engagement activities and shall distribute at least 90 percent of those reserved funds to eligible schools, with priority given to high-need schools as defined in 20 USC 6631. The Superintendent or designee shall involve parents/guardians and family members of participating students in decisions regarding how the district's Title I funds will be allotted for parent/guardian and family engagement activities.

(cf. [3100](#) - Budget)

Expenditures of such funds shall be consistent with the activities specified in this policy and shall include at least one of the following: (20 USC [6318](#))

1. Support for schools and nonprofit organizations in providing professional development for district and school staff regarding parent/guardian and family engagement strategies, which may be provided jointly to teachers, principals, other school leaders, specialized instructional support personnel, paraprofessionals, early childhood educators, and parents/guardians and family members
2. Support for programs that reach parents/guardians and family members at home, in the community, and at school
3. Dissemination of information on best practices focused on parent/guardian and family engagement, especially best practices for increasing the engagement of economically disadvantaged parents/guardians and family members
4. Collaboration, or the provision of subgrants to schools to enable collaboration, with community-based or other organizations or employers with a record of success in improving and increasing parent and family engagement
5. Any other activities and strategies that the district determines are appropriate and consistent with this policy

If the district also receives funds under federal Title IV, Part E, to coordinate and enhance family engagement programs, the Superintendent or designee shall inform parents/guardians and organizations of the existence of Title IV. (20 USC 6318)

The district's Board policy and administrative regulation containing parent/guardian and family engagement strategies shall be incorporated into the district's LCAP in accordance with 20 USC 6312. (20 USC 6318)

The Superintendent or designee shall ensure that each school receiving Title I funds develops a school-level parent/guardian and family engagement policy in accordance with 20 USC [6318](#).

District and school-level parent/guardian and family engagement policies and administrative regulations shall be distributed to parents/guardians of students participating in Title I programs

and shall be available to the local community. Parents/guardians shall be notified of the policy in an understandable and uniform format and, to the extent practicable, provided in a language the parents/guardians can understand. (20 USC 6318)

*(cf. 5145.6 - Parental Notifications)*

#### Non-Title I Schools

The Superintendent or designee shall develop and implement strategies applicable to each school that does not receive federal Title I funds to encourage the involvement and support of parents/guardians in the education of their children, including, but not limited to, strategies describing how the district and schools will address the purposes and goals described in Education Code 11502. (Education Code 11504)

#### Legal Reference:

##### EDUCATION CODE

11500-11505 Programs to encourage parent involvement

48985 Notices in languages other than English

51101 Parent rights and responsibilities

52060-52077 Local control and accountability plan

54444.1-54444.2 Parent advisory councils, services to migrant children

56190-56194 Community advisory committee, special education

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230.8 Time off to visit child's school

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Parental Involvement: Title I, Part A, Non-Regulatory Guidance, April 23, 2004

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California Parent Center: <http://parent.sdsu.edu>

California State PTA: <http://www.capta.org>

National Coalition for Parent Involvement in Education: <http://www.ncpie.org>

National PTA: <http://www.pta.org>

Parent Information and Resource Centers: <http://www.pirc-info.net>

Parents as Teachers National Center: <http://www.parentsasteachers.org>

U.S. Department of Education: <http://www.ed.gov>

Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: April 11, 2018 Willits, California

revised: December 9, 2020

## **Parent Involvement**

### District Strategies for Title I Schools

To ensure that parents/guardians and family members of students participating in Title I programs are provided with opportunities to be involved in their children's education, the district shall:

1. Involve parents/guardians and family members in the joint development of a district plan that meets the requirements of 20 USC [6312](#) and in the development of school support and improvement plans pursuant to 20 USC [6311](#) (20 USC [6318](#))

(cf. [0460](#) - Local Control and Accountability Plan)

(cf. [6171](#) - Title I Programs)

The Superintendent or designee may:

a. In accordance with Education Code [52063](#), establish a district-level parent advisory committee and, as applicable, an English learner parent advisory committee to review and comment on the district's local control and accountability plan (LCAP) in accordance with the review schedule established by the Governing Board of Trustees

b. Invite input on the plan from other district committees and school site councils

(cf. [0420](#) - School Plans/Site Councils)

(cf. [1220](#) - Citizen Advisory Committees)

c. Communicate with parents/guardians through the district newsletter, web site, or other methods regarding the plan and the opportunity to provide input

d. Provide copies of working drafts of the plan to parents/guardians in an understandable and uniform format and, to the extent practicable, in a language the parents/guardians can understand

e. Ensure that there is an opportunity at a public Board meeting for public comment on the plan prior to the Board's approval of the plan or revisions to the plan

f. Ensure that school-level policies on parent/guardian and family engagement address the role of school site councils and other parents/guardians as appropriate in the development and review of school plans

2. Provide coordination, technical assistance, and other support necessary to assist and build the capacity of Title I schools in planning and implementing effective parent/guardian and family engagement activities to improve student academic achievement and school performance, which may include meaningful consultation with employers, business leaders, and philanthropic organizations or individuals with expertise in effectively engaging parents/guardians and family members in education (20 USC [6318](#))

(cf. [1700](#) - Relations Between Private Industry and the Schools)

The Superintendent or designee ~~may shall~~: (20 USC 6318)

a. ~~Assist parents/guardians in understanding such topics as the challenging state academic content standards and academic achievement standards, state and local academic assessments, the requirements of Title I, and how to monitor a child's progress and work with educators to improve the achievement of their children~~ Assign district personnel to serve as a liaison to the schools regarding Title I parent/guardian and family engagement issues

~~(cf. 6011—Academic Standards)~~

~~(cf. 6162.5—Student Assessment)~~

~~(cf. 6162.51—State Academic Achievement Tests)~~

b. ~~Provide parents/guardians with materials and training, such as literacy training and using technology (including education about the harms of copyright piracy), as appropriate, to help them work with their children to improve their children's achievement~~

c. ~~With the assistance of parents/guardians, educate teachers, specialized instructional support personnel, principals and other school leaders, and other staff, in the value and utility of parent/guardian contributions and in how to reach out to, communicate with, and work with parents/guardians as equal partners, implement and coordinate parent/guardian programs, and build ties between parents/guardians and the schools~~

~~(cf. 4131—Staff Development)~~

~~(cf. 4231—Staff Development)~~

~~(cf. 4331—Staff Development)~~

d. ~~To the extent feasible and appropriate, coordinate and integrate parent/guardian involvement programs and activities with other federal, state, and local programs, including public preschool programs, and conduct other activities, such as parent resource centers, that encourage and support parents/guardians in fully participating in their children's education~~

e. ~~Ensure that information related to school and parent/guardian programs, meetings, and other activities is sent to the parents/guardians of participating students in a format and, to the extent practicable, in a language the parents/guardians can understand~~

f. ~~Provide other such reasonable support for parent/guardian involvement activities as parents/guardians may request~~

g. ~~Inform parents/guardians and parent organizations of the existence and purpose of parent information and resource centers in the state that provide training, information, and support to parents/guardians of participating students~~

In addition, the Superintendent or designee may:



~~a. Involve parents/guardians in the development of training for teachers, principals, and other educators to improve the effectiveness of such training~~

~~b. Provide necessary literacy training, using Title I funds if the district has exhausted all other reasonably available sources of funding for such training~~

~~c. Pay reasonable and necessary expenses associated with parent/guardian involvement activities, including transportation and child care costs, to enable parents/guardians to participate in school-related meetings and training sessions~~

~~d. Train parents/guardians to enhance the involvement of other parents/guardians~~

~~e. Arrange school meetings at a variety of times or, when parents/guardians are unable to attend such conferences, conduct in-home conferences between parents/guardians and teachers or other educators who work directly with participating students, in order to maximize parent/guardian involvement and participation~~

~~f. Adopt and implement model approaches to improving parent/guardian involvement~~

~~g. Establish a districtwide parent advisory council to provide advice on all matters related to parent/guardian involvement in Title I programs~~

~~h. Develop appropriate roles for community-based organizations and businesses in parent/guardian involvement activities~~

~~i. Make referrals to community agencies and organizations that offer literacy training, parent/guardian education programs, and/or other services that help to improve the conditions of parents/guardians and families~~

~~(cf. 1020—Youth Services)~~

~~j. Provide a master calendar of district activities and district meetings~~

~~k. Provide information about opportunities for parent/guardian and family engagement through the district newsletter, web site, or other written or electronic means~~

~~l. Engage parent teacher organizations to actively seek out and involve parents/guardians through regular communication updates and information sessions~~

~~(cf. 1230—School-Connected Organizations)~~

~~m. To the extent practicable, provide translation services at school sites and at meetings involving parents/guardians and family members as needed~~

~~n. Provide training and information to members of district and school-site councils and advisory committees to help them fulfill their functions~~



~~o. Provide ongoing district-level workshops to assist school site staff, parents/guardians, and family members in planning and implementing improvement strategies, and seek their input in developing the workshops~~

~~p. Provide training for the principal or designee of each participating school regarding Title I requirements for parent/guardian and family engagement, leadership strategies, and communication skills to assist him/her in facilitating the planning and implementation of related activities~~

~~q. Regularly evaluate the effectiveness of staff development activities related to parent/guardian and family engagement~~

~~r. Include expectations for parent/guardian outreach and involvement in staff job descriptions and evaluations~~

~~(cf. 4115 – Evaluation/Supervision)~~

~~(cf. 4215 – Evaluation/Supervision)~~

~~(cf. 4315 – Evaluation/Supervision)~~

~~s. Assign district personnel to serve as a liaison to the schools regarding Title I parent/guardian and family engagement issues~~

b. Identify funding and other resources, including community resources and services, that may be used to strengthen district and school parent/guardian and family engagement programs

c. Provide training for the principal or designee of each participating school regarding Title I requirements for parent/guardian and family engagement, leadership strategies, and communication skills to assist in facilitating the planning and implementation of related activities

d. With the assistance of parents/guardians, provide information and training to teachers and other staff regarding effective parent/guardian involvement practices and legal requirements

e. Provide information to schools about the indicators and assessment tools that will be used to monitor progress

3. To the extent feasible and appropriate, coordinate and integrate Title I parent/guardian and family engagement strategies with parent/guardian and family engagement strategies of other relevant federal, state, and local programs and ensure consistency with federal, state, and local laws (20 USC [6318](#))

The Superintendent or designee may:

a. Identify overlapping or similar program requirements

(cf. [0430](#) - Comprehensive Local Plan for Special Education)

(cf. 2230 - Representative and Deliberative Groups)

(cf. [3280](#) - Sale or Lease of District-Owned Real Property)

(cf. [5030](#) - Student Wellness)

(cf. [5148](#) - Child Care and Development)

(cf. [5148.3](#) - Preschool/Early Childhood Education)

(cf. [6174](#) - Education for English Learners)

(cf. 6175 - Migrant Education Program)

(cf. [6178](#) - Career Technical Education)

b. Involve district and school site representatives from other programs to assist in identifying specific population needs

c. Schedule joint meetings with representatives from related programs and share data and information across programs

d. Develop a cohesive, coordinated plan focused on student needs and shared goals

4. Conduct, with meaningful involvement of parents/guardians and family members, an annual evaluation of the content and effectiveness of the parent/guardian and family engagement policy in improving the academic quality of the schools served by Title I, including identification of: (20 USC [6318](#))

a. Barriers to participation in parent/guardian and family engagement activities, with particular attention to parents/guardians who are economically disadvantaged, are disabled, have limited English proficiency, have limited literacy, or are of any racial or ethnic minority background

b. The needs of parents/guardians and family members, so they can better assist with their children's learning and engage with school personnel and teachers

c. Strategies to support successful school and family interactions

(cf. [0500](#) - Accountability)

~~The Superintendent or designee shall notify parents/guardians of this review and assessment through regular school communications mechanisms and shall provide a copy of the assessment to parents/guardians upon their request. (Education Code [11503](#))~~

The Superintendent or designee may:

a. Use a variety of methods, such as focus groups, surveys, and workshops, to evaluate the satisfaction of parents/guardians and staff with the quality and frequency of district communications

b. Gather and monitor data regarding the number of parents/guardians and family members participating in district activities and the types of activities in which they are engaged

c. Recommend to the Board measures to evaluate the impact of the district's parent/guardian and family engagement efforts on student achievement

The Superintendent or designee shall notify parents/guardians of this review and assessment through regular school communications mechanisms and shall provide a copy of the assessment to parents/guardians upon their request. (Education Code 11503)

5. Use the findings of the evaluation conducted pursuant to item #4 above to design evidence-based strategies for more effective parent/guardian and family involvement and, if necessary, to revise the parent/guardian and family engagement policy (20 USC [6318](#))

The Superintendent or designee may:

a. Analyze data from the evaluation to identify parent/guardian and family engagement activities that have been successful and those activities that have had lower participation or less meaningful involvement by parents/guardians

b. Analyze parent/guardian and family participation to determine the level of participation by traditionally underrepresented groups

c. With the involvement of parents/guardians, recommend and draft proposed policy revisions to submit to the Board for consideration

6. Involve parents/guardians in the activities of schools served by Title I, which may include establishing a parent advisory board comprised of a sufficient number and representative group of parents/guardians or family members served by the district to adequately represent the needs of the population served by the district for the purposes of developing, revising, and reviewing the parent/guardian and family engagement policy (20 USC [6318](#))

The Superintendent or designee may:

a. Include information about school activities in district communications to parents/guardians and family members

b. To the extent practicable, assist schools with translation services or other accommodations needed to encourage participation of parents/guardians and family members

c. Establish processes to encourage parent/guardian input regarding their expectations and concerns for their children

~~The district's Board policy and administrative regulation containing parent/guardian and family engagement strategies shall be incorporated into the district's local control and accountability plan in accordance with 20 USC 6312 and shall be distributed to parents/guardians of students participating in Title I programs. (20 USC 6318)~~

~~(cf. 5145.6 – Parental Notifications)~~

In addition, the district shall promote the effective involvement of parents/guardians and support a partnership among the school, parents/guardians, and the community to improve student achievement by implementing the actions specified in item #7 of the section "School-Level Policies for Title I Schools" below. (20 USC 6318)

#### School-Level Policies for Title I Schools

At each school receiving Title I funds, a written policy on parent/guardian and family engagement shall be developed jointly with the parents/guardians and family members of participating students. Such policy shall describe the means by which the school will: (20 USC [6318](#))

1. Convene an annual meeting, at a convenient time, to which all parents/guardians of participating students shall be invited and encouraged to attend, in order to inform parents/guardians of their school's participation in Title I and to explain Title I requirements and the right of parents/guardians to be involved
2. Offer a flexible number of meetings, such as meetings in the morning or evening, for which related transportation, child care, and/or home visits may be provided as such services relate to parent/guardian involvement
3. Involve parents/guardians in an organized, ongoing, and timely way in the planning, review, and improvement of Title I programs, including the planning, review, and improvement of the school's parent/guardian and family engagement policy and, if applicable, the joint development of the plan for schoolwide programs pursuant to 20 USC [6314](#)

The school may use an existing process for involving parents/guardians in the joint planning and design of the school's programs provided that the process includes adequate representation of parents/guardians of participating students.

4. Provide the parents/guardians of participating students all of the following:
  - a. Timely information about Title I programs
  - b. A description and explanation of the school's curriculum, forms of academic assessment used to measure student progress, and the achievement levels of the challenging state academic standards

(cf. [5121](#) - Grades/Evaluation of Student Achievement)

(cf. [5123](#) - Promotion/Acceleration/Retention)



c. If requested by parents/guardians, opportunities for regular meetings to formulate suggestions and to participate, as appropriate, in decisions related to their children's education. The district shall respond to any such suggestions, and, as soon as practicably possible, ~~responses to the suggestions of parents/guardians~~

5. If the schoolwide program plan is not satisfactory to the parents/guardians of participating students, submit any parent/guardian comments when the school makes the plan available to the district

6. Jointly develop with the parents/guardians of participating students a school-parent compact that outlines how parents/guardians, the entire school staff, and students will share responsibility for improved student academic achievement and the means by which the school and parents/guardians will build a partnership to help students achieve state standards

This compact shall address:

a. The school's responsibility to provide high-quality curriculum and instruction in a supportive and effective learning environment that enables participating students to achieve the state's challenging academic achievement standards

b. Ways in which parents/guardians will be responsible for supporting their children's learning, volunteering in the classroom, and participating, as appropriate, in decisions related to their children's education and the positive use of extracurricular time

(cf. [1240](#) - Volunteer Assistance)

(cf. [5020](#) - Parent Rights and Responsibilities)

(cf. [5113](#) - Absences and Excuses)

(cf. [6145](#) - Extracurricular/Cocurricular Activities)

(cf. [6154](#) - Homework/Makeup Work)

c. The importance of communication between teachers and parents/guardians on an ongoing basis through, at a minimum:

(1) Parent-teacher conferences in elementary schools, at least annually, during which the compact shall be discussed as it relates to the student's achievement

(2) Frequent reports to parents/guardians on their children's progress

(3) Reasonable access to staff, opportunities to volunteer and participate in their child's classroom, and observation of classroom activities

(4) Regular two-way, meaningful communication between family members and school staff, and, to the extent practicable, in a language that family members can understand

7. ~~Build the capacity of the school and parents/guardians for strong parent involvement by implementing the required activities described in item #2 in the section "District Strategies for Title I Schools" above~~

7. Promote the effective involvement of parents/guardians and support a partnership among the school, parents/guardians, and the community to improve student achievement through the following actions:

a. Assist parents/guardians in understanding such topics as the state academic standards, state and local academic assessments, the requirements of Title I, and how to monitor a child's progress and work with educators to improve the achievement of their children

*(cf. 6011 - Academic Standards)*

*(cf. 6162.5 - Student Assessment)*

*(cf. 6162.51 - State Academic Achievement Tests)*

b. Provide parents/guardians with materials and training, such as literacy training and using technology (including education about the harms of copyright piracy), as appropriate, to help them work with their children to improve their children's achievement

c. With the assistance of parents/guardians, educate teachers, specialized instructional support personnel, principals and other school leaders, and other staff, in the value and utility of parent/guardian contributions and in how to reach out to, communicate with, and work with parents/guardians as equal partners, implement and coordinate parent/guardian programs, and build ties between parents/guardians and the schools

*(cf. 4131 - Staff Development)*

*(cf. 4231 - Staff Development)*

*(cf. 4331 - Staff Development)*

d. To the extent feasible and appropriate, coordinate and integrate parent/guardian involvement programs and activities with other federal, state, and local programs, including public preschool programs, and conduct other activities, such as parent resource centers, that encourage and support parents/guardians in fully participating in their children's education

e. Ensure that information related to school and parent/guardian programs, meetings, and other activities is sent to the parents/guardians of participating students in a format and, to the extent practicable, in a language the parents/guardians can understand

f. Provide other such reasonable support for parent/guardian involvement activities as parents/guardians may request

In addition, the school plan may include strategies to:



- a. Involve parents/guardians in the development of training for teachers, principals, and other educators to improve the effectiveness of such training
  - b. Provide necessary literacy training, using Title I funds if the district has exhausted all other reasonably available sources of funding for such training
  - c. Pay reasonable and necessary expenses associated with parent/guardian involvement activities, including transportation and child care costs, to enable parents/guardians to participate in school-related meetings and training sessions
  - d. Train parents/guardians to enhance the involvement of other parents/guardians
  - e. Arrange school meetings at a variety of times or, when parents/guardians are unable to attend such conferences, conduct in-home conferences between parents/guardians and teachers or other educators who work directly with participating students, in order to maximize parent/guardian involvement and participation
  - f. Adopt and implement model approaches to improving parent/guardian involvement
  - g. Establish a parent advisory council to provide advice on all matters related to parent/guardian involvement in Title I programs
  - h. Develop appropriate roles for community-based organizations and businesses in parent/guardian involvement activities
  - i. Make referrals to community agencies and organizations that offer literacy training, parent/guardian education programs, and/or other services that help to improve the conditions of parents/guardians and families
- (cf. 1400 - Relations Between Other Governmental Agencies and the Schools)*
- j. Provide a master calendar of district/school activities and meetings
  - k. Provide information about opportunities for parent/guardian and family engagement through the district newsletter, web site, or other written or electronic means
  - l. Engage parent-teacher organizations to actively seek out and involve parents/guardians through regular communication updates and information sessions
- (cf. 1230 - School-Connected Organizations)*
- m. To the extent practicable, provide translation services at school sites and at meetings involving parents/guardians and family members as needed
  - n. Provide training and information to members of district and school site councils and advisory committees to help them fulfill their functions
  - o. Provide ongoing workshops to assist school site staff, parents/guardians, and family members in planning and implementing improvement strategies, and seek their input in developing the workshops

p. Regularly evaluate the effectiveness of staff development activities related to parent/guardian and family engagement

q. Include expectations for parent/guardian outreach and involvement in staff job descriptions and evaluations

*(cf. 4115 - Evaluation/Supervision)*

*(cf. 4215 - Evaluation/Supervision)*

*(cf. 4315 - Evaluation/Supervision)*

8. To the extent practicable, provide opportunities for the informed participation of parents/guardians and family members (including parents/guardians and family members with limited English proficiency, parents/guardians and family members with disabilities, and parents/guardians and family members of migrant children), including providing information and school reports required under 20 USC [6311\(h\)](#) in a format and language such parents/guardians can understand

If the school has a parent involvement policy that applies to all parents/guardians, it may amend that policy to meet the above requirements. (20 USC [6318](#))

Each school's parent/guardian and family engagement policy shall be made available to the local community. Parents/guardians shall be notified of the policy in an understandable and uniform format and, to the extent practicable, provided in a language the parents/guardians can understand. (20 USC [6318](#))

Each school receiving Title I funds shall annually evaluate the effectiveness of its parent/guardian and family engagement policy. Such evaluation may be conducted during the process of reviewing the school's single plan for student achievement in accordance with Education Code [64001](#).

The school's policy shall be periodically updated to meet the changing needs of parents/guardians and the school. (20 USC [6318](#))

#### District Strategies for Non-Title I Schools

For each school that does not receive federal Title I funds, the Superintendent or designee shall, at a minimum:

1. Engage parents/guardians and family members positively in their children's education by providing assistance and training on topics such as state academic standards and assessments to increase their knowledge and helping them develop skills to use at home that support their children's academic efforts at school and their children's development as responsible members of society (Education Code [11502](#), [11504](#))

The Superintendent or designee may:

a. Provide or make referrals to literacy training and/or parent education programs designed to improve the skills of parents/guardians and enhance their ability to support their children's education

b. Provide information, in parent handbooks and through other appropriate means, regarding academic expectations and resources to assist with the subject matter

c. Provide parents/guardians with information about students' class assignments and homework assignments

2. Inform parents/guardians that they can directly affect the success of their children's learning, by providing them with techniques and strategies that they may use to improve their children's academic success and to assist their children in learning at home (Education Code [11502](#), [11504](#))

The Superintendent or designee may:

a. Provide parents/guardians with information regarding ways to create an effective study environment for their children at home and to encourage good study habits

b. Encourage parents/guardians to monitor their children's school attendance, homework completion, and television viewing

c. Encourage parents/guardians to volunteer in their child's classroom and to participate in school advisory committees

3. Build consistent and effective communication between the home and school so that parents/guardians may know when and how to assist their children in support of classroom learning activities (Education Code [11502](#), [11504](#))

The Superintendent or designee may:

a. Ensure that teachers provide frequent reports to parents/guardians on their children's progress and hold parent-teacher conferences at least once per year with parents/guardians of elementary school students

b. Provide opportunities for parents/guardians to observe classroom activities and to volunteer in their child's classroom

c. Provide information about parent/guardian and family engagement opportunities through district, school, and/or class newsletters, the district's web site, and other written or electronic communications

d. To the extent practicable, provide notices and information to parents/guardians in a format and language they can understand

e. Develop mechanisms to encourage parent/guardian input on district and school issues

f. Identify barriers to parent/guardian and family participation in school activities, including parents/guardians and family members who are economically disadvantaged, are disabled, have limited English proficiency, have limited literacy, or are of any racial or ethnic minority background

g. Encourage greater parent/guardian participation by adjusting meeting schedules to accommodate parent/guardian needs and, to the extent practicable, by providing translation or interpreter services, transportation, and/or child care

4. Train teachers and administrators to communicate effectively with parents/guardians (Education Code [11502](#), [11504](#))

The Superintendent or designee may:

- a. Provide staff development to assist staff in strengthening two-way communications with parents/guardians, including parents/guardians who have limited English proficiency or limited literacy
- b. Invite input from parents/guardians regarding the content of staff development activities pertaining to home-school communications

5. Integrate and coordinate parent/guardian and family engagement activities within the LCAP with other activities~~programs into school plans for academic accountability~~

The Superintendent or designee may:

- a. Include parent/guardian and family engagement strategies in school reform or school improvement initiatives
- b. Involve parents/guardians and family members in school planning processes

Regulation WILLITS UNIFIED SCHOOL DISTRICT

approved: April 11, 2018 Willits, California

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## **Parent Involvement**

### District Strategies for Title I Schools

To ensure that parents/guardians and family members of students participating in Title I programs are provided with opportunities to be involved in their children's education, the district shall:

1. Involve parents/guardians and family members in the joint development of a district plan that meets the requirements of 20 USC [6312](#) and in the development of school support and improvement plans pursuant to 20 USC [6311](#) (20 USC [6318](#))

(cf. [0460](#) - Local Control and Accountability Plan)

(cf. [6171](#) - Title I Programs)

The Superintendent or designee may:

a. In accordance with Education Code [52063](#), establish a district-level parent advisory committee and, as applicable, an English learner parent advisory committee to review and comment on the district's local control and accountability plan (LCAP) in accordance with the review schedule established by the Governing Board

b. Invite input on the plan from other district committees and school site councils

(cf. [0420](#) - School Plans/Site Councils)

(cf. [1220](#) - Citizen Advisory Committees)

c. Communicate with parents/guardians through the district newsletter, web site, or other methods regarding the plan and the opportunity to provide input

d. Provide copies of working drafts of the plan to parents/guardians in an understandable and uniform format and, to the extent practicable, in a language the parents/guardians can understand

e. Ensure that there is an opportunity at a public Board meeting for public comment on the plan prior to the Board's approval of the plan or revisions to the plan

f. Ensure that school-level policies on parent/guardian and family engagement address the role of school site councils and other parents/guardians as appropriate in the development and review of school plans

2. Provide coordination, technical assistance, and other support necessary to assist and build the capacity of Title I schools in planning and implementing effective parent/guardian and family engagement activities to improve student academic achievement and school performance, which may include meaningful consultation with employers, business leaders, and philanthropic organizations or individuals with expertise in effectively engaging parents/guardians and family members in education (20 USC [6318](#))

(cf. [1700](#) - Relations Between Private Industry and the Schools)

The Superintendent or designee may:

- a. Assign district personnel to serve as a liaison to the schools regarding Title I parent/guardian and family engagement issues
  - b. Identify funding and other resources, including community resources and services, that may be used to strengthen district and school parent/guardian and family engagement programs
  - c. Provide training for the principal or designee of each participating school regarding Title I requirements for parent/guardian and family engagement, leadership strategies, and communication skills to assist in facilitating the planning and implementation of related activities
  - d. With the assistance of parents/guardians, provide information and training to teachers and other staff regarding effective parent/guardian involvement practices and legal requirements
  - e. Provide information to schools about the indicators and assessment tools that will be used to monitor progress
3. To the extent feasible and appropriate, coordinate and integrate Title I parent/guardian and family engagement strategies with parent/guardian and family engagement strategies of other relevant federal, state, and local programs and ensure consistency with federal, state, and local laws (20 USC [6318](#))

The Superintendent or designee may:

- a. Identify overlapping or similar program requirements
  - (cf. [0430](#) - Comprehensive Local Plan for Special Education)
  - (cf. 2230 - Representative and Deliberative Groups)
  - (cf. [3280](#) - Sale or Lease of District-Owned Real Property)
  - (cf. [5030](#) - Student Wellness)
  - (cf. [5148](#) - Child Care and Development)
  - (cf. [5148.3](#) - Preschool/Early Childhood Education)
  - (cf. [6174](#) - Education for English Learners)
  - (cf. 6175 - Migrant Education Program)
  - (cf. [6178](#) - Career Technical Education)
- b. Involve district and school site representatives from other programs to assist in identifying specific population needs
- c. Schedule joint meetings with representatives from related programs and share data and information across programs



d. Develop a cohesive, coordinated plan focused on student needs and shared goals

4. Conduct, with meaningful involvement of parents/guardians and family members, an annual evaluation of the content and effectiveness of the parent/guardian and family engagement policy in improving the academic quality of the schools served by Title I, including identification of: (20 USC [6318](#))

a. Barriers to participation in parent/guardian and family engagement activities, with particular attention to parents/guardians who are economically disadvantaged, are disabled, have limited English proficiency, have limited literacy, or are of any racial or ethnic minority background

b. The needs of parents/guardians and family members, so they can better assist with their children's learning and engage with school personnel and teachers

c. Strategies to support successful school and family interactions

(cf. [0500](#) - Accountability)

The Superintendent or designee may:

a. Use a variety of methods, such as focus groups, surveys, and workshops, to evaluate the satisfaction of parents/guardians and staff with the quality and frequency of district communications

b. Gather and monitor data regarding the number of parents/guardians and family members participating in district activities and the types of activities in which they are engaged

c. Recommend to the Board measures to evaluate the impact of the district's parent/guardian and family engagement efforts on student achievement

The Superintendent or designee shall notify parents/guardians of this review and assessment through regular school communications mechanisms and shall provide a copy of the assessment to parents/guardians upon their request. (Education Code 11503)

5. Use the findings of the evaluation conducted pursuant to item #4 above to design evidence-based strategies for more effective parent/guardian and family involvement and, if necessary, to revise the parent/guardian and family engagement policy (20 USC [6318](#))

The Superintendent or designee may:

a. Analyze data from the evaluation to identify parent/guardian and family engagement activities that have been successful and those activities that have had lower participation or less meaningful involvement by parents/guardians

b. Analyze parent/guardian and family participation to determine the level of participation by traditionally underrepresented groups

c. With the involvement of parents/guardians, recommend and draft proposed policy revisions to submit to the Board for consideration

6. Involve parents/guardians in the activities of schools served by Title I, which may include establishing a parent advisory board comprised of a sufficient number and representative group of parents/guardians or family members served by the district to adequately represent the needs of the population served by the district for the purposes of developing, revising, and reviewing the parent/guardian and family engagement policy (20 USC [6318](#))

The Superintendent or designee may:

- a. Include information about school activities in district communications to parents/guardians and family members
- b. To the extent practicable, assist schools with translation services or other accommodations needed to encourage participation of parents/guardians and family members
- c. Establish processes to encourage parent/guardian input regarding their expectations and concerns for their children

In addition, the district shall promote the effective involvement of parents/guardians and support a partnership among the school, parents/guardians, and the community to improve student achievement by implementing the actions specified in item #7 of the section "School-Level Policies for Title I Schools" below. (20 USC 6318)

#### School-Level Policies for Title I Schools

At each school receiving Title I funds, a written policy on parent/guardian and family engagement shall be developed jointly with the parents/guardians and family members of participating students. Such policy shall describe the means by which the school will: (20 USC [6318](#))

1. Convene an annual meeting, at a convenient time, to which all parents/guardians of participating students shall be invited and encouraged to attend, in order to inform parents/guardians of their school's participation in Title I and to explain Title I requirements and the right of parents/guardians to be involved
2. Offer a flexible number of meetings, such as meetings in the morning or evening, for which related transportation, child care, and/or home visits may be provided as such services relate to parent/guardian involvement
3. Involve parents/guardians in an organized, ongoing, and timely way in the planning, review, and improvement of Title I programs, including the planning, review, and improvement of the school's parent/guardian and family engagement policy and, if applicable, the joint development of the plan for schoolwide programs pursuant to 20 USC [6314](#)

The school may use an existing process for involving parents/guardians in the joint planning and design of the school's programs provided that the process includes adequate representation of parents/guardians of participating students.

4. Provide the parents/guardians of participating students all of the following:
  - a. Timely information about Title I programs

b. A description and explanation of the school's curriculum, forms of academic assessment used to measure student progress, and the achievement levels of the challenging state academic standards

(cf. [5121](#) - Grades/Evaluation of Student Achievement)

(cf. [5123](#) - Promotion/Acceleration/Retention)

c. If requested by parents/guardians, opportunities for regular meetings to formulate suggestions and to participate, as appropriate, in decisions related to their children's education. The district shall respond to any such suggestions as soon as practicably possible.

5. If the schoolwide program plan is not satisfactory to the parents/guardians of participating students, submit any parent/guardian comments when the school makes the plan available to the district

6. Jointly develop with the parents/guardians of participating students a school-parent compact that outlines how parents/guardians, the entire school staff, and students will share responsibility for improved student academic achievement and the means by which the school and parents/guardians will build a partnership to help students achieve state standards

This compact shall address:

a. The school's responsibility to provide high-quality curriculum and instruction in a supportive and effective learning environment that enables participating students to achieve the state's challenging academic achievement standards

b. Ways in which parents/guardians will be responsible for supporting their children's learning, volunteering in the classroom, and participating, as appropriate, in decisions related to their children's education and the positive use of extracurricular time

(cf. [1240](#) - Volunteer Assistance)

(cf. [5020](#) - Parent Rights and Responsibilities)

(cf. [5113](#) - Absences and Excuses)

(cf. [6145](#) - Extracurricular/Cocurricular Activities)

(cf. [6154](#) - Homework/Makeup Work)

c. The importance of communication between teachers and parents/guardians on an ongoing basis through, at a minimum:

(1) Parent-teacher conferences in elementary schools, at least annually, during which the compact shall be discussed as it relates to the student's achievement

(2) Frequent reports to parents/guardians on their children's progress

(3) Reasonable access to staff, opportunities to volunteer and participate in their child's classroom, and observation of classroom activities

(4) Regular two-way, meaningful communication between family members and school staff, and, to the extent practicable, in a language that family members can understand

7. Promote the effective involvement of parents/guardians and support a partnership among the school, parents/guardians, and the community to improve student achievement through the following actions:

a. Assist parents/guardians in understanding such topics as the state academic standards, state and local academic assessments, the requirements of Title I, and how to monitor a child's progress and work with educators to improve the achievement of their children

*(cf. 6011 - Academic Standards)*

*(cf. 6162.5 - Student Assessment)*

*(cf. 6162.51 - State Academic Achievement Tests)*

b. Provide parents/guardians with materials and training, such as literacy training and using technology (including education about the harms of copyright piracy), as appropriate, to help them work with their children to improve their children's achievement

c. With the assistance of parents/guardians, educate teachers, specialized instructional support personnel, principals and other school leaders, and other staff, in the value and utility of parent/guardian contributions and in how to reach out to, communicate with, and work with parents/guardians as equal partners, implement and coordinate parent/guardian programs, and build ties between parents/guardians and the schools

*(cf. 4131 - Staff Development)*

*(cf. 4231 - Staff Development)*

*(cf. 4331 - Staff Development)*

d. To the extent feasible and appropriate, coordinate and integrate parent/guardian involvement programs and activities with other federal, state, and local programs, including public preschool programs, and conduct other activities, such as parent resource centers, that encourage and support parents/guardians in fully participating in their children's education

e. Ensure that information related to school and parent/guardian programs, meetings, and other activities is sent to the parents/guardians of participating students in a format and, to the extent practicable, in a language the parents/guardians can understand

f. Provide other such reasonable support for parent/guardian involvement activities as parents/guardians may request

In addition, the school plan may include strategies to:

a. Involve parents/guardians in the development of training for teachers, principals, and other educators to improve the effectiveness of such training

- b. Provide necessary literacy training, using Title I funds if the district has exhausted all other reasonably available sources of funding for such training
- c. Pay reasonable and necessary expenses associated with parent/guardian involvement activities, including transportation and child care costs, to enable parents/guardians to participate in school-related meetings and training sessions
- d. Train parents/guardians to enhance the involvement of other parents/guardians
- e. Arrange school meetings at a variety of times or, when parents/guardians are unable to attend such conferences, conduct in-home conferences between parents/guardians and teachers or other educators who work directly with participating students, in order to maximize parent/guardian involvement and participation
- f. Adopt and implement model approaches to improving parent/guardian involvement
- g. Establish a parent advisory council to provide advice on all matters related to parent/guardian involvement in Title I programs
- h. Develop appropriate roles for community-based organizations and businesses in parent/guardian involvement activities
- i. Make referrals to community agencies and organizations that offer literacy training, parent/guardian education programs, and/or other services that help to improve the conditions of parents/guardians and families

*(cf. 1400 - Relations Between Other Governmental Agencies and the Schools)*

- j. Provide a master calendar of district/school activities and meetings
- k. Provide information about opportunities for parent/guardian and family engagement through the district newsletter, web site, or other written or electronic means
- l. Engage parent-teacher organizations to actively seek out and involve parents/guardians through regular communication updates and information sessions

*(cf. 1230 - School-Connected Organizations)*

- m. To the extent practicable, provide translation services at school sites and at meetings involving parents/guardians and family members as needed
- n. Provide training and information to members of district and school site councils and advisory committees to help them fulfill their functions
- o. Provide ongoing workshops to assist school site staff, parents/guardians, and family members in planning and implementing improvement strategies, and seek their input in developing the workshops
- p. Regularly evaluate the effectiveness of staff development activities related to parent/guardian and family engagement

q. Include expectations for parent/guardian outreach and involvement in staff job descriptions and evaluations

*(cf. 4115 - Evaluation/Supervision)*

*(cf. 4215 - Evaluation/Supervision)*

*(cf. 4315 - Evaluation/Supervision)*

8. To the extent practicable, provide opportunities for the informed participation of parents/guardians and family members (including parents/guardians and family members with limited English proficiency, parents/guardians and family members with disabilities, and parents/guardians and family members of migrant children), including providing information and school reports required under 20 USC [6311\(h\)](#) in a format and language such parents/guardians can understand

If the school has a parent involvement policy that applies to all parents/guardians, it may amend that policy to meet the above requirements. (20 USC [6318](#))

Each school's parent/guardian and family engagement policy shall be made available to the local community. Parents/guardians shall be notified of the policy in an understandable and uniform format and, to the extent practicable, provided in a language the parents/guardians can understand. (20 USC [6318](#))

Each school receiving Title I funds shall annually evaluate the effectiveness of its parent/guardian and family engagement policy. Such evaluation may be conducted during the process of reviewing the school's single plan for student achievement in accordance with Education Code [64001](#).

The school's policy shall be periodically updated to meet the changing needs of parents/guardians and the school. (20 USC [6318](#))

#### District Strategies for Non-Title I Schools

For each school that does not receive federal Title I funds, the Superintendent or designee shall, at a minimum:

1. Engage parents/guardians and family members positively in their children's education by providing assistance and training on topics such as state academic standards and assessments to increase their knowledge and skills to use at home that support their children's academic efforts at school and their children's development as responsible members of society (Education Code [11502](#), [11504](#))

The Superintendent or designee may:

a. Provide or make referrals to literacy training and/or parent education programs designed to improve the skills of parents/guardians and enhance their ability to support their children's education

b. Provide information, in parent handbooks and through other appropriate means, regarding academic expectations and resources to assist with the subject matter



c. Provide parents/guardians with information about students' class assignments and homework assignments

2. Inform parents/guardians that they can directly affect the success of their children's learning, by providing them with techniques and strategies that they may use to improve their children's academic success and to assist their children in learning at home (Education Code [11502](#), [11504](#))

The Superintendent or designee may:

a. Provide parents/guardians with information regarding ways to create an effective study environment for their children at home and to encourage good study habits

b. Encourage parents/guardians to monitor their children's school attendance, homework completion, and television viewing

c. Encourage parents/guardians to volunteer in their child's classroom and to participate in school advisory committees

3. Build consistent and effective communication between the home and school so that parents/guardians may know when and how to assist their children in support of classroom learning activities (Education Code [11502](#), [11504](#))

The Superintendent or designee may:

a. Ensure that teachers provide frequent reports to parents/guardians on their children's progress and hold parent-teacher conferences at least once per year with parents/guardians of elementary school students

b. Provide opportunities for parents/guardians to observe classroom activities and to volunteer in their child's classroom

c. Provide information about parent/guardian and family engagement opportunities through district, school, and/or class newsletters, the district's web site, and other written or electronic communications

d. To the extent practicable, provide notices and information to parents/guardians in a format and language they can understand

e. Develop mechanisms to encourage parent/guardian input on district and school issues

f. Identify barriers to parent/guardian and family participation in school activities, including parents/guardians and family members who are economically disadvantaged, are disabled, have limited English proficiency, have limited literacy, or are of any racial or ethnic minority background

g. Encourage greater parent/guardian participation by adjusting meeting schedules to accommodate parent/guardian needs and, to the extent practicable, by providing translation or interpreter services, transportation, and/or child care

4. Train teachers and administrators to communicate effectively with parents/guardians (Education Code [11502](#), [11504](#))

The Superintendent or designee may:

- a. Provide staff development to assist staff in strengthening two-way communications with parents/guardians, including parents/guardians who have limited English proficiency or limited literacy
  - b. Invite input from parents/guardians regarding the content of staff development activities pertaining to home-school communications
5. Integrate and coordinate parent/guardian and family engagement activities within the LCAP with other activities

The Superintendent or designee may:

- a. Include parent/guardian and family engagement strategies in school reform or school improvement initiatives
- b. Involve parents/guardians and family members in school planning processes

Regulation WILLITS UNIFIED SCHOOL DISTRICT

approved: April 11, 2018 Willits, California

revised: December 9, 2020

**WILLITS UNIFIED SCHOOL DISTRICT  
SUPERINTENDENT'S OFFICE**

TO: Board of Trustees  
FROM: Mark Westerburg, Superintendent  
DATE: December 16, 2020  
RE: Board Policy Revision- **Board Policy & Administrative Regulation 6115 - Ceremonies and Observances**

**Priority:**

Communication

**Objective:**

To conduct a final read of the revised policy

**Background:**

**Board Policy 6115 - Ceremonies and Observances**

Policy updated to add the board's authority to designate any day as a holiday, in addition to those holidays designated by law, and to revise the date upon which schools close in observance of any holiday except Veterans Day. Policy also adds optional language stating that the board may adopt a resolution to authorize the display of symbolic flags or banners in support of specific awareness days or months.

**Administrative Regulation 6115 - Ceremonies and Observances**

Regulation updated to reflect state law requiring schools to be closed on any day designated as a holiday by the President, Governor, or district board or negotiated with employee organizations. School closure on Cesar Chavez Day and Native American Day deleted from the body of the regulation since school closure on these holidays only applies to districts that have agreed to do so in a memorandum of understanding with employee bargaining units. Section on "Commemorative Exercises" expands Note to include additional days of significance on which schools are encouraged, but not required, to conduct commemorative exercises.

**Funding/Source:**

None

**Recommendation:**

Administration recommends the board conduct a final read of the revised policy

## **Ceremonies And Observances**

The **Governing Board of Trustees** recognizes the importance of having students observe holidays, celebrate events of cultural or historical significance, and acknowledge the contributions of outstanding individuals in society. On days designated by the Board, staff shall provide students with appropriate commemorative exercises so that they may acquire the knowledge, skills, and principles essential for informed, responsible citizenship in a democratic society.

(cf. [6111](#) - School Calendar)

(cf. [6141.2](#) - Recognition of Religious Beliefs and Customs)

(cf. [6142.94](#) - History-Social Science Instruction)

(cf. 6142.3 - Civic Education)

(cf. [6142.4](#) - Learning Through Community Service)

District schools shall be closed on the holidays specified in Education Code 37220 and on any other day designated as a holiday by the Board. The Board may, by adoption of a resolution, revise the date upon which schools close in observance of any holiday except Veterans Day, which shall be celebrated on its actual date. (Education Code 37220)

In addition, the Board may, through the adoption of a resolution, authorize the display of symbolic flags or banners in support of specific awareness months.

*(cf. 6144 - Controversial Issues)*

### Legal Reference:

#### EDUCATION CODE

[37220-37223](#) Saturdays and holidays

[44015.1](#) Week of the School Administrator

[45203](#) Paid holidays

~~[45460](#) Classified Employee Week~~

~~[52720](#) Daily performance of patriotic exercises in public schools~~

~~[57270-52730](#) Patriotic exercises, daily instruction~~

#### GOVERNMENT CODE

430-439 Display of flags

3540-3549.3 Meeting and negotiating

UNITED STATES CODE, TITLE 4

6 Time and occasion for display of flag

7 Position and manner of display of flag

UNITED STATES CODE, TITLE 36

106 Note Constitution Day and Citizenship Day

*106 Note Educational program on the U.S. Constitution*

COURT DECISIONS

*Newdow v. Rio Linda Union School District, 597 F.3d 1007, 1012 (9th Cir. 2010)*

West Virginia State Board of Education et al v. Barnette et al, 319 U.S. 624 (1943)

~~Management Resources:~~

~~CSBA PUBLICATIONS~~

~~Constitution Day: New Mandate for Districts Receiving Federal Funds, CSBA Advisory, August 2005~~

~~FEDERAL REGISTER~~

~~70 Fed. Reg. 29727 Constitution Day and Citizenship Day (2005)~~

WEB SITES

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

California Department of Education, History/Social Science Instructional  
Materials: <http://www.cde.ca.gov/ci/hs/im>

Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: August 7, 2013 Willits, California

revised: December 9, 2020

## **Ceremonies And Observances**

The Governing Board recognizes the importance of having students observe holidays, celebrate events of cultural or historical significance, and acknowledge the contributions of outstanding individuals in society. On days designated by the Board, staff shall provide students with appropriate commemorative exercises so that they may acquire the knowledge, skills, and principles essential for informed, responsible citizenship in a democratic society.

(cf. 6111 - School Calendar)

(cf. 6141.2 - Recognition of Religious Beliefs and Customs)

(cf. 6142.94 - History-Social Science Instruction)

(cf. 6142.3 - Civic Education)

(cf. 6142.4 - Learning Through Community Service)

District schools shall be closed on the holidays specified in Education Code 37220 and on any other day designated as a holiday by the Board. The Board may, by adoption of a resolution, revise the date upon which schools close in observance of any holiday except Veterans Day, which shall be celebrated on its actual date. (Education Code 37220)

In addition, the Board may, through the adoption of a resolution, authorize the display of symbolic flags or banners in support of specific awareness months.

(cf. 6144 - *Controversial Issues*)

Legal Reference:

EDUCATION CODE

37220-37223 Saturdays and holidays

44015.1 Week of the School Administrator

45203 Paid holidays

57270-52730 Patriotic exercises, daily instruction

GOVERNMENT CODE

430-439 Display of flags

3540-3549.3 Meeting and negotiating



UNITED STATES CODE, TITLE 4

6 Time and occasion for display of flag

7 Position and manner of display of flag

UNITED STATES CODE, TITLE 36

106 Constitution Day and Citizenship Day

*106 Note Educational program on the U.S. Constitution*

COURT DECISIONS

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Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: August 7, 2013 Willits, California

revised: December 9, 2020

## **Ceremonies And Observances**

### Holidays

District schools shall be closed on the following holidays: (Education Code 37220)

New Year's Day January 1

Dr. Martin Luther King Jr. Day Third Monday in January or the

Monday or Friday of the week in which January 15 occurs

Lincoln Day\* The Monday or Friday of the week in which February 12 occurs

Washington Day\* Third Monday in February

Memorial Day Last Monday in May

Independence Day July 4

Labor Day First Monday in September

Veterans Day November 11

Thanksgiving Day The Thursday in November designated by the President

Christmas Day December 25

(cf. 6141.2 - Recognition of Religious Beliefs and Customs)

~~\*Subject to district calendar scheduling.~~

In addition, schools shall be closed on any day designated by the Governor or President for a holiday, any special or limited holiday on which the Governor provides that the schools shall close, and any other day designated as a holiday by the Governing Board and/or negotiated with employee organizations. (Education Code 37220)

Holidays which fall on a Sunday shall be observed the following Monday. Holidays which fall on a Saturday shall be observed the preceding Friday. If any of the above holidays occurs under federal law on a date different from that indicated above, the Board of Trustees may close the schools on the date recognized by federal law instead of on the date above. (Education Code 37220)

(cf. 6111 - School Calendar)

Commemorative Exercises

District schools shall hold exercises in accordance with law to commemorate the following special days: (Education Code [37220](#), [37221](#), [45460](#))

U.S. Constitution and Citizenship Day On or near September 17

Dr. Martin Luther King, Jr. Day The Friday before the day schools are closed for this holiday

Abraham Lincoln's Birthday The school day before the day schools are closed for this holiday

Susan B. Anthony Day February 15

George Washington's Birthday The Friday preceding the third Monday in February

Black American Day March 5

Conservation, Bird, and Arbor Day March 7

Classified Employee Week Third week in May

Commemorative exercises shall be integrated into the regular educational program to the extent feasible.

(cf. [6142.94](#) - History-Social Science Instruction)

(cf. 6142.3 - Civic Education)

#### Patriotic Exercises

Each school shall conduct patriotic exercises daily. These patriotic exercises shall consist of the reciting of the Pledge of Allegiance and/or may also include instruction that promotes understanding of the concepts of "pledge," "allegiance," "republic," and "indivisible" and understanding of the importance of the pledge as an expression of patriotism, love of country, and pride in the United States. (Education Code [52720](#), [52730](#))

At elementary schools, such exercises shall be conducted at the beginning of each school day. (Education Code [52720](#))

At secondary schools, such exercises shall be conducted during the homeroom period.

~~A student~~Individuals may choose not to participate in the flag salute for personal reasons.

#### Display of Flag

The flag of the United States and the flag of California shall be displayed during business hours at the entrance or on the grounds of every district school and on or near the district office. At all times, the national flag shall be placed in the position of first honor. (Government Code [431](#), [436](#); 4 USC [6](#))

When displayed on a building or on a flagstaff in the open, the national flag shall be displayed only from sunrise to sunset unless properly illuminated during the hours of darkness. The flag should not be displayed during inclement weather unless an all-weather flag is used. (4 USC [6](#))

The national flag shall fly at half-staff on the following occasions: (4 USC 7)

1. For 30 days from the death of the President or a former President
2. For 10 days from the death of the Vice President, the Chief Justice or a retired Chief Justice, or the Speaker of the House of Representatives
3. From the day of death until interment of an Associate Justice of the Supreme Court, a secretary of an executive or military department, former Vice President, or the Governor of a state
4. On the day of death and the following day for a Member of Congress
5. On Memorial Day, until noon only
6. On Peace Officers Memorial Day (May 15), unless it falls on Armed Forces Day
7. Upon a proclamation from the Governor in the event of the death of a present or former official of the state government or a member of the Armed Forces from the state who has died while serving on active duty
8. On other occasions by order of the President and in accordance with presidential instructions or orders

Regulation WILLITS UNIFIED SCHOOL DISTRICT

approved: August 7, 2013 Willits, California

revised: December 9, 2020

## **Ceremonies And Observances**

### Holidays

District schools shall be closed on the following holidays: (Education Code [37220](#))

New Year's Day January 1

Dr. Martin Luther King Jr. Day Third Monday in January or the

Monday or Friday of the week in which January 15 occurs

Lincoln Day The Monday or Friday of the week in which February 12 occurs

Washington Day\* Third Monday in February

Memorial Day Last Monday in May

Independence Day July 4

Labor Day First Monday in September

Veterans Day November 11

Thanksgiving Day The Thursday in November designated by the President

Christmas Day December 25

(cf. [6141.2](#) - Recognition of Religious Beliefs and Customs)

In addition, schools shall be closed on any day designated by the Governor or President for a holiday, any special or limited holiday on which the Governor provides that the schools shall close, and any other day designated as a holiday by the Governing Board and/or negotiated with employee organizations. (Education Code 37220)

Holidays which fall on a Sunday shall be observed the following Monday. Holidays which fall on a Saturday shall be observed the preceding Friday. If any of the above holidays occurs under federal law on a date different from that indicated above, the Board of Trustees may close the schools on the date recognized by federal law instead of on the date above. (Education Code [37220](#))

(cf. [6111](#) - School Calendar)

### Commemorative Exercises

District schools shall hold exercises in accordance with law to commemorate the following special days: (Education Code [37220](#), [37221](#), [45460](#))

U.S. Constitution and Citizenship Day On or near September 17

Dr. Martin Luther King, Jr. Day The Friday before the day schools are closed for this holiday

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Susan B. Anthony Day February 15

George Washington's Birthday The Friday preceding the third Monday in February

Black American Day March 5

Conservation, Bird, and Arbor Day March 7

Classified Employee Week Third week in May

Commemorative exercises shall be integrated into the regular educational program to the extent feasible.

(cf. [6142.94](#) - History-Social Science Instruction)

(cf. 6142.3 - Civic Education)

#### Patriotic Exercises

Each school shall conduct patriotic exercises daily. These patriotic exercises shall consist of the reciting of the Pledge of Allegiance and/or may also include instruction that promotes understanding of the concepts of "pledge," "allegiance," "republic," and "indivisible" and understanding of the importance of the pledge as an expression of patriotism, love of country, and pride in the United States. (Education Code [52720](#), [52730](#))

At elementary schools, such exercises shall be conducted at the beginning of each school day. (Education Code [52720](#))

At secondary schools, such exercises shall be conducted during the homeroom period.

A student may choose not to participate in the flag salute for personal reasons.

#### Display of Flag

The flag of the United States and the flag of California shall be displayed during business hours at the entrance or on the grounds of every district school and on or near the district office. At all times, the national flag shall be placed in the position of first honor. (Government Code [431](#), [436](#); 4 USC [6](#))

When displayed on a building or on a flagstaff in the open, the national flag shall be displayed only from sunrise to sunset unless properly illuminated during the hours of darkness. The flag should not be displayed during inclement weather unless an all-weather flag is used. (4 USC [6](#))

The national flag shall fly at half-staff on the following occasions: (4 USC [7](#))



1. For 30 days from the death of the President or a former President
2. For 10 days from the death of the Vice President, the Chief Justice or a retired Chief Justice, or the Speaker of the House of Representatives
3. From the day of death until interment of an Associate Justice of the Supreme Court, a secretary of an executive or military department, former Vice President, or the Governor of a state
4. On the day of death and the following day for a Member of Congress
5. On Memorial Day, until noon only
6. On Peace Officers Memorial Day (May 15), unless it falls on Armed Forces Day
7. Upon a proclamation from the Governor in the event of the death of a present or former official of the state government or a member of the Armed Forces from the state who has died while serving on active duty
8. On other occasions by order of the President and in accordance with presidential instructions or orders

Regulation WILLITS UNIFIED SCHOOL DISTRICT

approved: August 7, 2013 Willits, California

revised: December 9, 2020

WILLITS UNIFIED SCHOOL DISTRICT  
SUPERINTENDENT'S OFFICE

TO: Board of Trustees  
FROM: Mark Westerburg, Superintendent  
DATE: December 16, 2020  
RE: Board Policy Revision- **NEW - Administrative Regulation 6173.4 - Title VI Indian Education Programs**

**Priority:**

Communication

**Objective:**

To conduct a final read of the new policy

**Background:**

New regulation reflects major requirements for districts that receive federal Title VI Indian education funding, which supports local educational agencies, Indian tribes and organizations, and consortia in meeting the unique cultural, language, and educational needs of American Indian students and ensuring that all students meet challenging state academic standards. Districts receiving such funding are **mandated** to adopt procedures to ensure that the program will be operated and evaluated in consultation with, and with the involvement of, parents/guardians and family members of American Indian students and community representatives. Regulation also includes allowable expenditures of Title VI funds, the provision of professional development as needed, maintenance of student eligibility records, and distribution of program evaluation results.

**Funding/Source:**

None

**Recommendation:**

Administration recommends the board conduct a final read of the new policy

**TITLE VI INDIAN EDUCATION PROGRAMS- NEW POLICY**

With the assistance of federal Title VI funding for the education of children from federally recognized tribes, the district shall offer programs and activities to meet the unique cultural, language, and educational needs of American Indian students, as defined in 20 USC 7491. Program objectives and outcomes shall be based on state academic standards. (20 USC 7424)

*(cf. 0410 - Nondiscrimination in District Programs and Activities)*

*(cf. 0415 - Equity)*

*(cf. 0460 - Local Control and Accountability Plan)*

*(cf. 6011 - Academic Standards)*

In developing, implementing, and evaluating Title VI programs and activities, the Superintendent or designee shall consult with and involve parents/guardians and family members of American Indian students and other community representatives. (20 USC 7424)

The district shall establish a committee that is composed of, and selected by, parents/guardians and family members of American Indian students, representatives of tribes on tribal lands located within 50 miles of any district school that serves any children of the tribes, teachers, and, if appropriate, American Indian students enrolled in secondary schools in the district. The majority of the committee shall be parents/guardians and family members of American Indian students. The committee shall participate in program development and provide written approval for the program. (20 USC 7424)

*(cf. 1220 - Citizen Advisory Committees)*

*(cf. 6020 - Parent Involvement)*

The district's Title VI program for American Indian education may include any of the following services and activities: (20 USC 7425)

1. Activities that support Native American language programs and Native American language restoration programs, which may be taught by traditional leaders
2. Culturally related activities that support the district's program
3. Early childhood and family programs that emphasize school readiness
4. Enrichment programs that focus on problem solving and cognitive skills development and directly support the attainment of state academic standards
5. Integrated educational services in combination with other programs that meet the needs of American Indian students and their families, including programs that promote parent/guardian involvement in school activities and increase student achievement

6. Career preparation activities that enable American Indian students to participate in career technical education programs, including programs for mentoring and apprenticeship
7. Activities to educate individuals so as to prevent violence, suicide, and substance abuse
8. The acquisition of equipment that is essential to achieve program goals
9. Activities that promote the incorporation of culturally responsive teaching and learning strategies into the district's educational program
10. Family literacy services
11. Activities that recognize and support the unique cultural and educational needs of American Indian students, and incorporate appropriately qualified tribal elders and seniors
12. Dropout prevention strategies for American Indian students
13. Strategies to meet the educational needs of American Indian students in correctional facilities, including such strategies that support American Indian students who are transitioning from such facilities to schools served by the district

Any federal funds received to support American Indian education programs shall be used to supplement, not supplant, state or local funds allocated for such purposes. (20 USC 7424)

*(cf. 3230 - Federal Grant Funds)*  
*(cf. 3231 - Impact Aid)*

Program funds may be used to support a Title I schoolwide program pursuant to 20 USC 6314 if approved by the committee established pursuant to 20 USC 7424, provided that the schoolwide program is consistent with the purpose of American Indian education programs and the district's application identifies how the use of such funds in a schoolwide program will produce benefits to American Indian students that would not be achieved if not used in a schoolwide program. (20 USC 7424)

*(cf. 6171 - Title I Programs)*

As needed, professional development shall be provided to teachers and other school staff to assist them in working with American Indian students and carrying out Title VI programs. (20 USC 7424)

*(cf. 4131 - Staff Development)*  
*(cf. 4231 - Staff Development)*  
*(cf. 4331 - Staff Development)*

The Superintendent or designee shall maintain a record of the information establishing the status of each student as an American Indian student eligible for assistance through the federal American Indian education program. (20 USC 7427)

The Superintendent or designee shall periodically assess the progress of American Indian students, including American Indian students who do not participate in programs funded through Title VI, in meeting program goals and objectives. Assessment results shall be provided to the Board, the committee established pursuant to 20 USC 7424, tribes whose children are served by the district, and the community. (20 USC 7424)

(cf. 0500 - Accountability)

(cf. 6162.5 - Student Assessment)

(cf. 6162.51 - State Academic Achievement Tests)

*Legal Reference:*

EDUCATION CODE

33380-33384 California Indian Education Centers

UNITED STATES CODE, TITLE 20

6314 Title I schoolwide programs

7401-7492 Indian education

7701-7714 Impact Aid

CODE OF FEDERAL REGULATIONS, TITLE 2

200.0-200.521 Federal uniform grant guidance

CODE OF FEDERAL REGULATIONS, TITLE 34

222.90-222.129 Impact Aid, special provisions for local educational agencies that claim children residing on Indian lands

*Management Resources:*

WEB SITES

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

U.S. Department of Education, Office of Impact Aid:

<https://www2.ed.gov/about/offices/list/oes/impactaid>

U.S. Department of Education, Office of Indian Education:

<https://www2.ed.gov/about/offices/list/oes/oie>

Regulation  
approved:

CSBA MANUAL MAINTENANCE SERVICE

May 2020

**RESOLUTION NO. 2020/21-5**

**RESOLUTION OF THE BOARD OF TRUSTEES OF  
THE WILLITS UNIFIED SCHOOL DISTRICT  
CERTIFYING TO THE BOARD OF SUPERVISORS  
OF MENDOCINO COUNTY ALL PROCEEDINGS IN THE  
NOVEMBER 3, 2020 GENERAL OBLIGATION BOND ELECTION**

**WHEREAS**, on May 13, 2020, the Board of Trustees of the Willits Unified School District (the "District") of Mendocino County (the "County"), State of California, adopted its Resolution No. 2019/20-16 (the "Resolution") ordering an election for general obligation bonds (the "Bond Election") held on November 3, 2020; and

**WHEREAS**, the Resolution was duly delivered to the Registrar of Voters for the County; and the Clerk of the Board of Supervisors of the County; and

**WHEREAS**, notice of the Bond Election was duly given; and

**WHEREAS**, on November 3, 2020, the Bond Election was duly held and conducted for the purpose of voting on the proposition of issuing bonds of the District in the amount of \$17 million, known as Measure I (the "Bond Measure"); and

**WHEREAS**, the Board of Trustees of the District has received the Canvass and Statement of results of the election from the County ("Certificate of Election Results"), and it appears from the Certificate of Election Results that more than 55% of the votes cast on the proposition were in favor of issuing the aforementioned bonds.

**NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE WILLITS UNIFIED SCHOOL DISTRICT DOES HEREBY FIND, DETERMINE AND CERTIFY AS FOLLOWS:**

**Section 1.** **Recitals.** The foregoing recitals are true and correct.

**Section 2.** **Entry Upon Minutes.** In accordance with California Education Code Section 15274, the Board of Trustees orders that entry be made upon the minutes of this meeting that the Bond Measure has been approved by more than 55% of the votes cast at the Bond Election.

**Section 3.** **Certification to County Board.** In accordance with California Education Code Section 15274, the Board of Trustees hereby certifies to the Board of Supervisors of Mendocino County that all proceedings of the District in connection with the Bond Election have been accomplished with respect to the election as recited herein.

**Section 4.** **Delivery of This Resolution.** In accordance with California Education Code Section 15242, the Board of Trustees directs that the Secretary to the Board deliver a copy of this Resolution to the County Superintendent of Schools with a request that the County Superintendent deliver a copy of this Resolution and Certificate of Election Results attached hereto as Exhibit A to the Clerk of the Board Supervisors of the County.

**Section 5.** **Effective Date.** This resolution shall take effect on and after its adoption.



The foregoing Resolution was adopted by the Board of Trustees of the Willits Unified School District of Mendocino County, being the Board authorized by law to make the designations therein contained by the following vote, on December 16, 2020.

Adopted by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

President of the Board of Trustees

ATTEST:

---

Secretary to the Board of Trustees

**EXHIBIT A**

**COUNTY CERTIFICATION OF ELECTION RESULTS**

**MENDOCINO COUNTY, CALIFORNIA**

2020 PRESIDENTIAL GENERAL ELECTION

11/3/2020

**Mendocino Co FINAL ELECTION RESULTS Nov 2020 web**

**WILLITS UNIFIED SCHOOL DISTRICT MEASURE I**

| Polling Places |       |         | Voters  |            |         |
|----------------|-------|---------|---------|------------|---------|
| Counted        | Total | Percent | Ballots | Registered | Percent |
| 8              | 8     | 100.00% | 6,650   | 8,366      | 79.49%  |

| Choice      | Party       | Vote By Mail |         | Polling |         | Total |         |
|-------------|-------------|--------------|---------|---------|---------|-------|---------|
| BONDS - YES |             | 3,686        | 60.15%  | 56      | 53.33%  | 3,742 | 60.04%  |
| BONDS - NO  |             | 2,442        | 39.85%  | 49      | 46.67%  | 2,491 | 39.96%  |
|             | Cast Votes: | 6,128        | 100.00% | 105     | 100.00% | 6,233 | 100.00% |
|             | Undervotes: | 412          |         | 5       |         | 417   |         |
|             | Overvotes:  | 0            |         | 0       |         | 0     |         |

**RESOLUTION NO. 2020/21-6**

**RESOLUTION OF THE BOARD OF TRUSTEES OF  
THE WILLITS UNIFIED SCHOOL DISTRICT  
ADOPTING BYLAWS GOVERNING THE  
MEASURE I CITIZENS OVERSIGHT COMMITTEE**

**WHEREAS**, the Willits Unified School District (the "District") was successful at the election conducted on November 3, 2020 (the "Bond Election") in obtaining authorization from the requisite 55% of District voters to issue up to \$17 million aggregate principal amount of general obligation bonds (the "Bonds") for the purpose of financing the school facilities projects set forth in the measure approved by the voters ("Measure I"); and

**WHEREAS**, the Bond Election was conducted pursuant to the provisions of Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act, approved by California voters on November 7, 2000 ("Proposition 39"); and

**WHEREAS**, pursuant to Proposition 39, Measure I and, Section 15278 of the California Education Code, the Board of Trustees of the District is obligated to establish a citizens' oversight committee (the "Committee") to satisfy the accountability requirements of Proposition 39;

**NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE WILLITS UNIFIED SCHOOL DISTRICT DOES HEREBY FIND, DETERMINE AND CERTIFY AS FOLLOWS:**

**Section 1.**    **Recitals.** The foregoing recitals are true and correct.

**Section 2.**    **Committee Established.** The Committee to oversee expenditures of Measure I bond proceeds is hereby established. The Committee shall be administered pursuant to the Bylaws in the form on file with the Superintendent, which are hereby approved and adopted for the purpose of establishing the Committee.

**Section 3.**    **Appointment in 60 Days.** Pursuant to Education Code Section 15278, the Board will appoint members to the Committee within 60 days of the date that the Board has entered the election results on its minutes.

**Section 4.**    **Effective Date.** This resolution shall take effect on and after its adoption.

\*\*\*\*\*

The foregoing Resolution was adopted by the Board of Trustees of the Willits Unified School District of Mendocino County, being the Board authorized by law to make the designations therein contained by the following vote, on December 16, 2020.

Adopted by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

President of the Board of Trustees

ATTEST:

---

Secretary to the Board of Trustees

**RESOLUTION NO. 2020/21-7**

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
WILLITS UNIFIED SCHOOL DISTRICT  
AUTHORIZING THE ISSUANCE AND SALE OF  
GENERAL OBLIGATION BONDS, ELECTION OF 2020, SERIES A,  
IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO  
EXCEED \$4,000,000 AND APPROVING RELATED  
DOCUMENTS AND ACTIONS**

**WHEREAS**, the Willits Unified School District (the "District") is a unified school district located within the County of Mendocino (the "County"), State of California (the "State"), and is organized and operating pursuant to the Constitution and laws of the State; and

**WHEREAS**, an election was duly and regularly held in the District on November 3, 2020, in accordance with Section 1(b)(3) of Article XIII A of the California Constitution, for the purpose of submitting Measure I (the "Bond Measure") to the qualified electors of the District, authorizing the issuance of general obligation bonds in the aggregate principal amount of \$17,000,000, and more than the requisite 55% of votes cast were in favor of the Bond Measure; and

**WHEREAS**, pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code ("the Bond Law"), general obligation bonds are authorized to be issued by the District for the purposes set forth in the ballot submitted to voters in the Bond Measure; and

**WHEREAS**, the District wishes at this time to initiate proceedings for the issuance of an initial series of Bonds pursuant to the authorization of the Bond Measure and the Bond Law, in the aggregate principal amount of not to exceed \$4,000,000, to be designated "Willits Unified School District General Obligation Bonds, Election of 2020, Series A" (the "Series A Bonds"), as provided in this Resolution for the purpose of providing financing for projects which are authorized under the Bond Measure and the Bond Law; and

**WHEREAS**, the District has not filed with nor received from the County Office of Education having jurisdiction over the District a qualified or negative certification in its most recent interim financial report pursuant to Education Code Section 42131;

**WHEREAS**, the District intends to sell the Bonds on a negotiated basis directly and on its own behalf in accordance with the Bond Law; and

**WHEREAS**, in accordance with Government Code Section 5852.1, the Board has obtained and disclosed the information set forth in Appendix B hereto; and

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Trustees of the Willits Unified School District as follows:

# ARTICLE I

## DEFINITIONS; AUTHORITY

SECTION 1.01. *Definitions.* The terms defined in this Section 1.01, as used and capitalized herein, shall, for all purposes of this Resolution, have the meanings given them below, unless the context clearly requires some other meaning.

“Authorized Investments” means the County Investment Pool, the Local Agency Investment Fund of the California State Treasurer, any investments authorized pursuant to Sections 53601 and 53635 of the California Government Code, and investment agreements, including guaranteed investment contracts, float contracts or other investment products (provided that such agreements comply with the requirements of Section 148 of the Tax Code).

“Board” means the Board of Trustees of the District.

“Bond Counsel” means (a) the firm of Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

“Bond Law” means Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, commencing with Section 53506 of said Code, or such other law pursuant to which the Series A Bonds may be issued, as in effect on the date of adoption hereof and as amended hereafter.

“Bond Measure” means Measure I submitted to and approved by more than the requisite 55% of the voters on November 3, 2020, under which the issuance of the Series A Bonds has been authorized.

“Bond Purchase Agreement” means the Bond Purchase Agreement between the District and the Underwriter, under which the Underwriter agrees to purchase the Series A Bonds and pay the purchase price therefor.

“Building Fund” means the fund maintained by the County Treasurer under Section 3.03.

“Closing Date” means the date upon which there is a delivery of the Series A Bonds in exchange for the amount representing the purchase price of the Series A Bonds by the Underwriter.

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate to be executed and delivered by a District Representative on the Closing Date.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the District and related to the authorization, issuance, sale and delivery of the Series A Bonds, including but not limited to the costs of preparation and reproduction of documents, printing expenses, filing and recording fees, initial fees and charges of the Paying Agent and its counsel, legal fees and charges, fees and disbursements of



consultants and professionals, rating agency fees and any other cost, charge or fee in connection with the original issuance and sale of the Series A Bonds.

“County” means the County of Mendocino, a political subdivision of the State of California, duly organized and existing under the Constitution and laws of the State of California.

“County Treasurer” means the Mendocino County Treasurer-Tax Collector, or any authorized deputy thereof.

“Debt Service Fund” means the account maintained by the County Treasurer under Section 4.02 of this Resolution.

“Depository” means (a) initially, DTC, and (b) any other Securities Depository acting as Depository under Section 2.09.

“Depository System Participant” means any participant in the Depository’s book-entry system.

“District” means the Willits Unified School District, a school district organized under the Constitution and laws of the State of California, and any successor thereto.

“District Representative” means the President of the Board, the Secretary of the Board, the Superintendent or the Director of Fiscal Services of the District, or such officer’s written designee, or any other person authorized by resolution of the Board of Trustees of the District to act on behalf of the District with respect to this Resolution and the Series A Bonds.

“DTC” means The Depository Trust Company, New York, New York, and its successors and assigns.

“Education Code” means the Education Code of the State of California, as in effect on the Closing Date or as thereafter amended from time to time.

“Federal Securities” means United States Treasury notes, bonds, bills or certificates of indebtedness, or any other obligations the timely payment of which is directly or indirectly guaranteed by the faith and credit of the United States of America.

“Government Code” means the Government Code of the State of California, as in effect on the Closing Date or as thereafter amended from time to time.

“Interest Payment Dates” means February 1 and August 1 in each year during the term of such Series A Bond, commencing on the date set forth in the Bond Purchase Agreement, provided, however, that such dates are subject to modification as provided in the Bond Purchase Agreement.

“Office” means the office or offices of the Paying Agent for the payment of the Series A Bonds and the administration of its duties hereunder. The Paying Agent may designate and re-designate the Office from time to time by written notice filed with the County and the District.

“Outstanding,” when used as of any particular time with reference to Series A Bonds, means all Series A Bonds except: (a) Series A Bonds theretofore canceled by the Paying Agent or surrendered to the Paying Agent for cancellation; (b) Series A Bonds paid or deemed to have been paid within the meaning of Section 9.02; and (c) Series A Bonds in lieu of or in substitution for which other Series A Bonds have been authorized, executed, issued and delivered by the District under this Resolution.

“Owner,” whenever used herein with respect to a Series A Bond, means the person in whose name the ownership of such Series A Bond is registered on the Registration Books.

“Paying Agent” means any bank, trust company, national banking association or other entity appointed as paying agent for the Series A Bonds in the manner provided in Article VI of this Resolution, initially The Bank of New York Mellon Trust Company, N.A.

“Record Date” means the 15<sup>th</sup> day of the month preceding an Interest Payment Date, whether or not such day is a business day.

“Registration Books” means the records maintained by the Paying Agent for the registration of ownership and registration of transfer of the Series A Bonds under Section 2.08.

“Resolution” means this Resolution, as originally adopted by the Board and including all amendments hereto and supplements hereof which are duly adopted by the Board from time to time in accordance herewith.

“Securities Depositories” means DTC; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the District may designate in a written request of the District delivered to the Paying Agent.

“Series A Bonds” means the not-to-exceed \$4,000,000 aggregate principal amount of Willits Unified School District General Obligation Bonds, Election of 2020, Series A, issued and at any time Outstanding under this Resolution.

“Tax Code” means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under said Code.

“Underwriter” means Stifel, Nicolaus & Company, Incorporated, the original purchaser of the Series A Bonds upon the negotiated sale thereof, pursuant to Section 3.01.

“Written Certificate of the District” means an instrument in writing signed by a District Representative or by any other officer of the District duly authorized by the District and listed on a written request of the District for that purpose.

SECTION 1.02. *Interpretation.*

(a) Unless the context otherwise indicates, words expressed in the singular include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Resolution; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Resolution as a whole and not to any particular Article, Section or subdivision hereof.

SECTION 1.03. *Authority for this Resolution; Findings.* This Resolution is entered into under the provisions of the Bond Law. The Board hereby certifies that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of the Series A Bonds do exist, have happened or have been performed in due and regular time and manner as required by the laws of the State of California, and that the amount of the Series A Bonds, together with all other indebtedness of the District, will not exceed any limit prescribed by any laws of the State of California.

## ARTICLE II

### THE SERIES A BONDS

SECTION 2.01. *Authorization.* The Board hereby authorizes the issuance of the Series A Bonds in an aggregate principal amount not to exceed \$4,000,000 under and subject to the terms of Article XIII A, Section 1 paragraph (b) of the California Constitution, the Bond Law and this Resolution, for the purpose of raising funds for the acquisition or improvement of educational facilities in accordance with the Bond Measure, and to pay Costs of Issuance. This Resolution constitutes a continuing agreement between the District and the Owners of all of the Series A Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal thereof and interest and premium, if any, on all Series A Bonds, subject to the covenants, agreements, provisions and conditions herein contained. The Series A Bonds will be issued as current interest bonds and shall be designated the "Willits Unified School District General Obligation Bonds, Election of 2020, Series A".

SECTION 2.02. *Terms of Series A Bonds.*

(a) Terms of Series A Bonds. The Series A Bonds will be issued as fully registered bonds, without coupons, in the denomination of \$5,000 each or any integral multiple thereof, but in an amount not to exceed the aggregate principal amount of Series A Bonds maturing in the year of maturity of the Series A Bond for which the denomination is specified. Series A Bonds will be lettered and numbered as the Paying Agent may prescribe. The Series A Bonds will be dated as of the Closing Date.

Interest on the Series A Bonds is payable semi-annually on each Interest Payment Date. Each Series A Bond will bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof unless (i) it is authenticated as of an Interest Payment Date, in which event it will bear interest from such date, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it will bear interest from such Interest Payment Date, or (iii) it is authenticated prior to the first Record Date, in which event it will bear interest from the Closing Date. Notwithstanding the foregoing, if interest on any Series A Bond is in default at the time of authentication thereof, such Series A Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

(b) Maturities; Basis of Interest Calculation. The Series A Bonds will mature on August 1 (unless otherwise provided in the Bond Purchase Agreement) in the years and in the amounts, and will bear interest at the rates, as determined upon the sale thereof as provided in the Bond Purchase Agreement; *provided, however*, the maximum interest rate per annum and the final maturity date shall not extend beyond the legal limits set forth in the Bond Law. Interest on the Series A Bonds will be calculated on the basis of a 360-day year comprised of twelve 30-day months. The final maturity of the Series A Bonds shall not exceed the legal limit identified in the Bond Law, and if the final maturity is more than 30 years after the Closing Date, a District Representative is authorized to execute a certification confirming that the useful life of the facilities to be financed with the proceeds of the Series A Bonds which mature more than 30 years after the Closing Date exceeds the final maturity date of said Series A Bonds.

(c) CUSIP Identification Numbers. CUSIP identification numbers will be imprinted on the Series A Bonds, but such numbers do not constitute a part of the contract evidenced by the Series A Bonds and any error or omission with respect thereto will not constitute cause for refusal of any purchaser to accept delivery of and pay for the Series A Bonds. In addition, failure on the part of the District to use such CUSIP numbers in any notice to Owners of the Series A Bonds will not constitute an event of default or any violation of the District's contract with such Owners and will not impair the effectiveness of any such notice.

(d) Payment. Interest on the Series A Bonds (including the final interest payment upon maturity or redemption) is payable by check, draft or wire of the Paying Agent mailed to the Owner thereof (which will be DTC so long as the Series A Bonds are held in the book-entry system of DTC) at such Owner's address as it appears on the Registration Books at the close of business on the preceding Record Date; except that at the written request of the Owner of at least \$1,000,000 aggregate principal amount of the Series A Bonds, which written request is on file with the Paying Agent as of any Record Date, interest on such Series A Bonds will be paid on the succeeding Interest Payment Date to such account as will be specified in such written request. Principal of and premium (if any) on the Series A Bonds is payable in lawful money of the United States of America upon presentation and surrender at the Office of the Paying Agent.

(e) Issuance in More Than One Series; Federally Taxable Basis. Each District Representative is hereby authorized to designate that the Series A Bonds shall be issued in one or more series, and that a portion of the Series A Bonds may be issued on a federally taxable basis.

(f) Provisions of Bond Purchase Agreement to Control. Notwithstanding the foregoing provisions of this Section and the following provisions of Section 2.03, any of the terms of the Series A Bonds may be established or modified under the Bond Purchase Agreement. In the event of a conflict or inconsistency between this Resolution and the Bond Purchase Agreement relating to the terms of the Series A Bonds, the provisions of the Bond Purchase Agreement will be controlling.

SECTION 2.03. *Redemption of Series A Bonds.*

(a) Optional Redemption Dates and Prices. The Series A Bonds are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as designated by the District and by lot within a maturity, from any available source of funds, on the dates and at the respective redemption prices as set forth in the Bond Purchase Agreement.

(b) Mandatory Sinking Fund Redemption. If the Bond Purchase Agreement specifies that any one or more maturities of the Series A Bonds are term bonds which are subject to mandatory sinking fund redemption, each such maturity of Series A Bonds shall be subject to such mandatory sinking fund redemption on August 1 (unless otherwise provided in this Resolution) in each of the years and in the respective principal amounts as set forth in the Bond Purchase Agreement, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption. If any such term bonds are redeemed under the provisions of the preceding clause (a), the total amount of all future payments under this subsection (b) with respect to such term bonds shall be reduced by the aggregate principal amount of such term bonds so redeemed, to be allocated among such payments on a pro rata basis in integral multiples of \$5,000 (or on such other basis as the District may determine) as set forth in written notice given by the District to the Paying Agent.

(c) Selection of Series A Bonds for Redemption. Whenever less than all of the Outstanding Series A Bonds of any one maturity are designated for redemption, the Paying Agent shall select the Outstanding Series A Bonds of such maturity to be redeemed by lot in any manner deemed fair by the Paying Agent. For purposes of such selection, each Series A Bond will be deemed to consist of individual bonds of \$5,000 portions.

(d) Redemption Procedure. The Paying Agent will cause notice of any redemption to be mailed, first class mail, postage prepaid, at least 20 days but not more than 60 days prior to the date fixed for redemption, to the respective Owners of any Series A Bonds designated for redemption, at their addresses appearing on the Registration Books. Such notice may be a conditional notice of redemption and subject to rescission as set forth in (e) below. Such mailing is not a condition precedent to such redemption and the failure to mail or to receive any such notice will not affect the validity of the proceedings for the redemption of such Series A Bonds. In addition, the Paying Agent will give notice of redemption by telecopy or certified, registered or overnight mail to the Municipal Securities Rulemaking Board and each of the Securities Depositories at least two days prior to such mailing to the Series A Bond Owners.

Such notice shall state the redemption date and the redemption price and, if less than all of the then Outstanding Series A Bonds are to be called for redemption, shall

designate the serial numbers of the Series A Bonds to be redeemed by giving the individual number of each Series A Bond or by indicating those Series A Bonds between two stated numbers, both inclusive, or by stating that all of the Series A Bonds of one or more maturities have been called for redemption, and shall require that such Series A Bonds be then surrendered at the Office of the Paying Agent for redemption at the said redemption price, giving notice also that further interest on such Series A Bonds will not accrue from and after the redemption date.

Upon surrender of Series A Bonds redeemed in part only, the District shall execute and the Paying Agent shall authenticate and deliver to the Owner, at the expense of the District, a new Series A Bond or Bonds, of the same maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Series A Bond or Bonds.

From and after the date fixed for redemption, if notice of such redemption has been duly given and funds available for the payment of the principal of and interest (and premium, if any) on the Series A Bonds so called for redemption have been duly provided, the Series A Bonds called for redemption will cease to be entitled to any benefit under this Resolution other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in the notice. The Paying Agent will cancel all Series A Bonds redeemed under this Section and will furnish a certificate of cancellation to the District.

(e) Right to Rescind Notice of Redemption. The District has the right to rescind any notice of the optional redemption of Series A Bonds under subsection (a) of this Section by written notice to the Paying Agent on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Series A Bonds then called for redemption. The District and the Paying Agent shall have no liability to the Series A Bond Owners or any other party related to or arising from such rescission of redemption. The Paying Agent shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under subsection (d) of this Section.

SECTION 2.04. *Form of Series A Bonds.* The Series A Bonds, the form of the Paying Agent's certificate of authentication and registration and the form of assignment to appear thereon will be substantially in the forms, respectively, as are set forth in Appendix A attached hereto, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Resolution and the Bond Purchase Agreement.

SECTION 2.05. *Execution of Series A Bonds.* The Series A Bonds shall be signed by the facsimile signature of the President of the Board and shall be attested by the facsimile signature of the Secretary of the Board. Only those Series A Bonds bearing a certificate of authentication and registration in the form set forth in Appendix A attached hereto, executed and dated by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of the Paying Agent is conclusive evidence that the Series A Bonds so registered have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Resolution.



SECTION 2.06. *Transfer of Series A Bonds.* Subject to Section 2.10, any Series A Bond may, in accordance with its terms, be transferred upon the Registration Books by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Series A Bond for cancellation at the Office of the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. The District may charge a reasonable sum for each new Series A Bond issued upon any transfer.

Whenever any Series A Bond or Bonds is surrendered for transfer, the District shall execute and the Paying Agent shall authenticate and deliver a new Series A Bond or Bonds, for like aggregate principal amount. No transfers of Series A Bonds shall be required to be made (a) 15 days prior to the date established by the Paying Agent for selection of Series A Bonds for redemption or (b) with respect to a Series A Bond which has been selected for redemption.

SECTION 2.07. *Exchange of Series A Bonds.* Series A Bonds may be exchanged at the principal Office of the Paying Agent for a like aggregate principal amount of Series A Bonds of authorized denominations and of the same maturity, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. The District may charge a reasonable sum for each new Series A Bond issued upon any exchange (except in the cases of any exchange of temporary Series A Bonds for definitive Series A Bonds). No exchange of Series A Bonds is required to be made (a) 15 days prior to the date established by the Paying Agent for selection of Series A Bonds for redemption or (b) with respect to a Series A Bond after it has been selected for redemption.

SECTION 2.08. *Registration Books.* The Paying Agent shall keep or cause to be kept sufficient books for the registration and transfer of the Series A Bonds, which shall at all times be open to inspection by the District upon reasonable notice; and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Series A Bonds as herein before provided.

SECTION 2.09. *Book-Entry System.* Except as provided below, DTC shall be the Owner of all of the Series A Bonds, and the Series A Bonds shall be registered in the name of Cede & Co. as nominee for DTC. The Series A Bonds shall be initially executed and delivered in the form of a single fully registered Series A Bond for each maturity date of the Series A Bonds in the full aggregate principal amount of the Series A Bonds maturing on such date. The Paying Agent and the District may treat DTC (or its nominee) as the sole and exclusive owner of the Series A Bonds registered in its name for all purposes of this Resolution, and neither the Paying Agent nor the District shall be affected by any notice to the contrary. The Paying Agent and the District have no responsibility or obligation to any Depository System Participant, any person claiming a beneficial ownership interest in the Series A Bonds under or through DTC or a Depository System Participant, or any other person which is not shown on the register of the District as being an owner, with respect to the accuracy of any records maintained by DTC or any Depository System Participant or the payment by DTC or any Depository System Participant by DTC or any Depository System Participant of any amount in respect of the principal or interest with respect to the Series A Bonds. The District shall cause to be paid all principal and interest with respect to the Series A Bonds only to DTC, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations

with respect to the principal and interest with respect to the Series A Bonds to the extent of the sum or sums so paid. Except under the conditions noted below, no person other than DTC shall receive a Series A Bond. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the term "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

If the District determines that it is in the best interest of the beneficial owners that they be able to obtain Series A Bonds and delivers a written certificate to DTC and the District to that effect, DTC shall notify DTC Participants of the availability through DTC of Series A Bonds. In such event, the District shall issue, transfer and exchange Series A Bonds as requested by DTC and any other owners in appropriate amounts.

DTC may determine to discontinue providing its services with respect to the Series A Bonds at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the District shall be obligated to deliver Series A Bonds as described in this Resolution. Whenever DTC requests the District to do so, the District will cooperate with DTC in taking appropriate action after reasonable notice to (a) make available one or more separate Series A Bonds evidencing the Series A Bonds to any Depository System Participant having Series A Bonds credited to its DTC account or (b) arrange for another securities depository to maintain custody of certificates evidencing the Series A Bonds.

Notwithstanding any other provision of this Resolution to the contrary, so long as any Series A Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal and interest with respect to such Series A Bond and all notices with respect to such Series A Bond shall be made and given, respectively, to DTC as provided as in the representation letter delivered on the date of issuance of the Series A Bonds.

Section 2.10. *Transfer Under Book-Entry System: Discontinuation of Book-Entry System.* Registered ownership of the Series A Bonds, or any portion thereof, may not be transferred except as follows:

(i) To any successor of Cede & Co., as nominee of DTC, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this section (a "substitute depository"); *provided that* any successor of Cede & Co., as nominee of DTC or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) To any substitute depository not objected to by the District or the County, upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the County (upon consultation with the District) to substitute another depository for DTC (or its successor) because DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) To any person upon (1) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository, or (2) a determination by the

District to remove DTC or its successor (or any substitute depository or its successor) from its functions as depository.

## ARTICLE III

### SALE OF SERIES A BONDS; APPLICATION OF PROCEEDS

#### SECTION 3.01. *Sale of Series A Bonds; Approval of Sale Documents.*

(a) Negotiated Sale of Series A Bonds. Pursuant to Section 53508.7 of the Bond Law, the Board hereby authorizes the negotiated sale of the Series A Bonds to the Underwriter. The Series A Bonds shall be sold pursuant to the Bond Purchase Agreement in substantially the form on file with the Clerk of the Board with such changes therein, deletions therefrom and modifications thereto as a District Representative may approve, such approval to be conclusively evidenced by the execution and delivery by a District Representative of the Bond Purchase Agreement, provided that the Bond Purchase Agreement shall contain the following terms:

- (i) the Series A Bonds shall bear a rate of interest of not to exceed 8.0% per annum and the final maturity shall not exceed the limits contained in the Bond Law;
- (ii) the Series A Bonds shall have a ratio of total debt service to principal of not to exceed four to one; and
- (iii) the Underwriter's discount shall not exceed 1.50% of the principal amount of the Series A Bonds.

The Board hereby authorizes a District Representative to execute and deliver the final form of the Bond Purchase Agreement in the name and on behalf of the District.

In accordance with Section 53508.7 of the Bond Law, the Board has determined to sell the Series A Bonds at negotiated sale for the following reasons: (a) a negotiated sale provides more flexibility to choose the time and date of the sale which is often advantageous in the municipal bond market; (b) the involvement of the Underwriter in preparing documents, rating agency presentations and structuring bonds generally enhances the quality and results of the bond offering; (c) a negotiated sale will permit the time schedule for the issuance and sale of the Series A Bonds to be expedited, if necessary; (d) a negotiated sale provides the District access to the underwriter's trading desk for providing estimates of the cost of various bond structures (yields, discounts, premiums and maturities) for the purpose of evaluating alternative potential bond structures with the goal of producing the best match between District objectives and investor acceptance and demand; and (e) a negotiated sale provides time for underwriters to educate potential investors about the District and the Series A Bonds with the goal of maximizing investor orders and reducing interest cost on the day of bond pricing.

As required pursuant to Section 53509.5 of the Bond Law, after the sale of the Series A Bonds, the Board will present actual cost information of the sale at its next scheduled public meeting.

(b) Official Statement. The Board hereby approves, and hereby deems final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the Preliminary Official Statement describing the Series A Bonds in substantially the form on file with the Clerk of the Board. A District Representative is hereby authorized to execute an appropriate certificate stating the Board's determination that the Preliminary Official Statement has been deemed final within the meaning of such Rule. A District Representative is hereby authorized and directed to approve any changes in or additions to a final form of said Official Statement, and the execution thereof by a District Representative shall be conclusive evidence of his or her approval of any such changes and additions. The Board hereby authorizes the distribution of the Official Statement by the Underwriter. The final Official Statement shall be executed in the name and on behalf of the District by a District Representative.

(c) Actions to Close Bond Issuance. Each District Representative and any and all other officers of the District are each authorized and directed in the name and on behalf of the District to execute and deliver any and all certificates, requisitions, agreements, notices, consents, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of the Series A Bonds, including but not limited to the execution and delivery of a document with respect to the engagement of the Paying Agent appointed hereby, and an agreement facilitating the payment of Costs of Issuance. Whenever in this Resolution any officer of the District is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf if such officer is absent or unavailable.

SECTION 3.02. *Application of Proceeds of Sale of Series A Bonds*. The proceeds of the Series A Bonds shall be paid to the County Treasurer on the Closing Date, and shall be applied by the County Treasurer as follows:

- (a) The portion of the proceeds representing the premium (if any) received by the County Treasurer on the sale of the Series A Bonds will be deposited in the Debt Service Fund established pursuant to Section 4.02.
- (b) All remaining proceeds received by the County Treasurer from the sale of the Series A Bonds will be deposited in the Building Fund established pursuant to Section 3.03.

At the option of the District, a portion of the proceeds of the Series A Bonds to be used by the District to pay Costs of Issuance may be deposited with a fiscal agent selected by the District, as provided in Section 15146(g) of the Education Code, in order to facilitate the payment of Costs of Issuance. A District Representative is authorized to enter into an agreement with such fiscal agent to facilitate such payment. In addition, the Bond Purchase Agreement may provide that the Underwriter is obligated to pay certain Costs of Issuance and a District Representative is authorized to review and consent to a schedule of such costs.

SECTION 3.03. *Building Fund*. The County Treasurer shall maintain a fund designated as the "Willits Unified School District, Election of 2020, Series A Building Fund," into which the proceeds from the sale of the Series A Bonds shall be deposited, to the extent required under Section 3.02(b). The County Treasurer shall maintain separate

accounting for the proceeds of the Series A Bonds, including all earnings received from the investment thereof. Amounts credited to the Building Fund for the Series A Bonds shall be expended by the District solely for the financing of projects for which the Series A Bond proceeds are authorized to be expended under the Bond Measure (which includes related Costs of Issuance). All interest and other gain arising from the investment of proceeds of the Series A Bonds shall be retained in the Building Fund and used for the purposes thereof. At the Written Request of the District filed with the County Treasurer, any amounts remaining on deposit in the Building Fund and not needed for the purposes thereof shall be withdrawn from the Building Fund and transferred to the Debt Service Fund, to be applied to pay the principal of and interest on the Series A Bonds.

If excess amounts remain on deposit in the Debt Service Fund after payment in full of the Series A Bonds, any such excess amounts shall be transferred to the general fund of the District, to be applied for the purposes for which the Series A Bonds have been authorized or otherwise in accordance with the Bond Law.

SECTION 3.04. *Estimated Financing Costs.* The firm of Jones Hall, A Professional Law Corporation, has previously been engaged to act as the District's bond counsel and disclosure counsel, and the firm of Fieldman, Rolapp & Associates, Inc., has previously been engaged to act as the District's financial advisor, in connection with the issuance and sale of the Series A Bonds. The estimated costs of issuance associated with the bond sale are \$135,000, which include bond counsel and disclosure counsel fees, costs of printing the Official Statement, financial advisor fees, rating agency fees, and paying agent fees, but which do not include underwriting fees and the cost of municipal bond insurance, if obtained.

## **ARTICLE IV**

### **SECURITY FOR THE SERIES A BONDS; DEBT SERVICE FUND**

SECTION 4.01. *Security for the Series A Bonds.* The Series A Bonds are general obligations of the District. The Board has the power to direct the County to levy *ad valorem* taxes upon all property within the District that is subject to taxation by the District, without limitation as to rate or amount, for the payment of the Series A Bonds and the interest and redemption premium (if any) thereon. The District hereby formally directs the County to levy on all the taxable property in the District, in addition to all other taxes, a continuing direct and *ad valorem* tax annually during the period the Series A Bonds are Outstanding in an amount not less than sufficient to pay the principal of and interest on the Series A Bonds when due, including the principal of any Series A Bonds upon the mandatory sinking fund redemption thereof under Section 2.03(b), which moneys when collected will be paid to the County Treasurer and placed in the Debt Service Fund. Additionally, the County is directed to include in the tax levy the expense of paying the Series A Bonds elsewhere than at the office of the County Treasurer.

The principal of and interest and redemption premium (if any) on Series A Bonds do not constitute a debt of the County, the State of California, or any of its political subdivisions other than the District, or any of the officers, agents or employees thereof. Neither the County, the State of California, any of its political subdivisions nor any of the

officers, agents or employees thereof are liable on the Series A Bonds. In no event are the principal of and interest and redemption premium (if any) on Series A Bonds payable out of any funds or properties of the District other than *ad valorem* taxes levied on taxable property in the District. The Series A Bonds, including the interest thereon, are payable solely from taxes levied under Sections 15250 and 15252 of the Education Code.

The District hereby pledges all revenues from the property taxes collected from the levy by the County for the payment of the Series A Bonds and the amounts in the Debt Service Fund (the "Pledged Revenues") to the payment of the principal of and interest on the Series A Bonds. It is the intention of the District that (i) for purposes of 11 U.S.C. §902(2)(E), the Pledged Revenues constitute "taxes specifically levied to finance one or more projects or systems" of the District and are not "general property, sales or income taxes . . . levied to finance the general purposes of" the District, and (ii) the pledge of the Pledged Revenues constitutes a pledge of "special revenues" for purposes of 11 U.S.C. §§901 et seq., and that a petition filed by the District under 11 U.S.C. §§901 et seq., will not operate as a stay under 11 U.S.C. §362 of the application of such Pledged Revenues to payment when due of principal of and interest on the Series A Bonds. The District will not take any action inconsistent with its agreement and statement of intention hereunder and will not deny that the pledge of the Pledged Revenues constitutes a pledge of special revenues for purposes of 11 U.S.C. §§901 et seq.

SECTION 4.02. *Establishment of Debt Service Fund.* The District hereby directs the County Treasurer to hold and maintain a fund designated as the "Willits Unified School District Election of 2020, Series A Debt Service Fund", which the County Treasurer shall hold as a separate account, distinct from all other funds of the County and the District. All taxes levied by the County, at the request of the District, for the payment of the principal of and interest and premium (if any) on the Series A Bonds shall be deposited in the Debt Service Fund by the County promptly upon apportionment of said levy.

The Debt Service Fund is hereby pledged for the payment of the principal of and interest on the Series A Bonds when and as the same become due, including the principal of any term Series A Bonds required to be paid upon the mandatory sinking fund redemption thereof. Amounts in the Debt Service Fund shall be transferred by the County Treasurer to the Paying Agent to the extent required to pay the principal of and interest and redemption premium (if any) on the Series A Bonds when due. In addition, amounts on deposit in the Debt Service Fund shall be applied to pay the fees and expenses of the Paying Agent insofar as permitted by law, including specifically by Section 15232 of the Education Code.

SECTION 4.03. *Disbursements from Debt Service Fund.* The County shall administer the Debt Service Fund and make disbursements therefrom in the manner set forth in this Section. The County Treasurer shall transfer amounts on deposit in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Series A Bonds when due and payable, to the Paying Agent which, in turn, shall pay such moneys to DTC to pay the principal of and interest on the Series A Bonds. DTC will thereupon make payments of principal and interest on the Series A Bonds to DTC Participants, who will thereupon make payments of principal and interest to the beneficial owners of the Series A Bonds. Any moneys remaining in the Debt Service Fund after the Series A Bonds and the interest thereon have been paid, or provision for such payment has been made, shall be transferred to the general fund of the District, as provided in Section 15234 of the Education Code.



SECTION 4.04. *Investments.* All moneys held in any of the funds or accounts established with the County hereunder will be invested in Authorized Investments in accordance with the investment policies of the County, as such policies exist at the time of investment. Obligations purchased as an investment of moneys in any fund or account will be deemed to be part of such fund or account. All interest or gain derived from the investment of amounts in any of the funds or accounts established hereunder will be deposited in the fund or account from which such investment was made, and will be expended for the purposes thereof.

The District covenants that all investments of amounts deposited in any fund or account created by or under this Resolution, or otherwise containing proceeds of the Series A Bonds, shall be acquired and disposed of at the Fair Market Value thereof. For purposes of this Section, the term "Fair Market Value" shall mean, with respect to any investment, the price at which a willing buyer would purchase such investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Tax Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as described above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Tax Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Tax Code, or (iii) the investment is a United States Treasury Security - State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt.

## ARTICLE V

### OTHER COVENANTS OF THE DISTRICT

SECTION 5.01. *Punctual Payment.* The Board hereby directs the County to levy *ad valorem* taxes, as provided in Section 15250 of the Education Code, so as to enable the District to punctually pay, or cause to be paid, the principal of and interest on the Series A Bonds, in conformity with the terms of the Series A Bonds and of this Resolution. Nothing herein contained shall prevent the District from making advances of its own moneys howsoever derived to any of the uses or purposes permitted by law.

SECTION 5.02. *Books and Accounts; Financial Statements.* The District will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the District in which complete and correct entries are made of all transactions relating to the expenditure of the proceeds of the Series A Bonds. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Paying Agent and the Owners of not less than 10% in aggregate principal amount of the Series A Bonds then Outstanding, or their representatives authorized in writing.

SECTION 5.03. *Protection of Security and Rights of Series A Bond Owners.* The District will preserve and protect the security of the Series A Bonds and the rights of the Series A Bond Owners, and will warrant and defend their rights against all claims and demands of all persons. Following the issuance of the Series A Bonds by the District, the Series A Bonds shall be incontestable by the District.

SECTION 5.04. *Tax Covenants.*

(a) Private Activity Bond Limitation. The District shall assure that the proceeds of the Series A Bonds are not so used as to cause the Series A Bonds to satisfy the private business tests of Section 141(b) of the Tax Code or the private loan financing test of Section 141(c) of the Tax Code.

(b) Federal Guarantee Prohibition. The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Series A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Tax Code.

(c) No Arbitrage. The District shall not take, or permit or suffer to be taken by the Paying Agent or the County or otherwise, any action with respect to the proceeds of the Series A Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Series A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Tax Code.

(d) Maintenance of Tax-Exemption. The District shall take all actions necessary to assure the exclusion of interest on the Series A Bonds from the gross income of the Owners of the Series A Bonds to the same extent as such interest is permitted to be excluded from gross income under the Tax Code as in effect on the Closing Date.

(e) Exemption from Rebate Requirement. The District is a governmental unit with the power to impose taxes of general applicability which, when collected, may be used for general purposes of the District; the Series A Bonds are not private activity bonds within the meaning of section 141 of the Tax Code; and ninety-five percent (95%) of the Net Sale Proceeds of the Series A Bonds are to be used for local governmental activities of the District. The aggregate face amount (or, issue prices, in the case of issues with a net original issue discount or net original issue premium in excess of two percent (2%) of the principal amount of the issue, excluding original issue premium used for reasonable underwriter's compensation) of all tax-exempt obligations (other than private activity bonds as defined in section 141 of the Tax Code) issued by the District, including all subordinate entities of the District and all entities which may issue obligations on behalf of the District, during the calendar year during which the Series A Bonds are being issued, is not reasonably expected to exceed \$15,000,000, of which no more than \$5,000,000 is for other than the construction of public school facilities, excluding, however, that portion of current refunding obligations having a principal amount not in excess of the principal amount of the refunded obligation. By reason of the statements set forth in this subparagraph, the District will not rebate excess investment earnings, if any, to the federal government.

(f) Small Issuer Exemption from Bank Nondeductibility Restriction. The District hereby designates the Series A Bonds for purposes of paragraph (3) of section 265(b) of

the Tax Code and represents that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under section 103(a) of the Tax Code) from gross income for federal income tax purposes (excluding (i) private activity bonds, as defined in section 141 of the Tax Code, except certain qualified 501(c)(3) bonds as defined in section 145 of the Tax Code and (ii) current refunding obligations to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation), including the Series A Bonds, has been or will be issued by the District, including all subordinate entities of the District, during the calendar year 2021. .If the District determines prior to the sale of the Series A Bonds that obligations which exceed \$10,000,000 aggregate principal amount will be issued in calendar year 2021, the District Representative shall provide in the Bond Purchase Agreement that the Series A Bonds are not bank qualified.

SECTION 5.05. *Continuing Disclosure.* The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate, which shall be executed by a District Representative and delivered on the Closing Date. The Board hereby approves the form of the Continuing Disclosure Certificate appended to the form of Preliminary Official Statement on file with the Clerk of the Board as of the date hereof, and each District Representative is hereby authorized to execute and deliver such Continuing Disclosure Certificate with such changes therein or modifications thereto as shall be requested by the Underwriter and as such District Representative executing the same shall approve. Notwithstanding any other provision of this Resolution, failure of the District to comply with the Continuing Disclosure Certificate does not constitute a default by the District hereunder or under the Series A Bonds; however, any Participating Underwriter (as that term is defined in the Continuing Disclosure Certificate) or any holder or beneficial owner of the Series A Bonds may take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

SECTION 5.06. *CDIAC Annual Reporting.* The District hereby covenants and agrees that it will comply with the provisions of California Government Code Section 8855 subdivision (k) with respect to annual reporting to the California Debt and Investment Advisory Commission. Said reporting will occur at the times and include the types of information as set forth therein. Notwithstanding any other provision of this Resolution, failure of the District to comply with said reporting does not constitute a default by the District hereunder or under the Series A Bonds.

SECTION 5.07. *Further Assurances.* The District will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Resolution, and for the better assuring and confirming unto the Owners of the Series A Bonds of the rights and benefits provided in this Resolution.

## ARTICLE VI

### THE PAYING AGENT

SECTION 6.01. *Appointment of Paying Agent.* The Bank of New York Mellon Trust Company, N.A. is hereby appointed to act as the initial Paying Agent for the Series A Bonds and, in such capacity, shall also act as registration agent and authentication agent for the Series A Bonds. The Paying Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Resolution, and even during the continuance of an event of default with respect to the Series A Bonds, no implied covenants or obligations shall be read into this Resolution against the Paying Agent. The Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by the District by executing and delivering to the District a certificate or agreement to that effect.

The District may remove the Paying Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto and, if not the County Treasurer, such successor shall be a bank or trust company doing business and having an office in the State of California, having a combined capital (exclusive of borrowed capital) and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, under law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Paying Agent may at any time resign by giving written notice to the District and the Series A Bond Owners of such resignation. Upon receiving notice of such resignation, the District shall promptly appoint a successor Paying Agent by an instrument in writing. Any resignation or removal of the Paying Agent and appointment of a successor Paying Agent will become effective upon acceptance of appointment by the successor Paying Agent.

Any bank, national association, federal savings association, or trust company into which the Paying Agent may be merged or converted or with which it may be consolidated or any bank, national association, federal savings association, or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national association, federal savings association, or trust company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such bank, federal savings association, or trust company shall be eligible as described in this Section 6.01 shall be the successor to such Paying Agent, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

SECTION 6.02. *Paying Agent May Hold Series A Bonds.* The Paying Agent may become the owner of any of the Series A Bonds in its own or any other capacity with the same rights it would have if it were not Paying Agent.

SECTION 6.03. *Liability of Agents.* The recitals of facts, covenants and agreements herein and in the Series A Bonds contained shall be taken as statements, covenants and agreements of the District, and the Paying Agent assumes no responsibility for the

correctness of the same, nor makes any representations as to the validity or sufficiency of this Resolution or of the Series A Bonds, nor shall incur any responsibility in respect thereof, other than as set forth in this Resolution. The Paying Agent is not liable in connection with the performance of its duties hereunder, except for its own negligence or willful default.

In the absence of bad faith, the Paying Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Paying Agent and conforming to the requirements of this Resolution. The Paying Agent is not liable for any error of judgment made in good faith by a responsible officer of its corporate trust department in the absence of the negligence of the Paying Agent.

No provision of this Resolution shall require the Paying Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it has reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Paying Agent may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Paying Agent is not responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

SECTION 6.04. *Notice to Paying Agent.* The Paying Agent may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Paying Agent may consult with counsel with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Resolution the Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Paying Agent, be deemed to be conclusively proved and established by a certificate of the District, and such certificate shall be full warrant to the Paying Agent for any action taken or suffered under the provisions of this Resolution upon the faith thereof, but in its discretion the Paying Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

SECTION 6.05. *Compensation; Indemnification.* The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution. The District further agrees to indemnify and save the Paying Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or bad faith.

## ARTICLE VII

### REMEDIES OF SERIES A BOND OWNERS

SECTION 7.01. *Remedies of Series A Bond Owners.* Any Series A Bond Owner has the right, for the equal benefit and protection of all Series A Bond Owners similarly situated:

- (a) by mandamus, suit, action or proceeding, to compel the District and its members, officers, agents or employees to perform each and every term, provision and covenant contained in this Resolution and in the Series A Bonds, and to require the carrying out of any or all such covenants and agreements of the District and the fulfillment of all duties imposed upon it;
- (b) by suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the Series A Bond Owners' rights; or
- (c) upon the happening and continuation of any default by the District hereunder or under the Series A Bonds, by suit, action or proceeding in any court of competent jurisdiction, to require the District and its members and employees to account as if it and they were the trustees of an express trust.

SECTION 7.02. *Remedies Not Exclusive.* No remedy herein conferred upon the Owners of Series A Bonds is exclusive of any other remedy. Each and every remedy is cumulative and may be exercised in addition to every other remedy given hereunder or thereafter conferred on the Series A Bond Owners.

SECTION 7.03. *Non-Waiver.* Nothing in this Article VII or in any other provision of this Resolution or in the Series A Bonds, affects or impairs the obligation of the District, which is absolute and unconditional, to pay the principal of and interest on the Series A Bonds to the respective Owners of the Series A Bonds at the respective dates of maturity, as herein provided, or affects or impairs the right of action against the District, which is also absolute and unconditional, of such Owners to institute suit against the District to enforce such payment by virtue of the contract embodied in the Series A Bonds.

A waiver of any default by any Series A Bond Owner shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner of any of the Series A Bonds 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 of any such default or an acquiescence therein, and every power and remedy conferred upon the Series A Bond Owners by this Article VII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners of the Series A Bonds.

If a suit, action or proceeding to enforce any right or exercise any remedy be abandoned or determined adversely to the Series A Bond Owners, the District and the



Series A Bond Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

## ARTICLE VIII

### AMENDMENT OF THIS RESOLUTION

SECTION 8.01. *Amendments Effective Without Consent of the Owners.* The Board may amend this Resolution from time to time, without the consent of the Owners of the Series A Bonds, for any one or more of the following purposes:

- (a) To add to the covenants and agreements of the District in this Resolution, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;
- (b) To confirm, as further assurance, any pledge under, and to subject to any lien or pledge created or to be created by, this Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under this Resolution;
- (c) To cure any ambiguity, supply any omission, substitute any party, or cure or correct any defect or inconsistent provision in this Resolution, in a manner which does not materially adversely affect the interests of the Series A Bond Owners in the opinion of Bond Counsel filed with the District; or
- (d) To make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Series A Bonds.

SECTION 8.02. *Amendments Effective With Consent of the Owners.* The Board may amend this Resolution from time to time for any purpose not set forth in Section 8.01, with the written consent of the Owners of a majority in aggregate principal amount of the Series A Bonds Outstanding at the time such consent is given. Without the consent of all the Owners of such Series A Bonds, no such modification or amendment shall permit (a) a change in the terms of maturity of the principal of any Outstanding Series A Bonds or of any interest payable thereon or a reduction in the principal amount thereof or in the rate of interest thereon, (b) a reduction of the percentage of Series A Bonds the consent of the Owners of which is required to effect any such modification or amendment, (c) a change in any of the provisions in Section 7.01 or (d) a reduction in the amount of moneys pledged for the repayment of the Series A Bonds, and no right or obligation of any Paying Agent may be changed or modified without its written consent.

## ARTICLE IX

### MISCELLANEOUS

SECTION 9.01. *Benefits of Resolution Limited to Parties.* Nothing in this Resolution, expressed or implied, gives any person other than the District, the County, the Paying Agent or the Owners of the Series A Bonds, any right, remedy, claim under or by reason of this Resolution. The covenants, stipulations, promises or agreements in this Resolution are for the sole and exclusive benefit of the Owners of the Series A Bonds.

SECTION 9.02. *Defeasance of Series A Bonds.*

(a) Discharge of Resolution. Any or all of the Series A Bonds may be paid by the District in any of the following ways, provided that the District also pays or causes to be paid any other sums payable hereunder by the District:

- (i) by paying or causing to be paid the principal or redemption price of and interest on such Series A Bonds, as and when the same become due and payable;
- (ii) by irrevocably depositing, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 9.02(c) hereof) to pay or redeem such Series A Bonds; or
- (iii) by delivering such Series A Bonds to the Paying Agent for cancellation by it.

If the District pays all Outstanding Series A Bonds and also pays or causes to be paid all other sums payable hereunder by the District, then and in that case, at the election of the District (evidenced by a certificate of a District Representative filed with the Paying Agent, signifying the intention of the District to discharge all such indebtedness and this Resolution), and notwithstanding that any Series A Bonds have not been surrendered for payment, this Resolution and other assets made under this Resolution and all covenants, agreements and other obligations of the District under this Resolution shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in Section 9.02(b). In such event, upon request of the District, the Paying Agent shall cause an accounting for such period or periods as may be requested by the District to be prepared and filed with the District and shall execute and deliver to the District all such instruments as may be necessary to evidence such discharge and satisfaction, and the Paying Agent shall pay over, transfer, assign or deliver to the District all moneys or securities or other property held by it under this Resolution which are not required for the payment or redemption of Series A Bonds not theretofore surrendered for such payment or redemption.

(b) Discharge of Liability on Series A Bonds. Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 9.02(c) hereof) to pay or redeem any Outstanding Series A Bond (whether upon or prior to its maturity or the redemption date of such Series A Bond), provided that, if such Series A Bond is to be redeemed prior to maturity, notice of such redemption has been given as provided in Section 2.03 or provision satisfactory to the Paying Agent has been made for

the giving of such notice, then all liability of the District in respect of such Series A Bond shall cease and be completely discharged, except only that thereafter the Owner thereof shall be entitled only to payment of the principal of and interest on such Series A Bond by the District, and the District shall remain liable for such payment, but only out of such money or securities deposited with the Paying Agent as aforesaid for such payment, provided further, however, that the provisions of Section 9.02(d) shall apply in all events.

The District may at any time surrender to the Paying Agent for cancellation by it any Series A Bonds previously issued and delivered, which the District may have acquired in any manner whatsoever, and such Series A Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

(c) Deposit of Money or Securities with Paying Agent. Whenever in this Resolution it is provided or permitted that there be deposited with or held in trust by the Paying Agent, or an escrow agent selected by the District, money or securities in the necessary amount to pay or redeem any Series A Bonds, the money or securities so to be deposited or held may include money or securities held by the Paying Agent in the funds and accounts established under this Resolution and shall be:

- (i) lawful money of the United States of America in an amount equal to the principal amount of such Series A Bonds and all unpaid interest thereon to maturity, except that, in the case of Series A Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption has been given as provided in Section 2.03 or provision satisfactory to the Paying Agent has been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or redemption price of such Series A Bonds and all unpaid interest thereon to the redemption date; or
- (ii) Federal Securities (not callable by the issuer thereof prior to maturity) the principal of and interest on which when due, in the opinion of a certified public accountant delivered to the District, will provide money sufficient to pay the principal or redemption price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Series A Bonds to be paid or redeemed, as such principal or redemption price and interest become due, provided that, in the case of Series A Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption has been given as provided in Section 2.03 or provision satisfactory to the Paying Agent has been made for the giving of such notice.
- (iii) Such amounts of money and investments in escrow or trust shall be in an amount which is certified by a certified public accountant to be sufficient to meet the requirements of Government Code Section 53558.

(d) Payment of Series A Bonds After Discharge of Resolution. Notwithstanding any provisions of this Resolution, any moneys held by the Paying Agent in trust for the payment of the principal or redemption price of, or interest on, any Series A Bonds and remaining unclaimed for two years after the principal of all of the Series A Bonds has become due and payable (whether at maturity or upon call for redemption as provided in

this Resolution), if such moneys were so held at such date, or two years after the date of deposit of such moneys if deposited after said date when all of the Series A Bonds became due and payable, shall, upon request of the District, be repaid to the District free from the trusts created by this Resolution, and all liability of the Paying Agent with respect to such moneys shall thereupon cease; *provided, however*, that before the repayment of such moneys to the District as aforesaid, the Paying Agent may (at the cost of the District) first mail to the Owners of all Series A Bonds which have not been paid at the addresses shown on the Registration Books a notice in such form as may be deemed appropriate by the Paying Agent, with respect to the Series A Bonds so payable and not presented and with respect to the provisions relating to the repayment to the District of the moneys held for the payment thereof. Thereafter, the District shall remain liable to the Owners for payment of any amounts due on the Series A Bonds, which amounts shall be deemed to be paid by the District from moneys remitted to it by the Paying Agent under this subsection (d).

SECTION 9.03. *Execution of Documents and Proof of Ownership by Series A Bond Owners.* Any request, declaration or other instrument which this Resolution may require or permit to be executed by Series A Bond Owners may be in one or more instruments of similar tenor, and shall be executed by Series A Bond Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Series A Bond Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Series A Bonds and the amount, maturity, number and date of holding the same shall be proved by the Registration Books.

Any request, declaration or other instrument or writing of the Owner of any Series A Bond shall bind all future Owners of such Series A Bond in respect of anything done or suffered to be done by the District or the Paying Agent in good faith and in accordance therewith.

SECTION 9.04. *Waiver of Personal Liability.* No Board member, officer, agent or employee of the District shall be individually or personally liable for the payment of the principal of or interest on the Series A Bonds; but nothing herein contained shall relieve any such Board member, officer, agent or employee from the performance of any official duty provided by law.

SECTION 9.05. *Limited Duties of County; Indemnification.* The County (including its officers, agents and employees) shall undertake only those duties of the County under this Resolution which are specifically set forth in this Resolution and in applicable provisions of the Bond Law and the Education Code, and even during the continuance of an event of default with respect to the Series A Bonds, no implied covenants or obligations shall be read into this Resolution against the County (including its officers, agents and employees).

The District further agrees to indemnify, defend and save the County (including its officers, agents and employees) harmless against any and all liabilities, costs, expenses, damages and claims which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or bad faith.

SECTION 9.06. *Destruction of Canceled Series A Bonds.* Whenever in this Resolution provision is made for the surrender to the District of any Series A Bonds which have been paid or canceled under the provisions of this Resolution, a certificate of destruction duly executed by the Paying Agent shall be deemed to be the equivalent of the surrender of such canceled Series A Bonds and the District shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Series A Bonds therein referred to.

SECTION 9.07. *Partial Invalidity.* If any section, paragraph, sentence, clause or phrase of this Resolution shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Resolution. The District hereby declares that it would have adopted this Resolution and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Series A Bonds pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses, or phrases of this Resolution may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the District is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the District hereunder shall be assumed by and vest in the Superintendent of the District in trust for the benefit of the Series A Bond Owners.

SECTION 9.08. *Effective Date of Resolution.* This Resolution shall take effect from and after the date of its passage and adoption.

\*\*\*\*\*

The foregoing Resolution was adopted by the Board of Trustees of the Willits Unified School District of Mendocino County, being the Board authorized by law to make the designations therein contained by the following vote, on December 16, 2020.

Adopted by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

President

ATTEST:

---

Secretary



**[INCLUDED IN FORM ONLY – NOT FOR EXECUTION]**

**APPENDIX A**

**FORM OF SERIES A BOND**

**REGISTERED BOND NO.** \_\_\_\_\_

**\*\*\*\$** \_\_\_\_\_ **\*\*\***

**WILLITS UNIFIED SCHOOL DISTRICT**

**(Mendocino County, California)**

**GENERAL OBLIGATION BONDS,**

**ELECTION OF 2020, SERIES A**

**INTEREST RATE  
PER ANNUM:**

**MATURITY DATE:**

**DATED DATE:**

**CUSIP:**

**REGISTERED OWNER:**

**PRINCIPAL AMOUNT:** \*\*\* \_\_\_\_\_ **DOLLARS\*\*\***

The Willits Unified School District (the "District"), located in the County of Mendocino (the "County"), for value received, hereby promises to pay to the Registered Owner named above, or registered assigns, the principal amount on the Maturity Date, each as stated above, and interest thereon, calculated on a 30/360 day basis, until the principal amount is paid or provided for, at the interest rate stated above, such interest to be paid on February 1 and August 1 of each year, commencing \_\_\_\_\_ (the "Interest Payment Dates").

This Bond is one of a duly authorized issue of Bonds of the District designated as "Willits Unified School District General Obligation Bonds, Election of 2020, Series A" (the "Bonds"), in an aggregate principal amount of \$ \_\_\_\_\_, all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities, interest rates or redemption and other provisions) and all issued under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California (the "Bond Law"), and under a resolution of the Board of Trustees of the District adopted on December 16, 2020 (the "Bond Resolution"), authorizing the issuance of the Bonds. The issuance of the Bonds has been authorized by more than the requisite 55% vote of the electors of the District cast at a bond election held on November 3, 2020, upon the question of issuing bonds in the amount of \$17,000,000.

This Bond will bear interest from the Interest Payment Date next preceding the date of authentication hereof, unless (a) it is authenticated as of a business day following the 15<sup>th</sup> day of the month immediately preceding any Interest Payment Date and on or

before such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (b) it is authenticated on or before \_\_\_\_\_, in which event it shall bear interest from the Dated Date referred to above. Principal hereof is payable at the corporate trust office of the paying agent for the Bonds (the "Paying Agent"), initially being The Bank of New York Mellon Trust Company, N.A.

Interest hereon (including the final interest payment upon maturity) is payable by check or draft of the Paying Agent mailed by first-class mail to the Owner at the Owner's address as it appears on the registration books maintained by the Paying Agent as of the close of business on the 15<sup>th</sup> day of the month next preceding such Interest Payment Date (the "Record Date"), or at such other address as the Owner may have filed with the Paying Agent for that purpose.

The Bonds are being issued in the form of current interest bonds in the aggregate principal amount of \$\_\_\_\_\_ subject to the terms and conditions of the Bond Resolution. All capitalized terms herein and not otherwise defined have the meaning given them in the Bond Resolution. Reference is hereby made to the Bond Resolution (copies of which are on file at the office of the Paying Agent) and the Bond Law for a description of the terms on which the Bonds are issued and the rights thereunder of the owners of the Bonds and the rights, duties and immunities of the Paying Agent and the rights and obligations of the District thereunder, to all of the provisions of which Bond Resolution the Owner of this Bond, by acceptance hereof, assents and agrees.

The principal of and interest and redemption premium, if any, on this Bond does not constitute a debt of the County, the State of California, or any of its political subdivisions other than the District, or any of the officers, agents and employees thereof, and neither the County, the State of California, any of its political subdivisions, nor any of the officers, agents and employees thereof shall be liable hereon. In no event shall the principal of and interest and redemption premium, if any, on this Bond be payable out of any funds or properties of the District other than *ad valorem* taxes levied upon all taxable property in the District.

The Bonds of this issue are issuable only as fully registered Bonds in the denominations of \$5,000 or any integral multiple thereof. This Bond is exchangeable and transferable for Bonds of other authorized denominations at the principal corporate trust office of the Paying Agent, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. Any tax or governmental charges shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

The Bonds maturing on or before August 1, 20\_\_ are not subject to redemption prior to their respective stated maturities. The Bonds maturing on or after August 1, 20\_\_ are subject to redemption prior to maturity as a whole, or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, at the option of the District, from any available source of funds, on August 1, 20\_\_ and on any date

thereafter, at a redemption price equal to 100% of the principal amount of Bonds to be redeemed, together with interest thereon to the date fixed for redemption, without premium.

[*If applicable:*] The Bonds maturing on August 1, 20\_\_ (the "Term Bonds") are also subject to mandatory sinking fund redemption on or before August 1 in the years, and in the amounts, as set forth in the following table, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption; *provided, however*, that if some but not all of the Term Bonds have been redeemed under the preceding paragraph, the aggregate principal amount of Term Bonds to be redeemed under this paragraph shall be reduced on a pro rata basis in integral multiples of \$5,000, or on such other basis as designated pursuant to written notice filed by the District with the Paying Agent.

| Sinking Fund<br>Redemption Date<br>( <u>August 1</u> ) | Principal<br>Amount To Be<br><u>Redeemed</u> |
|--------------------------------------------------------|----------------------------------------------|
|--------------------------------------------------------|----------------------------------------------|

The Paying Agent shall give notice of the redemption of the Bonds at the expense of the District. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed, (b) the numbers and CUSIP numbers of the Bonds to be redeemed, (c) the date of notice and the date of redemption, (d) the place or places where the redemption will be made, and (e) descriptive information regarding the Bonds including the dated date, interest rate and stated maturity date. Such notice shall further state that on the specified date there shall become due and payable upon each Bond to be redeemed, the portion of the principal amount of such Bond to be redeemed, together with interest accrued to said date, the redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue and be payable. Such notice may be conditional and subject to rescission as described in the Bond Resolution.

Notice of redemption shall be by registered or otherwise secured mail or delivery service, postage prepaid, to the registered owner of the Bonds, to a municipal registered securities depository and to a national information service that disseminates securities redemption notices and, by first class mail, postage prepaid, to the District and the respective Owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books, in every case at least 20 days, but not more than 60 days, prior to the redemption date; provided that neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds.

Neither the District nor the Paying Agent will be required: (a) to issue or transfer any Bond during a period beginning with the opening of business on the 15<sup>th</sup> calendar day next preceding either any Interest Payment Date or any date of selection of any Bond to be redeemed and ending with the close of business on the Interest Payment Date or a day on which the applicable notice of redemption is given, or (b) to transfer any Bond which has been selected or called for redemption in whole or in part.



**CERTIFICATE OF AUTHENTICATION**

This is one of the Bonds described in the within-mentioned Bond Resolution.

Authentication Date:

**THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.,  
as Paying Agent**

\_\_\_\_\_  
Authorized Signatory

**FORM OF ASSIGNMENT**

For value received, the undersigned do(es) hereby sell, assign and transfer unto

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint \_\_\_\_\_  
\_\_\_\_\_, attorney, to transfer the same on the registration books of the Bond  
Registrar, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
Note: Signature(s) must be guaranteed by a an  
eligible guarantor institution.

\_\_\_\_\_  
Note: The signature(s) on this Assignment must  
correspond with the name(s) as written on the face  
of the within Bond in every particular without  
alteration or enlargement or any change whatsoever.

## APPENDIX B

### GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates that have been provided by the financial advisor to the District in good faith:

- (A) True interest cost of the Bonds: 3.27%
- (B) Finance charge of the Bonds (sum of all costs of issuance and fees/charges paid to third parties): \$211,967
- (C) Net proceeds to be received (net of finance charges, reserves and capitalized interest, if any): \$3,788,033
- (D) Total payment amount through maturity: \$6,786,733



NEW ISSUE - FULL BOOK-ENTRY  
BANK QUALIFIED

RATING: S&P: "\_\_\_"  
See "RATING" herein.

*In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. The Bonds are "qualified tax-exempt obligations" within the meaning of section 265(b)(3) of the Internal Revenue Code of 1986, as amended. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS" herein.*

**\$4,000,000\***

**WILLITS UNIFIED SCHOOL DISTRICT  
(Mendocino County, California)  
General Obligation Bonds, Election of 2020, Series A  
(Bank Qualified)**

**Dated: Date of Delivery**

**Due: August 1, as shown on inside front cover**

**Authority and Purpose.** The above-captioned General Obligation Bonds Election of 2020, Series A (the "Bonds"), are being issued by the Willits Unified School District (the "District") pursuant to certain provisions of the California Government Code and a resolution of the Board of Trustees of the District adopted on December 16, 2020. The Bonds were authorized at an election of the registered voters of the District held on November 3, 2020, (the "2020 Authorization") which authorized the issuance of \$17,000,000 principal amount of general obligation bonds for the purpose of financing the renovation, construction and improvement of school facilities. The Bonds are the first series of bonds to be issued under the 2020 Authorization. See "THE BONDS – Authority for Issuance" and "- Purpose of Issue" herein.

**Security.** The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes levied on taxable property within the District and collected by Mendocino County (the "County"). The County Board of Supervisors is empowered and obligated to annually levy *ad valorem* taxes for the payment of interest on, and principal of, the Bonds upon all property subject to taxation by the District, without limitation of rate or amount (except certain personal property which is taxable at limited rates). The District has other series of general obligation bonds outstanding which are similarly secured by tax levies. See "SECURITY FOR THE BONDS."

**Book-Entry Only.** The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchasers will not receive physical certificates representing their interests in the Bonds. See "THE BONDS" and APPENDIX F.

**Payments.** The Bonds are dated the date of delivery set forth below and accrue interest at the rates set forth on the inside cover page hereof, payable semiannually on each February 1 and August 1 until maturity, commencing August 1, 2021. Payments of principal of and interest on the Bonds will be paid by The Bank of New York Mellon Trust Company, N.A., as the designated paying agent, registrar and transfer agent (the "Paying Agent"), to DTC for subsequent disbursement to DTC Participants who will remit such payments to the beneficial owners of the Bonds. See "THE BONDS - Description of the Bonds."

**Redemption.\*** The Bonds are subject to redemption prior to maturity as described herein. See "THE BONDS – Redemption."

**Bond Insurance.** The District has applied for bond insurance to guarantee the scheduled payment of principal of and interest on the Bonds, and will decide prior to the sale of the Bonds whether to purchase such insurance.

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**MATURITY SCHEDULE**  
(See inside cover)

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**Cover Page.** This cover page contains certain information for general reference only. It is not a summary of all provisions of the Bonds. Prospective investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

*The Bonds will be offered when, as and if issued and accepted by the Underwriter, subject to the approval as to legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel to the District, and subject to certain other conditions. Jones Hall is also serving as Disclosure Counsel to the District. Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, is serving as counsel to the Underwriter. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC, on or about January 28, 2021\*.*

**STIFEL**

The date of this Official Statement is \_\_\_\_\_, 2021.

\*Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

# MATURITY SCHEDULE\*

**WILLITS UNIFIED SCHOOL DISTRICT  
(Mendocino County, California)  
General Obligation Bonds  
Election of 2020, Series A  
(Bank Qualified)**

**Base CUSIP†: \_\_\_\_\_**

**\$ \_\_\_\_\_ Serial Bonds**

| <b><u>Maturity Date</u></b><br><b><u>(August 1)</u></b> | <b><u>Principal</u></b><br><b><u>Amount</u></b> | <b><u>Interest Rate</u></b> | <b><u>Yield</u></b> | <b><u>CUSIP†</u></b> |
|---------------------------------------------------------|-------------------------------------------------|-----------------------------|---------------------|----------------------|
|---------------------------------------------------------|-------------------------------------------------|-----------------------------|---------------------|----------------------|

**\$ \_\_\_\_\_ % Term Bonds maturing August 1, 20\_\_; Yield: \_\_%;  
CUSIP†: \_\_\_\_**

*\*Preliminary; subject to change.*

*† CUSIP Global Services, and a registered trademark of American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of American Bankers Association by S&P Capital IQ. Neither the District nor the Underwriter takes any responsibility for the accuracy of the CUSIP data.*

# **WILLITS UNIFIED SCHOOL DISTRICT**

## **BOARD OF TRUSTEES [TO BE UPDATED FOLLOWING REORGANIZATION]**

Alex Bowlds, *President*  
Robert Colvig, *Clerk*  
Robert Chavez, *Member*  
Jeanne King, *Member*  
Paula Nunez, *Member*

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## **DISTRICT ADMINISTRATION**

Mark Westerburg, *Superintendent*  
Nikki Agenbroad, *Director of Fiscal Services*

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## **PROFESSIONAL SERVICES**

### **FINANCIAL ADVISOR**

Fieldman, Rolapp & Associates, Inc.  
*Irvine, California*

### **BOND AND DISCLOSURE COUNSEL**

Jones Hall, A Professional Law Corporation  
*San Francisco, California*

### **BOND REGISTRAR, TRANSFER AGENT AND PAYING AGENT**

The Bank of New York Mellon Trust Company, N.A.,  
*Dallas, Texas*

## GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

**Use of Official Statement.** This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not a contract between any bond owner and the District or the Underwriter.

**No Offering Except by This Official Statement.** No dealer, broker, salesperson or other person has been authorized by the District or the Underwriter to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such other information or representation must not be relied upon as having been authorized by the District or the Underwriter.

**No Unlawful Offers or Solicitations.** This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor may there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

**Information in Official Statement.** The information set forth in this Official Statement has been furnished by the District and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness.

**Estimates and Forecasts.** When used in this Official Statement and in any continuing disclosure by the District in any press release and in any oral statement made with the approval of an authorized officer of the District or any other entity described or referenced herein, the words or phrases "will likely result," "are expected to", "will continue", "is anticipated", "estimate", "project," "forecast", "expect", "intend" and similar expressions identify "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the District or any other entity described or referenced herein since the date hereof.

**Involvement of Underwriter.** The Underwriter has provided the following statement for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement pursuant to its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

**Stabilization of and Changes to Offering Prices.** The Underwriter may overallocate or take other steps that stabilize or maintain the market prices of the Bonds at levels above those that might otherwise prevail in the open market. If commenced, the Underwriter may discontinue such market stabilization at any time. The Underwriter may offer and sell the Bonds to certain securities dealers, dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside cover page of this Official Statement, and those public offering prices may be changed from time to time by the Underwriter.

**Document Summaries.** All summaries of the Bond Resolution or other documents referred to in this Official Statement are made subject to the provisions of such documents and qualified in their entirety to reference to such documents, and do not purport to be complete statements of any or all of such provisions.

**No Securities Laws Registration.** The Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon exceptions therein for the issuance and sale of municipal securities. The Bonds have not been registered or qualified under the securities laws of any state.

**Effective Date.** This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds will, under any circumstances, give rise to any implication that there has been no change in the affairs of the District, the County, the other parties described in this Official Statement, or the condition of the property within the District since the date of this Official Statement.

**Website.** The District maintains a website. However, the information presented on the website is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Bonds.

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*INTENTIONALLY LEFT BLANK*



**\$4,000,000\***  
**WILLITS UNIFIED SCHOOL DISTRICT**  
**(Mendocino County, California)**  
**General Obligation Bonds, Election of 2020, Series A**  
**(Bank Qualified)**

The purpose of this Official Statement, which includes the cover page, inside cover page and attached appendices, is to set forth certain information concerning the sale and delivery of the general obligation bonds captioned above (the “**Bonds**”) by the District.

## INTRODUCTION

*This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement and the documents summarized or described in this Official Statement. A full review should be made of the entire Official Statement. The offering of Bonds to potential investors is made only by means of the entire Official Statement.*

**The District.** The Willits Unified School District (the “**District**”) was established in 1961 and provides educational services to an estimated \_\_\_ residents in and around the City of Willits (the “**City**”), in Mendocino County (the “**County**”), in the State of California (the “**State**”). The District currently operates three elementary schools, one middle school and two high schools. Enrollment in the District is budgeted for approximately \_\_\_\_\_ students in fiscal year 2020-21.

For more information regarding the District and its finances, see APPENDIX A and APPENDIX B attached hereto. See also APPENDIX C hereto for demographic and other statistical information regarding the City and County.

**COVID-19 Statement.** The COVID-19 pandemic has resulted in a public health crisis that is fluid and unpredictable with financial and economic impacts that cannot be predicted. As such, investors are cautioned that the District cannot at this time predict the impacts that the COVID-19 pandemic may have on its operations and finances, property values in the District, and economic activity in the District, the State and the nation, among others. For more disclosure regarding the COVID-19 emergency, see “SECURITY FOR THE BONDS – COVID-19 Global Pandemic.” See also references to COVID-19 in the sections herein entitled “PROPERTY TAXATION”, and in APPENDIX A under the heading “STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS.”

**Purpose of Issue.** The net proceeds of the Bonds will be used to finance construction and improvements to facilities of the District, as approved by voters in the District at an election held on November 3, 2020 (the “**Bond Election**”). See “THE BONDS - Purpose of Issue” herein.

**Authority for Issuance of the Bonds.** Issuance of the Bonds was approved by more than the requisite 55% of the voters of the District voting at the Bond Election to authorize \$17 million of general obligation bonds, and will be issued pursuant to certain provisions of the Government Code of the State and a resolution adopted by the Board of Trustees of the District on December 16, 2020 (the “**Bond Resolution**”). See “THE BONDS - Authority for Issuance” herein.

---

*\* Preliminary; subject to change.*

**Description of the Bonds.** The Bonds will be issued as current interest bonds. The Bonds will be dated their date of delivery (the “**Dated Date**”) and will be issued as fully registered bonds, without coupons, in the denominations of \$5,000 or any integral multiple thereof. The Bonds will mature on August 1 in the years indicated on the inside cover page hereof. The Bonds will accrue interest from the Dated Date, which is payable semiannually on February 1 and August 1 of each year, commencing August 1, 2021. See “THE BONDS – Description of the Bonds” herein.

**Payment and Registration of the Bonds.** The Bonds will be issued in fully registered form only, registered in the name of Cede & Co. as nominee of DTC, and will be available to actual purchasers of the Bonds (the “**Beneficial Owners**”) in the denominations set forth on the cover page hereof, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through participants in DTC’s book-entry only system (“**DTC Participants**”) as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See APPENDIX F.

If the book-entry-only system described below is no longer used with respect to the Bonds, the Bonds will be registered in accordance with the Bond Resolution. See “THE BONDS - Registration, Transfer and Exchange of Bonds” herein.

**Security and Sources of Payment for the Bonds.** The Bonds are general obligation bonds of the District payable solely from *ad valorem* property taxes levied on taxable property located in the District and collected by the County. The County is empowered and obligated to annually levy *ad valorem* taxes for the payment of interest on, and principal of, the Bonds upon all property subject to taxation by the District, without limitation of rate or amount (except with respect to certain personal property which is taxable at limited rates). See “SECURITY FOR THE BONDS.”

Following the issuance of the Bonds, there will be \$13,000,000\* unissued authorization remaining under the 2020 Authorization (defined herein). See “DISTRICT FINANCIAL INFORMATION - Existing Debt Obligations” in APPENDIX A.

The impact that the current COVID-19 outbreak might have on the assessed valuation of property located in the District is uncertain at this time. See “PROPERTY TAXATION – Assessed Valuations” and “SECURITY FOR THE BONDS – COVID-19 Global Pandemic.”

**Redemption.\*** The Bonds are subject to redemption prior to maturity as described herein. See “THE BONDS –Redemption.”

**Legal Matters.** Issuance of the Bonds is subject to the approving opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, to be delivered in substantially the form attached hereto as APPENDIX D. Jones Hall, A Professional Law Corporation, San Francisco, California, will serve as Disclosure Counsel to the District. Stradling Yocca Carlson & Rauth, a Professional Corporation, is serving as counsel to the Underwriter. Payment of the fees of Bond Counsel, Disclosure Counsel, and counsel to the Underwriter is contingent upon issuance of the Bonds.

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\*Preliminary; subject to change.

**Bond Insurance.** The District has applied for bond insurance to guarantee the scheduled payment of principal of and interest on the Bonds and, if a commitment is issued to insure the Bonds, will determine prior to the sale of the Bonds whether to obtain such insurance. See "BOND INSURANCE."

**Tax Matters; Bank Qualified.** Assuming compliance with certain covenants and provisions of the Internal Revenue Code of 1986, in the opinion of Bond Counsel, interest on the Bonds will not be includable in gross income for federal income tax purposes although it may be includable in the calculation for certain taxes. Also, in the opinion of Bond Counsel, interest on the Bonds will be exempt from State of California (the "**State**") personal income taxes. The District has designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986. Such section provides an exception to the prohibition against the ability of a "financial institution" (as defined in the Internal Revenue Code of 1986) to deduct its interest expense allocable to tax-exempt interest. See "TAX MATTERS" and APPENDIX D hereto for the form of Bond Counsel's opinion to be delivered concurrently with the Bonds.

**Continuing Disclosure.** The District has covenanted and agreed that it will comply with and carry out all of the provisions of a continuing disclosure certificate (the "**Continuing Disclosure Certificate**"), the form of which is attached as APPENDIX E. See "CONTINUING DISCLOSURE" for additional information.

**Other Information.** This Official Statement speaks only as of its date, and the information contained in this Official Statement is subject to change. Copies of documents referred to in this Official Statement, and information concerning the Bonds, are available from the District at 1277 Blosser Lane, Willits, CA 95490, Telephone: (707) 459-5314. The District may impose a charge for copying, mailing and handling.

*END OF INTRODUCTION*

## THE BONDS

### Authority for Issuance

The Bonds will be issued under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 thereof, and the Bond Resolution.

The District received authorization by more than the requisite 55% of District voters at the Bond Election to issue general obligation bonds in a principal amount of \$17,000,000 (the “**2020 Authorization**”).

The Bonds are the first series of bonds to be issued pursuant to the 2020 Authorization. Following the issuance of the Bonds, there will be \$13,000,000\* unissued authorization remaining under the 2020 Authorization.\*

### Purpose of Issue

Proceeds of the Bonds will be used for the purposes specified in the ballot measure approved by the District's voters on November 3, 2020, the abbreviated text of which appeared on the ballot as follows:

*“In order to repair aging classrooms and school facilities, fix deteriorating roofs, plumbing, heating/cooling, and electric systems, improve student safety and security, upgrade, acquire, construct, and equip classrooms, labs and facilities supporting college and career readiness, shall the Willits Unified School District measure authorizing \$17 million in bonds at legal rates be adopted, with estimated levies of 4 cents per \$100 assessed value (approximately \$950,000 annually) while bonds are outstanding, audits, and money staying local?”*

In addition to the abbreviated statement of the ballot measure, as part of the sample ballot materials, in accordance with the requirements of California law, District voters were presented with a full text of ballot measure, which, among other items, included a project list identifying to District voters the types of projects eligible for funding from proceeds of bonds approved at the Bond Election (the “**Project List**”). The District makes no representation as to the specific application of the proceeds of the Bonds, the completion of any projects listed on the Project List, or whether bonds authorized by the 2020 Authorization will provide sufficient funds to complete any particular project listed in the Project List.

### Description of the Bonds

The Bonds are being issued as current interest bonds. The Bonds mature in the years and in the amounts set forth on the inside cover page hereof. The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee for DTC. Purchasers will not receive physical certificates representing their interest in the Bonds. See “Book-Entry Only System” and APPENDIX F.

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\* Preliminary; subject to change.

The Bonds shall be issued in the denominations of \$5,000 principal amount each or any integral multiple thereof. Interest on Bonds is payable semiannually on each February 1 and August 1, commencing August 1, 2021 (each, an “**Interest Payment Date**”). Each Bond will bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof unless (i) it is authenticated as of an Interest Payment Date, in which event it will bear interest from such date, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the fifteenth (15<sup>th</sup>) day of the month preceding the Interest Payment Date (each, a “**Record Date**”), in which event it will bear interest from such Interest Payment Date, or (iii) it is authenticated prior to July 15, 2021, in which event it will bear interest from the date of delivery of the Bonds identified on the cover page hereof. Notwithstanding the foregoing, if interest on any Bond is in default at the time of authentication thereof, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon. Payments of principal of and interest on the Bonds will be paid by the Paying Agent to DTC for subsequent disbursement to DTC Participants who will remit such payments to the beneficial owners of the Bonds.

### **Book-Entry Only System**

The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee of DTC. Purchasers of the Bonds will not receive physical certificates representing their interest in the Bonds. Payments of principal of and interest on the Bonds will be paid by the Paying Agent to DTC for subsequent disbursement to DTC Participants which will remit such payments to the Beneficial Owners of the Bonds.

As long as DTC’s book-entry method is used for the Bonds, the Paying Agent will send any notice of prepayment or other notices to owners only to DTC. Any failure of DTC to advise any DTC Participant, or of any DTC Participant to notify any Beneficial Owner, of any such notice and its content or effect will not affect the validity or sufficiency of the proceedings relating to the prepayment of the Bonds called for prepayment or any other action premised on such notice. See APPENDIX F.

The Paying Agent, the District, and the Underwriter of the Bonds have no responsibility or liability for any aspects of the records relating to or payments made on account of beneficial ownership, or for maintaining, supervising or reviewing any records relating to beneficial ownership, of interests in the Bonds.

### **Redemption\***

**Optional Redemption.** The Bonds maturing on or before August 1, 20\_\_ are not subject to redemption prior to maturity. The Bonds maturing on or after August 1, 20\_\_ are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1, 20\_\_, or on any date thereafter, at a price equal to 100% of the principal amount thereof, without premium, together with accrued interest thereon to the redemption date.

Whenever less than all of the outstanding Bonds of any one maturity are designated for redemption, the Paying Agent will select the outstanding Bonds of such maturity to be redeemed by lot in any manner deemed fair by the Paying Agent. For the purpose of selection for optional

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\* Preliminary; subject to change.

redemption, Bonds will be deemed to consist of \$5,000 portions (principal amount), and any such portion may be separately redeemed. The Bonds may all be separately redeemed.

**Mandatory Sinking Fund Redemption.** The Bonds maturing on August 1, 20\_\_ (the “Term Bonds”), are subject to mandatory sinking fund redemption on August 1 of each year in accordance with the schedules set forth below. The Term Bonds so called for mandatory sinking fund redemption will be redeemed in the sinking fund payments amounts and on the dates set forth below, without premium.

**Term Bonds Maturing August 1, 20\_\_**

| Redemption Date<br>(August 1) | Sinking Fund<br>Redemption |
|-------------------------------|----------------------------|
|-------------------------------|----------------------------|

If any Term Bonds are redeemed pursuant to optional redemption, the total amount of all future sinking fund payments with respect to such Term Bonds shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such payments on a pro rata basis in integral multiples of \$5,000 principal amount (or on such other basis as the District may determine) as set forth in written notice given by the District to the Paying Agent.

**Notice of Redemption**

The Paying Agent shall give notice of the redemption of the Bonds at the expense of the District to be mailed, first class, postage prepaid, at least 20 but not more than 60 days prior to the date fixed for redemption, to the owners of the Bonds designated for redemption. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed, (b) the numbers and CUSIP numbers of the Bonds to be redeemed, (c) the date of notice and the date of redemption, (d) the place or places where the redemption will be made, and (e) descriptive information regarding the Bonds including the dated date, interest rate and stated maturity date. Such notice shall further state that on the specified date there shall become due and payable upon each Bond to be redeemed, the portion of the principal amount of such Bond to be redeemed, together with interest accrued to said date, the redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue and be payable. Such notice may be a conditional notice of redemption and subject to rescission as set forth below.

Neither the failure to receive or failure to send any notice of redemption nor any defect in any such redemption notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds.

**Partial Redemption of Bonds**

Upon surrender of Bonds redeemed in part only, the District will execute and the Paying Agent will authenticate and deliver to the owner, at the expense of the District, a new Bond or Bonds, of the same maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond or Bonds.



## **Effect of Redemption**

From and after the date fixed for redemption, if notice of such redemption has been duly given and funds available for the payment of the principal of and interest (and premium, if any) on the Bonds so called for redemption have been duly provided, such Bonds so called will cease to be entitled to any benefit under the Bond Resolution, other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in such notice.

## **Right to Rescind Notice of Redemption**

The District has the right to rescind any notice of the optional redemption of Bonds by written notice to the Paying Agent on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption. The District and the Paying Agent have no liability to the Bond owners or any other party related to or arising from such rescission of redemption. The Paying Agent shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under the Bond Resolution.

## **Registration, Transfer and Exchange of Bonds**

If the book entry system is discontinued, the District shall cause the Paying Agent to maintain and keep at its principal corporate trust office all books and records necessary for the registration, exchange and transfer of the Bonds.

If the book entry system is discontinued, the person in whose name a Bond is registered on the Bond registration books shall be regarded as the absolute owner of that Bond. Payment of the principal of and interest on any Bond shall be made only to or upon the order of that person; neither the District, the County nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in the Bond Resolution.

Bonds may be exchanged at the principal corporate trust office of the Paying Agent in Dallas, Texas for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity. Any Bond may, in accordance with its terms, but only if (i) the District determines to no longer maintain the book entry only status of the Bonds, (ii) DTC determines to discontinue providing such services and no successor securities depository is named or (iii) DTC requests the District to deliver Bond certificates to particular DTC Participants, be transferred, upon the books required to be kept pursuant to the provisions of the Bond Resolution, by the person in whose name it is registered, in person or by their duly authorized attorney, upon surrender of such Bond for cancellation at the office of the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed.

No exchanges of Bonds shall be required to be made (a) fifteen days prior to an Interest Payment Date or the date established by the Paying Agent for selection of Bonds for redemption until the close of business on the Interest Payment Date or day on which the applicable notice of redemption is given or (b) with respect to a Bond after such Bond has been selected or called for redemption in whole or in part.

## Defeasance and Discharge of Bonds

The Bonds may be paid by the District, in whole or in part, in any one or more of the following ways:

- (a) by paying or causing to be paid the principal or redemption price of and interest on such Bonds, as and when the same become due and payable;
- (b) by irrevocably depositing, in trust, at or before maturity, money or securities in the necessary amount (as provided in the Bond Resolution) to pay or redeem such Bonds; or
- (c) by delivering such Bonds to the Paying Agent for cancellation by it.

Whenever in the Bond Resolution it is provided or permitted that there be deposited with or held in trust by the Paying Agent money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may be held by the Paying Agent or by any other fiduciary. Such money or securities may include money or securities held by the Paying Agent in the funds and accounts established under the Bond Resolution and will be:

- (i) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption is given as provided in the Bond Resolution or provision satisfactory to the Paying Agent is made for the giving of such notice, the amount to be deposited or held will be the principal amount or redemption price of such Bonds and all unpaid interest thereon to the redemption date; or
- (ii) Federal Securities (not callable by the issuer thereof prior to maturity) the principal of and interest on which when due, in the opinion of a certified public accountant delivered to the District, will provide money sufficient to pay the principal or redemption price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid or redeemed, as such principal or redemption price and interest become due, provided that, in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption is given as provided in the Bond Resolution or provision satisfactory to the Paying Agent is made for the giving of such notice.

Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount (as described above) to pay or redeem any outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), then all liability of the County and the District in respect of such Bond will cease and be completely discharged, except only that thereafter the owner thereof will be entitled only to payment of the principal of and interest on such Bond by the District, and the District will remain liable for such payment, but only out of such money or securities deposited with the Paying Agent for such payment.

**“Federal Securities”** means: United States Treasury notes, bonds, bills or certificates of indebtedness, or any other obligations the timely payment of which is directly or indirectly guaranteed by the faith and credit of the United States of America.

**DEBT SERVICE SCHEDULES**

**The Bonds.** The following table shows the annual debt service schedule with respect to the Bonds, assuming no optional redemptions.

**Willits Unified School District  
General Obligation Bonds  
Election of 2020, Series A  
Debt Service Schedule**

| <b>Bond Year Ending<br/>(August 1)</b> | <b>Principal</b> | <b>Interest</b> | <b>Total<br/>Annual Debt<br/>Service</b> |
|----------------------------------------|------------------|-----------------|------------------------------------------|
| 2021                                   |                  |                 |                                          |
| 2022                                   |                  |                 |                                          |
| 2023                                   |                  |                 |                                          |
| 2024                                   |                  |                 |                                          |
| 2025                                   |                  |                 |                                          |
| 2026                                   |                  |                 |                                          |
| 2027                                   |                  |                 |                                          |
| 2028                                   |                  |                 |                                          |
| 2029                                   |                  |                 |                                          |
| 2030                                   |                  |                 |                                          |
| 2031                                   |                  |                 |                                          |
| 2032                                   |                  |                 |                                          |
| 2033                                   |                  |                 |                                          |
| 2034                                   |                  |                 |                                          |
| 2035                                   |                  |                 |                                          |
| 2036                                   |                  |                 |                                          |
| 2037                                   |                  |                 |                                          |
| 2038                                   |                  |                 |                                          |
| 2039                                   |                  |                 |                                          |
| 2040                                   |                  |                 |                                          |
| 2041                                   |                  |                 |                                          |
| 2042                                   |                  |                 |                                          |
| 2043                                   |                  |                 |                                          |
| 2044                                   |                  |                 |                                          |
| 2045                                   |                  |                 |                                          |
| 2046                                   |                  |                 |                                          |
| 2047                                   |                  |                 |                                          |
| 2048                                   |                  |                 |                                          |
| 2049                                   |                  |                 |                                          |
| 2050                                   |                  |                 |                                          |
| <b>TOTAL</b>                           |                  |                 |                                          |

**Combined General Obligation Bonds.** The following table shows the combined annual debt service schedule with respect to all outstanding general obligation bonds of the District secured by *ad valorem* taxes, assuming no optional redemptions. See APPENDIX A – “DISTRICT FINANCIAL INFORMATION - Existing Debt Obligations” for additional information.

| <b>Period Ending<br/>August 1</b> | <b>2010 Election<br/>Series A Bonds*</b> | <b>2010 Election<br/>Series B Bonds*</b> | <b>The Bonds</b> | <b>Aggregate<br/>Debt Service</b> |
|-----------------------------------|------------------------------------------|------------------------------------------|------------------|-----------------------------------|
| 2021                              | --                                       | \$1,320,731.26                           |                  |                                   |
| 2022                              | --                                       | 1,311,225.00                             |                  |                                   |
| 2023                              | --                                       | 1,303,850.00                             |                  |                                   |
| 2024                              | --                                       | 1,293,287.50                             |                  |                                   |
| 2025                              | --                                       | 1,280,787.50                             |                  |                                   |
| 2026                              | --                                       | 1,269,575.00                             |                  |                                   |
| 2027                              | --                                       | 1,254,312.50                             |                  |                                   |
| 2028                              | \$1,195,000.00                           | --                                       |                  |                                   |
| 2029                              | 1,240,000.00                             | --                                       |                  |                                   |
| 2030                              | 1,290,000.00                             | --                                       |                  |                                   |
| 2031                              | 1,345,000.00                             | --                                       |                  |                                   |
| 2032                              | 1,400,000.00                             | --                                       |                  |                                   |
| 2033                              | 1,455,000.00                             | --                                       |                  |                                   |
| 2034                              | 1,515,000.00                             | --                                       |                  |                                   |
| 2035                              | 1,575,000.00                             | --                                       |                  |                                   |
| 2036                              | 1,640,000.00                             | --                                       |                  |                                   |
| 2037                              | 1,705,000.00                             | --                                       |                  |                                   |
| 2038                              | 1,775,000.00                             | --                                       |                  |                                   |
| 2039                              | 1,850,000.00                             | --                                       |                  |                                   |
| 2040                              | 1,925,000.00                             | --                                       |                  |                                   |
| 2041                              | 2,005,000.00                             | --                                       |                  |                                   |
| 2042                              | --                                       | --                                       |                  |                                   |
| 2043                              | --                                       | --                                       |                  |                                   |
| 2044                              | --                                       | --                                       |                  |                                   |
| 2045                              | --                                       | --                                       |                  |                                   |
| 2046                              | --                                       | --                                       |                  |                                   |
| 2047                              | --                                       | --                                       |                  |                                   |
| 2048                              | --                                       | --                                       |                  |                                   |
| 2049                              | --                                       | --                                       |                  |                                   |
| 2050                              | --                                       | --                                       |                  |                                   |
| <b>TOTAL</b>                      | <b>\$21,915,000.00</b>                   | <b>\$9,033,768.76</b>                    |                  |                                   |

\* Bond year ends July 15th.

## SOURCES AND USES OF FUNDS

The estimated sources and uses of funds with respect to the Bonds are as follows:

### Sources of Funds

Principal Amount of Bonds

[Net] Original Issue [Premium]/[Discount]

\_\_\_\_\_

**Total Sources**

### Uses of Funds

Building Fund

Debt Service Fund

Costs of Issuance <sup>(1)</sup>

\_\_\_\_\_

**Total Uses**

*(1) All estimated costs of issuance including, but not limited to, Underwriter's discount, printing costs, and fees of Bond Counsel, Disclosure Counsel, the Financial Advisor, the Paying Agent, premium for the Policy (in any) and the rating agency.*

## SECURITY FOR THE BONDS

### **Ad Valorem Taxes**

**Bonds Payable from Ad Valorem Property Taxes.** The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes levied on taxable property within the District and collected by the County. The County is empowered and is obligated to annually levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District, without limitation of rate or amount (except certain personal property which is taxable at limited rates).

**Other Debt Payable from Ad Valorem Property Taxes.** In addition to the Bonds, there is other debt issued by the District and other entities with jurisdiction in the District, which is payable from *ad valorem* taxes levied on parcels in the District. See “PROPERTY TAXATION – Tax Rates” and “- Direct and Overlapping Debt” below.

**Levy and Collection.** The County will levy and collect such *ad valorem* taxes in such amounts and at such times as is necessary to ensure the timely payment of debt service. Such taxes, when collected, will be deposited into a debt service fund for the Bonds, which is maintained by the County and which is irrevocably pledged for the payment of principal of and interest on the Bonds when due.

District property taxes are assessed and collected by the County in the same manner and at the same time, and in the same installments as other *ad valorem* taxes on real property, and will have the same priority, become delinquent at the same times and in the same proportionate amounts, and bear the same proportionate penalties and interest after delinquency, as do the other *ad valorem* taxes on real property.

**Statutory Lien on Ad Valorem Tax Revenues.** Pursuant to Senate Bill 222, effective as of January 1, 2016, under California law voter approved general obligation bonds which are secured by *ad valorem* tax collections, including the Bonds, are secured by a statutory lien on all revenues received pursuant to the levy and collection of the property tax imposed to service those bonds. Said lien attaches automatically and is valid and binding from the time the bonds are executed and delivered. The lien is enforceable against the District, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any further act.

**Annual Tax Rates.** The amount of the annual *ad valorem* tax levied by the County to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rate to fluctuate.

**Natural Disasters.** Economic and other factors beyond the District’s control, such as economic recession, outbreak of a pandemic, deflation of property values, a relocation out of the District or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by, among other eventualities, earthquake, flood, fire or other natural disaster, could cause a reduction in the assessed value within the District and necessitate a corresponding increase in the annual tax rate. See “PROPERTY TAXATION – Assessed Valuations – Factors Relating to Increases/Decreases in Assessed Value.” See also “— COVID-19 Global Pandemic.”



## **Building Fund**

The proceeds from the sale of the Bonds, to the extent of the principal amount thereof, will be paid to the County to the credit of the fund created and established in the Bond Resolution and known as the "Willits Unified School District, Election of 2020, Series A Building Fund" (the "**Building Fund**"), which will be accounted for as separate and distinct from all other District and County funds. The proceeds will be used solely for the purposes for which the Bonds are being issued and for payment of permissible costs of issuance. Any excess proceeds of the Bonds not needed for the authorized purposes for which the Bonds are being issued shall be transferred to the Debt Service Fund and applied to the payment of principal of and interest on the Bonds. If, after payment in full of the Bonds, there remains excess proceeds, any such excess amounts shall be transferred to the debt service fund for any outstanding general obligation bonds of the District, and if there are none, to the general fund of the District. Interest earnings on the investment of monies held in the Building Fund will be retained in the Building Fund.

## **Debt Service Fund**

Amounts to pay debt service on the Bonds will be held in the fund created and established in the Bond Resolution and known as the "Willits Unified School District, Election of 2020, Series A Debt Service Fund" (the "**Debt Service Fund**") for the Bonds, which will be established as a separate fund to be maintained distinct from all other funds of the County. All taxes levied by the County for the payment of the principal of and interest and premium (if any) on the Bonds will be deposited in the Debt Service Fund by the County promptly upon the receipt. The Debt Service Fund is pledged for the payment of the principal of and interest and premium (if any) on the Bonds when and as the same become due. The County will transfer amounts in the Debt Service Fund to the Paying Agent to the extent necessary to pay the principal of and interest and premium (if any) on the Bonds as the same becomes due and payable.

If, after payment in full of the Bonds, there remains excess proceeds, any such excess amounts shall be transferred to the debt service fund for any outstanding general obligation bonds of the District, and if there are none, the County shall transfer such amounts to the District's general fund, to be applied solely in a manner which is consistent with the requirements of applicable state and federal tax law.

## **Not a County Obligation**

The Bonds are payable solely from the proceeds of an *ad valorem* tax levied and collected by the County, for the payment of principal and interest on the Bonds. Although the County is obligated to collect the *ad valorem* tax for the payment of the Bonds, the Bonds are not a debt of the County.

## **COVID-19 Global Pandemic**

**Background.** The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus ("**COVID-19**"), which was first detected in China and has spread to other countries, including the United States, was declared a pandemic by the World Health Organization, a national emergency by the President of the United States (the "**President**") and a state of emergency by the Governor of the State (the "**Governor**"). There has been tremendous volatility in the markets in the United States and globally, resulting in the onset of a national and global recession.

The President's declaration of a national emergency on March 13, 2020 made available more than \$50 billion in federal resources to combat the spread of the virus. A multi-billion-dollar relief package was signed into law by the President on March 18, 2020, providing for Medicaid expansion, unemployment benefits and paid emergency leave during the crisis. In addition, the Federal Reserve lowered its benchmark interest rate to nearly zero, introduced a large bond-buying program and established emergency lending programs to banks and money market mutual funds.

On March 27, 2020, the United States Congress passed a \$2 trillion relief package, referred to as the Coronavirus Aid, Relief, and Economic Security Act (the "**CARES Act**"). The package includes direct payments to taxpayers, jobless benefits, assistance to hospitals and healthcare systems, \$367 billion for loans to small businesses, a \$500 billion fund to assist distressed large businesses, including approximately \$30 billion to provide emergency grants to educational institutions and local educational agencies. This funding allocation includes approximately \$13.5 billion in formula funding to make grants available to each state's educational agency in order to facilitate K-12 schools' responses to the COVID-19 crisis.

On April 9, 2020, the Federal Reserve took additional actions to provide up to \$2.3 trillion in loans to support the economy, including supplying liquidity to participating financial institutions in the SBA's Paycheck Protection Program, purchasing up to \$600 billion in loans through the Main Street Lending Program and offering up to \$500 billion in lending to states and municipalities.

On April 24, 2020, an additional \$484 billion federal aid package was signed, to provide additional funding for the local program for distressed small businesses and to provide funds for hospitals and COVID-19 testing. The legislation adds \$310 billion to the Paycheck Protection Program, increases the small business emergency grant and loan program by \$60 billion, and directs \$75 billion to hospitals and \$25 billion to a new COVID-19 testing program.

At the State level, on March 15, 2020, the Governor ordered the closing of California bars and nightclubs, the cancellation of gatherings of more than 250 and confirmed continued funding for school districts that close under certain conditions. On March 16, 2020, the State legislature passed \$1.1 billion in general purpose spending authority for emergency funds to respond to the Coronavirus crisis. On March 19, 2020, Governor Newsom issued Executive Order N-33-20, a blanket shelter-in-place order, ordering all California residents to stay home except for certain necessities and other essential purposes. On August 28, 2020, the Governor released a new system called "Blueprint for a Safer California," which places the State's 58 counties into four color-coded tiers – purple, red, orange, and yellow, in descending order of severity – based on the number of new daily cases of COVID-19 and the percentage of positive tests.

The COVID-19 outbreak is ongoing, and the ultimate geographic spread of the virus, the duration and severity of the outbreak, the economic impacts and actions that may be taken by governmental authorities to contain the outbreak or to treat its impacts are uncertain and cannot be predicted. Additional information with respect to events surround the outbreak of COVID-19 and responses thereto can be found on State and local government websites, including but not limited to: the Governor's office (<http://www.gov.ca.gov>) and the California Department of Public Health (<https://covid19.ca.gov/>). *The District has not incorporated by reference the information on such websites, and the District does not assume any responsibility for the accuracy of the information on such websites.*

***Impacts of COVID-19 Pandemic on Global and Local Economies Cannot be Predicted; Potential Declines in State and Local Revenues.*** The COVID-19 public health emergency will have negative impacts on global and local economies, including the economy of the State and in the

region of the District. The extent and duration of the COVID-19 emergency is currently unknown, and the reach of its impacts uncertain.

The State's revenue sources are anticipated to be materially impacted by the COVID-19 pandemic, including with respect to reductions in personal income tax receipts and capital gains tax receipts. Economic uncertainty caused by the outbreak will significantly affect California's near-term fiscal outlook, with a likely recession due to pullback in activity across wide swaths of the economy. For more detail regarding the State's current budget, and related reports and outlooks, see Appendix A under the heading "STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS."

In addition, in an attempt to mitigate the effects of the COVID-19 pandemic on State property taxpayers, on May 6, 2020, the Governor signed an executive order suspending penalties, costs or interest for the failure to pay secured or unsecured property taxes, or to pay a supplemental bill, before the date that such taxes become delinquent. See "PROPERTY TAXATION – Property Tax Collection Procedures – Waiver of State Laws Relating to Penalties for Non-Payment of Property Taxes."

**Impacts on California School Districts.** Shelter in place orders have suspended in-person classroom instruction indefinitely throughout California schools. Most school districts (including the District) are undertaking distance learning efforts to provide continuing instruction to students. State law allows school districts to apply for a waiver to hold them harmless from the loss of State apportionment funding based on attendance and state instructional time penalties when they are forced to close schools due to emergency conditions. In addition, on March 13, 2020, Governor Newsom signed Executive Order N-26-20 which provides for continued State funding to school districts to support distance learning or independent study, providing subsidized school meals to low-income students, continuing payment for school district employees, and, to the extent practicable, providing for attendance calculations supervision of students during school hours, notwithstanding legal provisions to the contrary. Senate Bill 117 ("**SB 117**") was passed on March 17, 2020, addressing attendance issues and instructional hour requirements, among other items, and effectively holds schools harmless from incurring funding losses that could result from these issues under existing funding formulas. For more information about education funding formulas in California, see Appendix A under the heading "DISTRICT FINANCIAL INFORMATION – Education Funding Generally."

Under the State's "Blueprint for a Safer California," counties must spend at least three weeks in each tier before advancing to the next one. The County is currently assigned to the purple tier, which is the most restrictive tier.

For more information about how the District has responded to the COVID-19 emergency and the District's current assessment of the impact of the COVID-19 emergency on its finances, see APPENDIX A under the heading "DISTRICT GENERAL INFORMATION – District's Response to COVID-19 Emergency."

**Impacts of COVID-19 Emergency Uncertain.** The possible impacts that the COVID-19 emergency might have on the District's finances, programs, credit ratings on its debt obligations, local property values and the economy in general are uncertain at this time. In addition, there may be unknown consequences of the COVID-19 emergency, which the District is unable to predict.

**General Obligation Bonds Secured by Ad Valorem Tax Revenues.** Notwithstanding the impacts the COVID-19 emergency may have on the economy in the State, the County and the District or on the District's general purpose revenues, the Bonds described herein are voter-

approved general obligations of the District payable solely from the levy and collection of *ad valorem* property taxes, unlimited as to rate or amount, and are not payable from the general fund of the District. The District cannot predict the impacts that the Coronavirus emergency might have on local property values or tax collections. See “SECURITY FOR THE BONDS – *Ad Valorem* Taxes” and “PROPERTY TAXATION – Teeter Plan; Property Tax Collections” herein.

## PROPERTY TAXATION

### Property Tax Collection Procedures

In California, property subject to *ad valorem* taxes is classified as “secured” or “unsecured.” The “secured roll” is that part of the assessment roll containing state assessed public utilities’ property and real property, the taxes on which create a lien on such property sufficient, in the opinion of the county assessor, to secure payment of the taxes. A tax levied on unsecured property does not become a lien against such unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens arising pursuant to State law on such secured property, regardless of the time of the creation of the other liens. Secured and unsecured property are entered separately on the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property.

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. In addition, property on the secured roll with respect to which taxes are delinquent is declared tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the County.

Property taxes are levied for each fiscal year on taxable real and personal property situated in the taxing jurisdiction as of the preceding January 1. However, Senate Bill 813 (enacted by Statutes of 1983, Chapter 498) (“**SB 813**”), provided for the supplemental assessment and taxation of property as of the occurrence of a change of ownership or completion of new construction. Thus, this legislation eliminated delays in the realization of increased property taxes from new assessments. As amended, SB813 provided increased revenue to taxing jurisdictions to the extent that supplemental assessments of new construction or changes of ownership occur subsequent to the January 1 lien date and result in increased assessed value.

Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent, if unpaid on the following August 31. A 10% penalty is also attached to delinquent taxes in respect of property on the unsecured roll, and further, an additional penalty of 1.5% per month accrues with respect to such taxes beginning the first day of the third month following the delinquency date. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the county recorder’s office, in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee. The exclusive means of enforcing the payment of delinquent taxes in respect of property on the secured roll is the sale of the property securing the taxes for the amount of taxes which are delinquent.

Waiver of State Laws Relating to Penalties for Non-Payment of Property Taxes. In an attempt to mitigate the effects of the COVID-19 pandemic on State property taxpayers, on May 6, 2020, the Governor signed Executive Order N-61-20 (“**Order N-61-20**”). Under Order N-61-20, certain provisions of the State Revenue and Taxation Code are suspended until May 6, 2021 to the extent said provisions require a tax collector to impose penalties, costs or interest for the failure to pay secured or unsecured property taxes, or to pay a supplemental bill, before the date that such taxes become delinquent. Said penalties, costs and interest shall be cancelled under the conditions provided for in Order N-61-20, including if the property is residential real property occupied by the taxpayer or the real property qualifies as a small business under certain State laws, the taxes were not delinquent prior to March 4, 2020, the taxpayer files a claim for relief with the tax collector, and the taxpayer demonstrates economic hardship or other circumstances that have arisen due to the COVID-19 pandemic or due to a local, state, or federal governmental response to COVID-19. The impacts the waiver of penalties, costs or interest on delinquent property taxes under the circumstances described in Order N-61-20 have on property tax revenues are unknown at this time. For information about the County’s current distribution of property taxes, see below under the heading “-Tax Levies and Delinquencies – Teeter Plan.”

Disclaimer Regarding Property Tax Collection Procedures. The property tax collection procedures described above are subject to amendment based on legislation or executive order, including Order N-61-20, which may be enacted by the State legislature or declared by the Governor from time to time. The District cannot predict changes in law or orders of State officials that might occur in the future, particularly with regard to actions that might be taken in an attempt to mitigate the impacts of the COVID-19 pandemic.

### **Taxation of State-Assessed Utility Property**

The State Constitution provides that most classes of property owned or used by regulated utilities be assessed by the State Board of Equalization (“**SBE**”) and taxed locally. Property valued by the SBE as an operating unit in a primary function of the utility taxpayer is known as “unitary property”, a concept designed to permit assessment of the utility as a going concern rather than assessment of each individual element of real and personal property owned by the utility taxpayer. State-assessed unitary and “operating nonunitary” property (which excludes nonunitary property of regulated railways) is allocated to the counties based on the situs of the various components of the unitary property. Except for certain other excepted property, all unitary and operating nonunitary property is taxed at special county-wide rates and tax proceeds are distributed to taxing jurisdictions according to statutory formulae generally based on the distribution of taxes in the prior year.

### **Assessed Valuation**

The assessed valuation of property in the District is established by the assessor of the County, except for public utility property which is assessed by the State Board of Equalization, as described above. Assessed valuations are reported at 100% of the “full value” of the property, as defined in Article XIII A of the California Constitution. For a discussion of how properties currently are assessed, see APPENDIX A under the heading “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS.”

Certain classes of property, such as churches, colleges, not-for-profit hospitals, and charitable institutions, are exempt from property taxation and do not appear on the tax rolls.

**Assessed Valuation History.** The table below shows a recent history of the District's assessed valuation.

**WILLITS UNIFIED SCHOOL DISTRICT  
Assessed Valuation  
Fiscal Years 2013-14 through 2020-21**

| <b>Fiscal Year</b> | <b>Local Secured</b> | <b>Utility</b> | <b>Unsecured</b> | <b>Total</b>    | <b>% Change</b> |
|--------------------|----------------------|----------------|------------------|-----------------|-----------------|
| 2013-14            | \$1,051,490,163      | \$252,739      | \$46,866,506     | \$1,098,609,408 | --%             |
| 2014-15            | 1,061,282,929        | 252,739        | 44,898,269       | 1,106,433,937   | 0.7             |
| 2015-16            | 1,095,019,455        | 32,400         | 51,368,725       | 1,146,420,580   | 3.6             |
| 2016-17            | 1,144,195,319        | 261,809        | 52,286,945       | 1,196,744,073   | 4.4             |
| 2017-18            | 1,204,722,581        | 261,809        | 44,634,633       | 1,249,619,023   | 4.4             |
| 2018-19            | 1,260,746,500        | 261,809        | 48,822,208       | 1,309,830,517   | 4.8             |
| 2019-20            | 1,286,059,001        | 313,733        | 50,868,798       | 1,337,241,532   | 2.1             |
| 2020-21            | 1,329,720,656        | 313,733        | 46,929,946       | 1,376,964,335   | 3.0             |

Source: California Municipal Statistics, Inc.

**Factors Relating to Increases/Decreases in Assessed Value.** As indicated in the previous table, assessed valuations are subject to change in each year. Increases or decreases in assessed valuation result from a variety of factors including but not limited to general economic conditions, supply and demand for real property in the area, government regulations such as zoning, and natural disasters such as earthquakes, fires, floods and droughts.

Other wildfires have occurred in recent years in different regions of the State, and related flooding and mudslides have also occurred. The District cannot predict or make any representations regarding the effects that wildfires, flooding, mudslides or any other natural disasters, pandemics or related conditions have or may have on the value of taxable property within the District, or to what extent the effects said disasters might have had on economic activity in the District or throughout the State.

See also "SECURITY FOR THE BONDS – COVID-19 Global Pandemic."

**Property Tax Base Transfer Ballot Measure.** On November 3, 2020, State voters approved a constitutional amendment entitled Property Tax Transfers, Exemptions and Revenue for Wildfire Agencies and Counties Amendment ("**Proposition 19**"), which will: (i) expand special rules that give property tax savings to homeowners that are over the age of 55, severely disabled, or whose property has been impacted by a natural disaster or contamination, when they buy a different home; (ii) narrow existing special rules for inherited properties; and (iii) broaden the scope of legal entity ownership changes that trigger reassessment of properties. The District cannot make any assurance as to what effect the implementation of Proposition 19 will have on assessed valuation of real property in the District.

**Assessed Valuation By Jurisdiction.** The following table sets forth assessed valuation in the District by jurisdiction.

**WILLITS UNIFIED SCHOOL DISTRICT  
2020-21 Assessed Valuation by Jurisdiction**

| <b>Jurisdiction:</b>            | <b>Assessed Valuation<br/>in School District</b> | <b>% of<br/>School District</b> | <b>Assessed Valuation<br/>of Jurisdiction</b> | <b>% of Jurisdiction<br/>in School District</b> |
|---------------------------------|--------------------------------------------------|---------------------------------|-----------------------------------------------|-------------------------------------------------|
| City of Willits                 | \$ 477,562,313                                   | 34.68%                          | \$477,562,313                                 | 100.00%                                         |
| Unincorporated Mendocino County | 899,402,022                                      | 65.32                           | \$9,747,535,832                               | 9.23%                                           |
| <b>Total District</b>           | <b>\$1,376,964,335</b>                           | <b>100.00%</b>                  |                                               |                                                 |
| Mendocino County                | \$1,376,964,335                                  | 100.00%                         | \$12,636,231,964                              | 10.90%                                          |

Source: California Municipal Statistics, Inc.

**Assessed Valuation by Land Use.** The following table shows the land use of property in the District, as measured by assessed valuation and the number of parcels for fiscal year 2020-21. As shown, the majority of the District's assessed valuation is represented by residential property.

**WILLITS UNIFIED SCHOOL DISTRICT  
Local Secured Property Assessed Valuation and Parcels by Land Use  
Fiscal Year 2020-21**

|                                 | <b>2020-21<br/>Assessed Valuation <sup>(1)</sup></b> | <b>% of<br/>Total</b> | <b>No. of<br/>Parcels</b> | <b>% of<br/>Total</b> |
|---------------------------------|------------------------------------------------------|-----------------------|---------------------------|-----------------------|
| <b>Non-Residential:</b>         |                                                      |                       |                           |                       |
| Agricultural/Timber/Rural       | \$ 96,775,598                                        | 7.28%                 | 1,259                     | 10.65%                |
| Commercial                      | 95,545,971                                           | 7.19                  | 206                       | 1.74                  |
| Vacant Commercial               | 6,614,550                                            | 0.50                  | 161                       | 1.36                  |
| Hotel/Motel                     | 14,388,713                                           | 1.08                  | 16                        | 0.14                  |
| Industrial                      | 40,067,793                                           | 3.01                  | 68                        | 0.58                  |
| Vacant Industrial               | 11,682,843                                           | 0.88                  | 68                        | 0.58                  |
| Recreational                    | 2,108,674                                            | 0.16                  | 5                         | 0.04                  |
| Government/Social/Institutional | 8,340,663                                            | 0.63                  | 25                        | 0.21                  |
| Miscellaneous                   | 2,149,484                                            | 0.16                  | 70                        | 0.59                  |
| <b>Subtotal Non-Residential</b> | <b>\$277,674,289</b>                                 | <b>20.88%</b>         | <b>1,878</b>              | <b>15.88%</b>         |
| <b>Residential:</b>             |                                                      |                       |                           |                       |
| Single Family Residence         | \$ 872,671,402                                       | 65.63%                | 4,187                     | 35.41%                |
| Mobile Home                     | 63,641,240                                           | 4.79                  | 472                       | 3.99                  |
| Mobile Home Park/Trailer Park   | 12,653,130                                           | 0.95                  | 16                        | 0.14                  |
| Multi-Family Residential        | 54,956,227                                           | 4.13                  | 169                       | 1.43                  |
| Vacant Residential              | 48,124,368                                           | 3.62                  | 5,101                     | 43.14                 |
| <b>Subtotal Residential</b>     | <b>\$1,052,046,367</b>                               | <b>79.12%</b>         | <b>9,945</b>              | <b>84.12%</b>         |
| <b>Total</b>                    | <b>\$1,329,720,656</b>                               | <b>100.00%</b>        | <b>11,823</b>             | <b>100.00%</b>        |

(1) Local secured assessed valuation; excluding tax-exempt property.  
Source: California Municipal Statistics, Inc.



**Assessed Valuation of Single Family Residential Parcels.** The following table shows a breakdown of the assessed valuations of improved single-family residential parcels in the District for fiscal year 2020-21, including the median and average assessed value of single-family parcels in the District.

**WILLITS UNIFIED SCHOOL DISTRICT  
Per Parcel Assessed Valuation of Single Family Homes  
Fiscal Year 2020-21**

|                           | <u>No. of<br/>Parcels</u> | <u>2020-21<br/>Assessed Valuation</u> | <u>Average<br/>Assessed Valuation</u> | <u>Median<br/>Assessed Valuation</u> |
|---------------------------|---------------------------|---------------------------------------|---------------------------------------|--------------------------------------|
| Single Family Residential | 4,187                     | \$872,671,402                         | \$208,424                             | \$186,040                            |

| <u>2020-21<br/>Assessed Valuation</u> | <u>No. of<br/>Parcels <sup>(1)</sup></u> | <u>% of<br/>Total</u> | <u>Cumulative<br/>% of Total</u> | <u>Total<br/>Valuation</u> | <u>% of<br/>Total</u> | <u>Cumulative<br/>% of Total</u> |
|---------------------------------------|------------------------------------------|-----------------------|----------------------------------|----------------------------|-----------------------|----------------------------------|
| \$0 - \$24,999                        | 177                                      | 4.227%                | 4.227%                           | \$ 2,253,838               | 0.258%                | 0.258%                           |
| \$25,000 - \$49,999                   | 220                                      | 5.254                 | 9.482                            | 8,404,556                  | 0.963                 | 1.221                            |
| \$50,000 - \$74,999                   | 207                                      | 4.944                 | 14.426                           | 12,889,207                 | 1.477                 | 2.698                            |
| \$75,000 - \$99,999                   | 229                                      | 5.469                 | 19.895                           | 20,173,065                 | 2.312                 | 5.010                            |
| \$100,000 - \$124,999                 | 353                                      | 8.431                 | 28.326                           | 39,619,165                 | 4.540                 | 9.550                            |
| \$125,000 - \$149,999                 | 343                                      | 8.192                 | 36.518                           | 47,250,582                 | 5.414                 | 14.964                           |
| \$150,000 - \$174,999                 | 366                                      | 8.741                 | 45.259                           | 59,684,724                 | 6.839                 | 21.804                           |
| \$175,000 - \$199,999                 | 319                                      | 7.619                 | 52.878                           | 59,657,783                 | 6.836                 | 28.640                           |
| \$200,000 - \$224,999                 | 313                                      | 7.476                 | 60.353                           | 66,390,782                 | 7.608                 | 36.248                           |
| \$225,000 - \$249,999                 | 299                                      | 7.141                 | 67.495                           | 71,139,992                 | 8.152                 | 44.400                           |
| \$250,000 - \$274,999                 | 296                                      | 7.070                 | 74.564                           | 77,358,399                 | 8.865                 | 53.264                           |
| \$275,000 - \$299,999                 | 215                                      | 5.135                 | 79.699                           | 61,684,360                 | 7.068                 | 60.333                           |
| \$300,000 - \$324,999                 | 187                                      | 4.466                 | 84.165                           | 58,347,395                 | 6.686                 | 67.019                           |
| \$325,000 - \$349,999                 | 144                                      | 3.439                 | 87.604                           | 48,466,429                 | 5.554                 | 72.573                           |
| \$350,000 - \$374,999                 | 106                                      | 2.532                 | 90.136                           | 38,298,821                 | 4.389                 | 76.961                           |
| \$375,000 - \$399,999                 | 92                                       | 2.197                 | 92.333                           | 35,545,656                 | 4.073                 | 81.034                           |
| \$400,000 - \$424,999                 | 60                                       | 1.433                 | 93.766                           | 24,652,800                 | 2.825                 | 83.859                           |
| \$425,000 - \$449,999                 | 49                                       | 1.170                 | 94.937                           | 21,401,322                 | 2.452                 | 86.312                           |
| \$450,000 - \$474,999                 | 56                                       | 1.337                 | 96.274                           | 25,858,162                 | 2.963                 | 89.275                           |
| \$475,000 - \$499,999                 | 33                                       | 0.788                 | 97.062                           | 16,064,896                 | 1.841                 | 91.116                           |
| \$500,000 and greater                 | <u>123</u>                               | <u>2.938</u>          | <u>100.000</u>                   | <u>77,529,468</u>          | <u>8.884</u>          | <u>100.000</u>                   |
|                                       | 4,187                                    | 100.000%              |                                  | \$872,671,402              | 100.000%              |                                  |

(1) Improved single-family residential parcels. Excludes condominiums and parcels with multiple family units.  
Source: California Municipal Statistics, Inc.

**Reassessments and Appeals of Assessed Value**

There are general means by which assessed values can be reassessed or appealed that could adversely impact property tax revenues within the District.

Appeals may be based on Proposition 8 of November 1978, which requires that for each January 1 lien date, the taxable value of real property must be the lesser of its base year value, annually adjusted by the inflation factor pursuant to Article XIII A of the State Constitution, or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIII A of the California Constitution" in APPENDIX A.

Under California law, property owners may apply for a Proposition 8 reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization, with the County board of equalization or assessment appeals board. In most cases, the appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value.

Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed. These reductions are subject to yearly reappraisals and are adjusted back to their original values, adjusted for inflation, when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A.

A second type of assessment appeal involves a challenge to the base year value of an assessed property. Appeals for reduction in the base year value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

Proposition 8 reductions may also be unilaterally applied by the County Assessor. The District cannot predict the changes in assessed values that might result from pending or future appeals by taxpayers or by reductions initiated by the County Assessor. Any reduction in aggregate District assessed valuation due to appeals, as with any reduction in assessed valuation due to other causes, will cause the tax rate levied to repay the Bonds to increase accordingly, so that the fixed debt service on the Bonds (and other outstanding general obligation bonds, if any) may be paid.

### **Tax Levies and Delinquencies**

The Board of Supervisors of the County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"), as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code. Under the Teeter Plan, each entity levying property taxes in the County may draw on the amount of uncollected secured taxes credited to its fund, in the same manner as if the amount credited had been collected. The District participates in the Teeter Plan, and thus receives 100% of secured property taxes levied in exchange for foregoing any interest and penalties collected on delinquent taxes. The tax levy for payment of the District's general obligation bonds, including the Bonds, is covered under the County's Teeter Plan.

So long as the Teeter Plan remains in effect, and the County continues to include the District in the Teeter Plan, the District's receipt of revenues with respect to the levy of *ad valorem* property taxes on the secured roll will not be dependent upon actual collections of the *ad valorem* property taxes by the County. However, under the statute creating the Teeter Plan, the Board of Supervisors could under certain circumstances terminate the Teeter Plan in its entirety and, in addition, the Board of Supervisors could terminate the Teeter Plan with respect to the District if the delinquency rate for all *ad valorem* property taxes levied within the District in any year exceeds 3%.

In the event that the Teeter Plan were terminated with regard to the remainder of the secured tax roll, the amount of the levy of *ad valorem* property taxes in the District would depend upon the collections of the *ad valorem* property taxes and delinquency rates experienced with respect to the parcels within the District.

Notwithstanding the above, the table below shows secured tax charge and delinquency rates for property taxes levied to repay the District's general obligation bonds for fiscal years 2014-15 through 2019-20.

**WILLITS UNIFIED SCHOOL DISTRICT  
Fiscal Years 2014-15 through 2019-20  
Secured Tax Charges and Delinquency Rates**

| <b>Fiscal Year</b> | <b>Secured Tax Charge<sup>(1)</sup></b> | <b>Amount Delinquent June 30</b> | <b>Percent Delinquent June 30</b> |
|--------------------|-----------------------------------------|----------------------------------|-----------------------------------|
| 2014-15            | \$616,013.48                            | \$27,014.08                      | 4.39%                             |
| 2015-16            | 550,138.48                              | 20,247.99                        | 3.68                              |
| 2016-17            | 631,937.18                              | 23,061.49                        | 3.65                              |
| 2017-18            | 547,619.75                              | 22,268.63                        | 4.07                              |
| 2018-19            | n/a                                     | n/a                              | n/a                               |
| 2019-20            | 814,735.24                              | 37,613.82                        | 4.62                              |

<sup>(1)</sup> All taxes collected by the county within the school district.  
Source: California Municipal Statistics, Inc.

**Tax Rates**

Below are historical typical tax rates within the District for fiscal years 2016-17 through 2020-21.

**WILLITS UNIFIED SCHOOL DISTRICT  
Typical Total Tax Rates per \$100 of Assessed Valuation  
(All TRAs Within the District) <sup>(1)</sup>  
Fiscal Years 2016-17 through 2020-21**

|                                      | <b>2016-17</b> | <b>2017-18</b> | <b>2018-19</b> | <b>2019-20</b> | <b>2020-21</b> |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|
| General Tax Rate                     | \$1.000        | \$1.000        | \$1.000        | \$1.000        | \$1.000        |
| Mendocino Community College District | .022           | .021           | .021           | .022           | .023           |
| Willits Unified School District      | .056           | .044           | .047           | .064           | .043           |
| <b>Total Tax Rate</b>                | <b>\$1.078</b> | <b>\$1.065</b> | <b>\$1.068</b> | <b>\$1.086</b> | <b>\$1.066</b> |

Source: California Municipal Statistics, Inc.

## Top 20 Property Owners

The following table shows the 20 largest taxpayers in the District as determined by their secured assessed valuations in fiscal year 2020-21. Each taxpayer listed below is a unique name listed on the tax rolls. The District cannot determine from County assessment records whether individual persons, corporations or other organizations are liable for tax payments with respect to multiple properties held in various names that in aggregate may be larger than is suggested by the table below. A large concentration of ownership in a single individual or entity results in a greater amount of tax collections which are dependent upon that property owner's ability or willingness to pay property taxes.

### WILLITS UNIFIED SCHOOL DISTRICT Top 20 Secured Property Taxpayers Fiscal Year 2020-21

|     | <u>Property Owner</u>                    | <u>Primary Land Use</u> | <u>2020-21<br/>Assessed Valuation</u> | <u>% of<br/>Total <sup>(1)</sup></u> |
|-----|------------------------------------------|-------------------------|---------------------------------------|--------------------------------------|
| 1.  | Sonoma County Land Company Inc.          | Shopping Center         | \$8,442,402                           | 0.63%                                |
| 2.  | Senior Housing Associates XVI            | Apartments              | 7,447,552                             | 0.56                                 |
| 3.  | Windsor Mill Properties LLC              | Industrial              | 6,931,068                             | 0.52                                 |
| 4.  | Willits Mobile Home Park LLC             | Mobile Home Park        | 6,327,180                             | 0.48                                 |
| 5.  | Michael Garrity                          | Apartments              | 5,183,143                             | 0.39                                 |
| 6.  | Richard L. Padula                        | Rural Residential       | 5,043,110                             | 0.38                                 |
| 7.  | The Vons Companies Inc.                  | Supermarket             | 4,126,465                             | 0.31                                 |
| 8.  | Frederick and Diana Mucke                | Apartments              | 4,120,562                             | 0.31                                 |
| 9.  | Solid Wastes of Willits Inc.             | Industrial              | 3,909,363                             | 0.29                                 |
| 10. | Creekside Village Apartments             | Apartments              | 3,776,160                             | 0.28                                 |
| 11. | Dipchand T. and Varsha R. Shah, Trustees | Hotel/Motel             | 3,648,883                             | 0.27                                 |
| 12. | Willits Mini Storage LLC                 | Public Storage          | 3,634,049                             | 0.27                                 |
| 13. | Caicos Investments Inc.                  | Industrial              | 3,570,019                             | 0.27                                 |
| 14. | Robert J. and Janet S. Rodriguez         | Hotel/Motel             | 3,019,019                             | 0.23                                 |
| 15. | Fayzanullay & Shakia Fayaz               | Gas Station             | 2,963,116                             | 0.22                                 |
| 16. | Niruben and Naresh Patel                 | Hotel/Motel             | 2,891,542                             | 0.22                                 |
| 17. | Bruce E. Burton, Trustee                 | Residential             | 2,725,892                             | 0.20                                 |
| 18. | Junior Bear Property Management LLC      | Commercial              | 2,717,890                             | 0.20                                 |
| 19. | Microphor Inc.                           | Industrial              | 2,705,644                             | 0.20                                 |
| 20. | MBKK Enterprises LLC                     | Commercial              | <u>2,666,496</u>                      | <u>0.20</u>                          |
|     |                                          |                         | <b>\$85,849,555</b>                   | <b>6.46%</b>                         |

(1) 2020-21 local secured assessed valuation: \$1,329,720,656.

Source: California Municipal Statistics, Inc.

## Direct and Overlapping Debt

Set forth below is a direct and overlapping debt report (the “**Debt Report**”) prepared by California Municipal Statistics, Inc. for debt issued as of December 1, 2020. The Debt Report is included for general information purposes only. The District has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

The Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District in whole or in part. Such long-term obligations generally are not payable from revenues of the District (except as indicated) nor are they necessarily obligations secured by land within the District. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

### WILLITS UNIFIED SCHOOL DISTRICT Statement of Direct and Overlapping Bonded Debt (As of December 1, 2020)

**2020-21 Assessed Valuation:** \$1,376,964,335

| <u><b>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</b></u>      | <u><b>% Applicable</b></u> | <u><b>Debt 12/1/20</b></u> |     |
|--------------------------------------------------------------------|----------------------------|----------------------------|-----|
| <b>Willits Unified School District</b>                             | <b>100.000%</b>            | <b>\$10,837,054</b>        | (1) |
| Mendocino Community College District                               | 11.633                     | <u>7,148,658</u>           |     |
| <b>TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</b>        |                            | <b>\$17,985,712</b>        |     |
| <br>                                                               |                            |                            |     |
| <u><b>OVERLAPPING GENERAL FUND DEBT:</b></u>                       |                            |                            |     |
| Mendocino County Certificates of Participation                     | 10.897%                    | \$ 1,736,982               |     |
| Mendocino County Pension Obligations                               | 10.897                     | 4,321,205                  |     |
| Little Lake Fire Protection District Certificates of Participation | 100.000                    | <u>7,050,000</u>           |     |
| <b>TOTAL OVERLAPPING GENERAL FUND DEBT</b>                         |                            | <b>\$13,108,187</b>        |     |
| <br>                                                               |                            |                            |     |
| <u><b>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</b></u>   |                            | <b>\$1,495,000</b>         |     |
| <br>                                                               |                            |                            |     |
| <b>COMBINED TOTAL DEBT</b>                                         |                            | <b>\$32,588,899</b>        | (2) |

Ratios to 2020-21 Assessed Valuation:

|                                                            |              |
|------------------------------------------------------------|--------------|
| <b>Direct Debt (\$10,837,054)</b> .....                    | <b>0.79%</b> |
| Total Direct and Overlapping Tax and Assessment Debt ..... | 1.31%        |
| Combined Total Debt.....                                   | 2.37%        |

Ratio to Redevelopment Incremental Valuation (\$186,876,186):

|                                           |       |
|-------------------------------------------|-------|
| Total Overlapping Tax Increment Debt..... | 0.80% |
|-------------------------------------------|-------|

(1) Excludes the Bonds described herein.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

## BOND INSURANCE

The District has applied for bond insurance to guarantee the scheduled payment of principal of and interest on the Bonds and, if a commitment is issued to insure the Bonds, will determine prior to the sale of the Bonds whether to obtain such insurance.

## TAX MATTERS

### Tax Exemption

**Federal Tax Status.** In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. The Bonds are "qualified tax-exempt obligations" within the meaning of section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "**Tax Code**"), such that, in the case of certain financial institutions (within the meaning of section 265(b)(5) of the Tax Code), a deduction for federal income tax purposes is allowed for 80% of that portion of such financial institution's interest expense allocable to interest payable on the Bonds.

The opinions set forth in the preceding paragraph are subject to the condition that the District comply with all requirements of the Tax Code relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds, or may cause the Bonds to not be "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Tax Code.

**Tax Treatment of Original Issue Discount and Premium.** If the initial offering price to the public at which a Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes "original issue discount" for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes "original issue premium" for purposes of federal income taxes and State of California personal income taxes. *De minimis* original issue discount and original issue premium are disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Bonds who purchase the Bonds after the initial offering of a substantial amount of such maturity. Owners of such Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original

offering, the allowance of a deduction for any loss on a sale or other disposition, and the treatment of accrued original issue discount on such Bonds under federal individual alternative minimum taxes.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Bond (said term being the shorter of the Bond's maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Bond is amortized each year over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized Bond premium is not deductible for federal income tax purposes. Owners of premium Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such Bonds.

**California Tax Status.** In the further opinion of Bond Counsel, interest on the Bonds is exempt from California personal income taxes.

**Other Tax Considerations.** Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or cause the Bonds to not be "qualified tax-exempt obligations," or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to bonds issued prior to enactment.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Bond Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest on the Bonds, or as to the consequences of owning or receiving interest on the Bonds, as of any future date. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Owners of the Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the Bonds, the ownership, sale or disposition of the Bonds, or the amount, accrual or receipt of interest on the Bonds.

**Form of Opinion.** A copy of the proposed form of opinion of Bond Counsel is attached hereto as APPENDIX D.



## CERTAIN LEGAL MATTERS

### Legality for Investment

Under provisions of the California Financial Code, the Bonds are legal investments for commercial banks in California to the extent that the Bonds, in the informed opinion of the bank, are prudent for the investment of funds of depositors, and under provisions of the California Government Code, the Bonds are eligible to secure deposits of public moneys in California.

### Absence of Litigation

No litigation is pending or threatened concerning the validity of the Bonds, and a certificate to that effect will be furnished to purchasers at the time of the original delivery of the Bonds. The District is not aware of any litigation pending or threatened that (i) questions the political existence of the District, (ii) contests the District's ability to receive ad valorem taxes or to collect other revenues or (iii) contests the District's ability to issue and sell the Bonds.

The District is routinely subject to lawsuits and claims. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the financial position or operations of the District. The District may be or may become a party to lawsuits and claims which are unrelated to the Bonds or actions taken with respect to the Bonds and which have arisen in the normal course of operating the District, including as a result of the COVID-19 pandemic. The District maintains certain insurance policies which provide coverage under certain circumstances and with respect to certain types of incidents. The District cannot predict what types of claims may arise in the future.

### Compensation of Certain Professionals

Payment of the fees and expenses of Jones Hall, A Professional Law Corporation, as Bond Counsel and Disclosure Counsel to the District, Fieldman, Rolapp & Associates, Inc., as financial advisor to the District, and Stradling Yocca Carlson & Rauth, a Professional Corporation, as counsel to the Underwriter, are contingent upon issuance of the Bonds.

## CONTINUING DISCLOSURE

The District will execute the Continuing Disclosure Certificate in connection with the issuance of the Bonds, and covenant therein, for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the District to the Municipal Securities Rulemaking Board (an "**Annual Report**") not later than nine months after the end of the District's fiscal year (which currently is June 30), commencing March 31, 2021, with the report for the 2019-20 Fiscal Year, and to provide notices of the occurrence of certain enumerated events. The filing of this Official Statement with the Municipal Securities Rulemaking Board will serve as the first Annual Report. Such notices will be filed by the District with the Municipal Securities Rulemaking Board. The specific nature of the information to be contained in an Annual Report or the notices of enumerated events is set forth in the form of Continuing Disclosure Certificate attached as APPENDIX E. These covenants have been made in order to assist the Underwriter of the Bonds in complying with S.E.C. Rule 15c2-12(b)(5) (the "**Rule**").

In the previous five years, the District has not failed to comply, in all material respects, with its existing undertakings. The District has engaged Fieldman, Rolapp & Associates, Inc. doing

business as Applied Best Practices, to serve as dissemination agent with respect to each of its continuing disclosure undertakings, including the undertaking to be entered into for the Bonds.

Neither the County nor any other entity other than the District shall have any obligation or incur any liability whatsoever with respect to the performance of the District's duties regarding continuing disclosure.

## **RATING**

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("**S&P**") has assigned a rating of "\_\_\_\_" to the Bonds. The District has provided certain additional information and materials to S&P (some of which does not appear in this Official Statement to the extent deemed not material for investment purposes). Such rating reflects only the view of S&P and an explanation of the significance of such rating and outlook may be obtained only from S&P. There is no assurance that any credit rating given to the Bonds will be maintained for any period of time or that the rating may not be lowered or withdrawn entirely by S&P if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

## **UNDERWRITING**

The Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the "**Underwriter**"). The Underwriter has agreed to purchase the Bonds at a price of \$\_\_\_\_\_ which is equal to the initial principal amount of the Bonds of \$\_\_\_\_\_, plus original issue premium of \$\_\_\_\_\_ less an Underwriter's discount of \$\_\_\_\_\_.

The bond purchase agreement relating to the Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased, and provides that the Underwriter's obligation to purchase is subject to certain terms and conditions, including the approval of certain legal matters by counsel.

## **ADDITIONAL INFORMATION**

The discussions herein about the Bond Resolution and the Continuing Disclosure Certificate are brief outlines of certain provisions thereof. Such outlines do not purport to be complete and for full and complete statements of such provisions reference is made to such documents. Copies of these documents mentioned are available from the Underwriter and following delivery of the Bonds will be on file at the offices of the Paying Agent in Dallas, Texas.

References are also made herein to certain documents and reports relating to the District; such references are brief summaries and do not purport to be complete or definitive. Copies of such documents are available upon written request to the District. Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or Owners of any of the Bonds.

**EXECUTION**

The execution and delivery of this Official Statement have been duly authorized by the District.

**WILLITS UNIFIED SCHOOL DISTRICT**

By: \_\_\_\_\_  
Superintendent

## APPENDIX A

### GENERAL AND FINANCIAL INFORMATION ABOUT THE DISTRICT

*The information in this and other sections concerning the District's operations and operating budget is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of or interest on the Bonds is payable from the general fund of the District. The Bonds are payable from the proceeds of an ad valorem tax required to be levied by the County in an amount sufficient for the payment thereof. See "SECURITY FOR THE BONDS" in the Official Statement.*

### DISTRICT GENERAL INFORMATION

#### General Information

The Willits Unified School District (the "**District**") was established in 1961 and provides educational services to an estimated \_\_\_ residents in and around the City of Willits (the "**City**"), in Mendocino County (the "**County**"), in the State of California (the "**State**"). The District currently operates three elementary schools, one middle school and two high schools. Enrollment in the District is budgeted for approximately \_\_\_\_\_ students in fiscal year 2020-21.

See also APPENDIX C hereto for demographic and other statistical information regarding the City and County.

#### Administration

The District is governed by a five-member Board of Trustees, (the "**Board**"), each member of which is elected on an at-large basis to a four-year term. Current members of the Board of Trustees, together with their office and the date their term expires, are listed below. [to be updated]

| <u>Name</u>   | <u>Office</u> | <u>Term Expires</u> |
|---------------|---------------|---------------------|
| Alex Bowlds   | President     | December 2020       |
| Robert Colvig | Clerk         | December 2020       |
| Robert Chavez | Member        | December 2022       |
| Jeanne King   | Member        | December 2022       |
| Paula Nunez   | Member        | December 2022       |

**Administrative Personnel.** The Superintendent of the District, appointed by the Board, is responsible for management of the day-to-day operations and supervises the work of other District administrators. Mark Westerberg is currently the Superintendent of the District and Nikki Agenbroad is the Director of Fiscal Services.

## Recent Enrollment Trends

The following table shows a recent history and budgeted enrollment for the District.

### ANNUAL ENROLLMENT Fiscal Years 2014-15 through 2020-21 Willits Unified School District

| <u>Fiscal Year</u>     | <u>Student Enrollment</u> | <u>% Change</u> |
|------------------------|---------------------------|-----------------|
| 2014-15                | 1,942                     | --%             |
| 2015-16                | 1,870                     | (3.7)           |
| 2016-17                | 1,884                     | 0.7             |
| 2017-18                | 1,895                     | 0.6             |
| 2018-19                | 1,847                     | (2.5)           |
| 2019-20                | 1,913                     | 3.6             |
| 2020-21 <sup>(1)</sup> | —                         | —               |

(1) Budgeted.

Source: California Department of Education for 2014-15 through 2019-20; Willits Unified School District for 2020-21.

## District's Response to COVID-19 Emergency

In March, 2020, the District closed its schools for on-site learning to reduce the potential for community transmission of COVID-19. The closure was extended through the end of the academic school year, and the 2020-21 school year has begun in an at-home learning format. On August 28, 2020, the Governor released a new system called "Blueprint for a Safer California," which places the State's 58 counties into four color-coded tiers – purple, red, orange, and yellow, in descending order of severity – based on the number of new daily cases of COVID-19 and the percentage of positive tests. Under the State's "Blueprint for a Safer California," counties must spend at least three weeks in each tier before advancing to the next one. The County is currently assigned to the purple tier, which is the most restrictive tier.

The District has received \$\_\_\_\_\_ to address costs which may have resulted from the COVID-19 emergency, consisting of \$\_\_\_\_\_ under SB 117 and \$\_\_\_\_\_ under the CARES Act. Because the District is funded pursuant to the State's Local Control Funding Formula (the "LCFF"), the District's main operating revenues will be impacted by the State's financial position in the current and future fiscal years. As a result of the COVID-19 emergency, the State's revenues are predicted to decline sharply from the original budget for the current fiscal year, and in the near future. A corresponding decline in education funding is expected, but the extent of the decline, and whether additional federal funding will be available to school district, is not known at this time. See herein under the heading "STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS" for information on the State's current and proposed budgets, and commentary provided by the LAO on the State Department of Finance on the State's fiscal outlook.

The District has incurred costs that were not anticipated at the time of its 2019-20 Budget as a result of COVID-19, such as the costs of mitigation measures and of implementing distance learning. However, funding under the CARES Act and other cost-saving impacts of not operating site-based learning, such as reductions in transportation costs, fuel and electricity costs, provide offsets to those expenses. With respect to pension costs, the District cannot currently predict if the COVID-19 emergency will have a material impact on its required employer contributions which could arise if the unfunded actuarial accrued liabilities of PERS and STRS materially increase. The District maintains reserves for economic uncertainties, which exceed the State'

required minimum reserve. See "DISTRICT FINANCIAL INFORMATION – District Budget and Interim Financial Reporting - District Reserves."

The impacts of the COVID-19 emergency on global, State-wide and local economies, which could impact District operations and finances, and local property values are unknown and cannot be predicted by the District.

### Employee Relations

The District has \_\_\_ certificated full-time equivalent ("FTE") employees, \_\_\_ classified FTE employees, and \_\_\_ management/supervisor/confidential FTE employees.

The certificated and classified employees of the District are represented by two bargaining units, as set forth in the following table.

#### BARGAINING UNITS Willits Unified School District

| <b>Employee Group</b> | <b>Representation</b>                    | <b>Contract Expiration Date</b> |
|-----------------------|------------------------------------------|---------------------------------|
| Certificated          | Willits Teachers' Association            | June 30, 2022                   |
| Classified            | California School Employees' Association | June 30, 2022                   |

*Source: The District.*

## DISTRICT FINANCIAL INFORMATION

### Education Funding Generally

School districts in California receive operating income primarily from two sources: the State funded portion which is derived from the State's general fund, and a locally funded portion, being the district's share of the one percent general *ad valorem* tax levy authorized by the California Constitution. As a result, decreases or deferrals in education funding by the State could significantly affect a school district's revenues and operations.

From 1973-74 to 2012-13, California school districts operated under general purpose revenue limits established by the State Legislature. In general, revenue limits were calculated for each school district by multiplying (1) the average daily attendance ("**ADA**") for such district by (2) a base revenue limit per unit of ADA. The revenue limit calculations were adjusted annually in accordance with a number of factors designated primarily to provide cost of living increases and to equalize revenues among all California school districts of the same type. Funding of the District's revenue limit was provided by a mix of local property taxes and State apportionments of basic and equalization aid. Generally, the State apportionments amounted to the difference between the District's revenue limit and its local property tax revenues. Districts which had local property tax revenues which exceeded its revenue limit entitlement were deemed "Basic Aid Districts" and received full funding from local property tax revenues, and were entitled to keep those tax revenues which exceeded its revenue limit funding entitlement.

The fiscal year 2013-14 State budget (the "**2013-14 State Budget**") replaced the previous K-12 finance system with a formula known as the Local Control Funding Formula (the "**LCFF**"). Under the LCFF, revenue limits and most state categorical programs were eliminated. School districts instead receive funding based on the demographic profile of the students they serve and gain greater flexibility to use these funds to improve outcomes of students. The LCFF creates funding targets based on student characteristics. For school districts and charter schools, the LCFF funding targets consist of grade span-specific base grants plus supplemental and concentration grants that reflect student demographic factors. The LCFF includes the following components:

- A base grant for each local education agency per unit of ADA, which varies with respect to different grade spans. The base grant is \$2,375 more than the average revenue limit provided prior to LCFF implementation. The base grants will be adjusted upward each year to reflect cost-of-living increases. In addition, grades K-3 and 9-12 are subject to adjustments of 10.4% and 2.6%, respectively, to cover the costs of class size reduction in grades K-3 and the provision of career technical education in grades 9-12.
- A 20% supplemental grant for English learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.
- An additional concentration grant of up to 50% of a local education agency's base grant, based on the number of English learners, students from low-income families and foster youth served by the local agency that comprise more than 55% of enrollment.



- An economic recovery target to ensure that almost every local education agency receives at least their pre-recession funding level, adjusted for inflation, at full implementation of the LCFF.

The LCFF was implemented for fiscal year 2013-14 and was phased in gradually. Beginning in fiscal year 2013-14, an annual transition adjustment was required to be calculated for each school district, equal to each district's proportionate share of the appropriations included in the State budget based on the percentage of each district's students who are low-income, English learners, and foster youth ("**Targeted Students**"), to close the gap between the prior-year funding level and the target allocation at full implementation of LCFF. In each year, districts will have the same proportion of their respective funding gaps closed, with dollar amounts varying depending on the size of a district's funding gap.

Funding levels used in the LCFF target entitlement calculations, not including any supplemental or concentration grant funding entitlements, for fiscal year 2020-21 are set forth in the following table. Full implementation of LCFF occurred in fiscal year 2018-19 in connection with adoption of the State Budget for said fiscal year.

**Fiscal Year 2020-21 Base Grant<sup>(1)</sup> Under LCFF by Grade Span  
(Targeted Base Grant)**

| <u>Entitlement Factors per ADA</u>          | <u>K-3</u> | <u>4-6</u> | <u>7-8</u> | <u>9-12</u> |
|---------------------------------------------|------------|------------|------------|-------------|
| 2019-20 Base Grants                         | \$7,702    | \$7,818    | \$8,050    | \$9,329     |
| Statutory COLA (2.31%)                      | \$178      | \$181      | \$186      | \$215       |
| 2020-21 Base Grant Before Deficit Factor    | \$7,880    | \$7,999    | \$8,236    | \$9,544     |
| Deficit Factor Impact                       | (\$178)    | (\$181)    | (\$186)    | (\$215)     |
| 2020-21 Base Grants After Deficit Factor    | \$7,702    | \$7,818    | \$8,050    | \$9,329     |
| Grade Span Adjustment Factors               | 10.4%      | --         | --         | 2.6%        |
| Grade Span Adjustment Amounts               | \$801      | --         | --         | \$243       |
| 2020-21 Adjusted Base Grants <sup>(2)</sup> | \$8,503    | \$7,818    | \$8,050    | \$9,572     |

(1) Does not include supplemental and concentration grant funding entitlements.  
(2) Reflects 0% cost of living adjustment from fiscal year 2019-20.

The legislation implementing LCFF included a "hold harmless" provision which provided that a district or charter school would maintain total revenue limit and categorical funding at least equal to its 2012-13 level, unadjusted for changes in ADA or cost of living adjustments.

The LCFF includes an accountability component. Districts are required to increase or improve services for English language learners, low income, and foster youth students in proportion to supplemental and concentration grant funding received. All school districts, county offices of education, and charter schools are required to develop and adopt local control and accountability plans, which identify local goals in areas that are priorities for the State, including pupil achievement, parent engagement, and school climate.

County superintendents review and provide support to the districts under their jurisdiction, and the Superintendent of Public Instruction performs a corresponding role for county offices of education. In addition, the 2013-14 State Budget created the California Collaborative for Education Excellence to advise and assist school districts, county offices of education, and charter schools in achieving the goals identified in their plans. Under the LCFF and related legislation, the State will continue to measure student achievement through statewide

assessments, produce an index for schools and subgroups of students, determine the contents of the school accountability report card, and establish policies to implement the federal accountability system.

### **District Accounting Practices**

The accounting practices of the District conform to generally accepted accounting principles in accordance with policies and procedures of the California School Accounting Manual. This manual, according to Section 41010 of the California Education Code, is to be followed by all California school districts.

District accounting is organized on the basis of funds, with each group consisting of a separate accounting entity. The major fund classification is the general fund which accounts for all financial resources not requiring a special fund placement. The District's fiscal year begins on July 1 and ends on June 30. For more information on the District's basis of accounting and fund accounting, see Note 1 of APPENDIX B to the Official Statement.

District expenditures are accrued at the end of the fiscal year to reflect the receipt of goods and services in that year. Revenues generally are recorded on a cash basis, except for items that are susceptible to accrual (measurable and/or available to finance operations). Current taxes are considered susceptible to accrual. Revenues from specific state and federally funded projects are recognized when qualified expenditures have been incurred. State block grant apportionments are accrued to the extent that they are measurable and predictable. The State Department of Education sends the District updated information from time to time explaining the acceptable accounting treatment of revenue and expenditure categories.

The Governmental Accounting Standards Board ("**GASB**") published its Statement No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments" on June 30, 1999. Statement No. 34 provides guidelines to auditors, state and local governments and special purpose governments such as school districts and public utilities, on new requirements for financial reporting for all governmental agencies in the United States. Generally, the basic financial statements and required supplementary information should include (i) Management's Discussion and Analysis; (ii) financial statements prepared using the economic measurement focus and the accrual basis of accounting, (iii) fund financial statements prepared using the current financial resources measurement focus and the modified accrual method of accounting and (iv) required supplementary information.

### **Financial Statements**

**General.** The District's general fund finances the legally authorized activities of the District for which restricted funds are not provided. General fund revenues are derived from such sources as State school fund apportionments, taxes, use of money and property, and aid from other governmental agencies. The District's June 30, 2019 Audited Financial Statements were prepared by Christy White, Inc., San Diego, California and are attached to the Official Statement as APPENDIX B. Audited financial statements for the District for prior fiscal years are on file with the District and available for public inspection at the Office of the Director of Fiscal Services, Willits Unified School District, 1277 Blosser Lane, Willits, California 95490. The District has not requested, and the auditor has not provided, any review or update of such Financial Statements in connection with inclusion in this Official Statement.

**General Fund Revenues, Expenditures and Changes in Fund Balance.** The following table shows the audited income and expense statements for the District for the fiscal years 2014-15 through 2018-19.

**GENERAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**Fiscal Years 2014-15 through 2018-19 (Audited)**  
**Willits Unified School District <sup>(1)</sup>**

|                                              | <b>Audited<br/>2014-15</b> | <b>Audited<br/>2015-16</b> | <b>Audited<br/>2016-17</b> | <b>Audited<br/>2017-18</b> | <b>Audited<br/>2018-19</b> |
|----------------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <b>Revenues</b>                              |                            |                            |                            |                            |                            |
| LCFF Sources                                 | \$12,071,152               | \$13,708,579               | \$14,114,383               | \$14,643,780               | \$15,255,978               |
| Federal Revenues                             | 1,880,865                  | 2,045,948                  | 1,654,636                  | 1,115,811                  | 1,164,376                  |
| Other State Revenues                         | 1,150,501                  | 2,583,546                  | 1,647,857                  | 1,577,905                  | 2,636,504                  |
| Other Local Revenues                         | 1,829,224                  | 1,844,864                  | 2,041,173                  | 1,804,364                  | 2,041,027                  |
| <b>Total Revenues</b>                        | <b>16,931,742</b>          | <b>20,182,937</b>          | <b>19,458,049</b>          | <b>19,141,860</b>          | <b>21,097,885</b>          |
| <b>Expenditures</b>                          |                            |                            |                            |                            |                            |
| Instruction                                  | 9,558,381                  | 10,300,294                 | 10,851,786                 | 11,403,074                 | 11,930,135                 |
| Instruction-Related Activities:              |                            |                            |                            |                            |                            |
| Supervision of Instruction                   | 234,659                    | 258,897                    | 242,723                    | 259,151                    | 281,161                    |
| Instructional Library, Media, Tech           | 161,491                    | 180,265                    | 198,525                    | 199,765                    | 232,346                    |
| School Site Administration                   | 1,209,087                  | 1,284,398                  | 1,399,523                  | 1,546,806                  | 1,678,795                  |
| Pupil Services:                              |                            |                            |                            |                            |                            |
| Home-to-School Transport                     | 741,849                    | 703,954                    | 579,230                    | 690,450                    | 954,868                    |
| Food services                                | --                         | --                         | --                         | 5,972                      | --                         |
| All Other Pupil Services                     | 1,123,859                  | 1,154,570                  | 1,174,739                  | 1,232,465                  | 1,264,674                  |
| General Administration:                      |                            |                            |                            |                            |                            |
| Centralized Data Processing                  | 216,550                    | 297,839                    | 335,268                    | 468,981                    | 345,589                    |
| All Other General Administration             | 904,644                    | 1,198,386                  | 1,401,086                  | 1,234,404                  | 1,316,330                  |
| Plant Services                               | 1,903,604                  | 1,951,364                  | 2,005,287                  | 2,172,503                  | 2,416,773                  |
| Facility Acquisition and Construction        | 71,259                     | 574,519                    | 201,918                    | 100,169                    | 65,139                     |
| Ancillary services                           | 156,798                    | 170,437                    | 273,354                    | 279,862                    | 293,928                    |
| Community services                           | --                         | --                         | 291                        | --                         | --                         |
| Transfers to other agencies                  | 16,177                     | 29,685                     | 20,573                     | 17,441                     | 33,086                     |
| Debt Service: Principal                      | --                         | --                         | --                         | --                         | --                         |
| Debt Service: Interest                       | --                         | --                         | --                         | --                         | --                         |
| <b>Total Expenditures</b>                    | <b>16,298,358</b>          | <b>18,104,608</b>          | <b>18,684,303</b>          | <b>19,611,043</b>          | <b>20,812,824</b>          |
| Excess of Revenues Over/(Under) Expenditures | 633,384                    | 2,078,329                  | 773,746                    | (469,183)                  | 285,061                    |
| <b>Other Financing Sources (Uses)</b>        |                            |                            |                            |                            |                            |
| Operating Transfers in                       | --                         | 7,028                      | 16                         | --                         | --                         |
| Operating Transfers out                      | (372,730)                  | (115,310)                  | (175,556)                  | (266,155)                  | (474,982)                  |
| Other Sources                                | --                         | --                         | --                         | --                         | --                         |
| <b>Total Other Financing Sources (Uses)</b>  | <b>(372,730)</b>           | <b>(108,282)</b>           | <b>(175,540)</b>           | <b>(266,155)</b>           | <b>(474,982)</b>           |
| <b>Net Change in Fund Balance</b>            | <b>260,654</b>             | <b>1,970,047</b>           | <b>598,206</b>             | <b>(735,338)</b>           | <b>(189,921)</b>           |
| Fund Balance, July 1                         | 2,252,486                  | 2,513,140                  | 4,483,187                  | 5,081,393                  | 4,346,055                  |
| Fund Balance, June 30                        | \$2,513,140                | \$4,483,187                | \$5,081,393                | \$4,346,055                | \$4,156,134                |

(1) Columns may not sum to totals due to rounding.  
Source: Willits Unified School District Audit Reports.

## **District Budget and Interim Financial Reporting**

***Budgeting and Interim Reporting Procedures.*** State law requires school districts to maintain a balanced budget in each fiscal year. The State Department of Education imposes a uniform budgeting and accounting format for school districts.

Under current law, a school district governing board must adopt and file with the county superintendent of schools a tentative budget by July 1 in each fiscal year. The District is under the jurisdiction of the Mendocino County Superintendent of Schools (the "**County Superintendent**").

The County Superintendent must review and approve or disapprove the budget no later than August 15. The County Superintendent is required to examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. If the budget is disapproved, it is returned to the District with recommendations for revision. The District is then required to revise the budget, hold a public hearing thereon, adopt the revised budget and file it with the County Superintendent no later than September 8. Pursuant to State law, the County Superintendent has available various remedies by which to impose and enforce a budget that complies with State criteria, depending on the circumstances, if a budget is disapproved. After approval of an adopted budget, the school district's administration may submit budget revisions for governing board approval.

Subsequent to approval, the County Superintendent will monitor each district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the district can meet its current or subsequent year financial obligations. If the County Superintendent determines that a district cannot meet its current or subsequent year obligations, the County Superintendent will notify the district's governing board of the determination and may then do either or both of the following: (a) assign a fiscal advisor to enable the district to meet those obligations or (b) if a study and recommendations are made and a district fails to take appropriate action to meet its financial obligations, the County Superintendent will so notify the State Superintendent of Public Instruction, and then may do any or all of the following for the remainder of the fiscal year: (i) request additional information regarding the district's budget and operations; (ii) after also consulting with the district's board, develop and impose revisions to the budget that will enable the district to meet its financial obligations; and (iii) stay or rescind any action inconsistent with such revisions. However, the County Superintendent may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the County Superintendent assumed authority.

A State law adopted in 1991 ("**A.B. 1200**") imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200, each school district is required to file interim certifications with the County Superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent two fiscal years. The County Superintendent reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that will meet its financial obligations for the current fiscal year and the subsequent two fiscal years. A negative certification is assigned to any school district that is deemed unable to meet its financial obligations for the remainder of the current fiscal year or the subsequent fiscal

year. A qualified certification is assigned to any school district that may not meet its financial obligations for the current fiscal year or the two subsequent fiscal years.

Under California law, any school district and office of education that has a qualified or negative certification in any fiscal year may not issue, in that fiscal year or in the next succeeding fiscal year, certificates of participation, tax anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the district, unless the applicable county superintendent of schools determines that the district's repayment of indebtedness is probable.

***District's Budget Approval/Disapproval and Certification History.*** During the past five years, each of the District's adopted budgets have been approved by the County Superintendent and the District has received positive certifications on all of its interim reports, except for a qualified report on its 2015-16 second interim report.

Copies of the District's budget, interim reports and certifications may be obtained upon request from the District Office at Willits Unified School District, 1277 Blosser Lane, Willits, California 95490. The District may impose charges for copying, mailing and handling.

**District's General Fund.** The following table shows the general fund figures for the District for fiscal year 2019-20 (unaudited actuals) and 2020-21 (adopted budget revision).

**WILLITS UNIFIED SCHOOL DISTRICT**  
**Revenues, Expenditures, and Changes in General Fund Balance**  
**Fiscal Year 2019-20 (Unaudited Actuals)**  
**Fiscal Year 2020-21 (Adopted Budget Revision)**

|                                              | Unaudited Actuals<br>2019-20 | Budget Revision<br>2020-21 |
|----------------------------------------------|------------------------------|----------------------------|
| <b>Revenues</b>                              |                              |                            |
| Total LCFF Sources                           | \$15,925,606                 | \$15,784,046               |
| Federal Revenues                             | 1,172,508                    | 2,848,113                  |
| Other state revenues                         | 1,904,801                    | 1,588,294                  |
| Other local revenues                         | 2,177,304                    | 1,426,010                  |
| Total Revenues                               | 21,180,219                   | 21,646,463                 |
| <b>Expenditures</b>                          |                              |                            |
| Certificated Salaries                        | 7,523,639                    | 7,585,854                  |
| Classified Salaries                          | 3,066,097                    | 3,144,803                  |
| Employee Benefits                            | 5,953,834                    | 5,687,728                  |
| Books and Supplies                           | 871,655                      | 2,232,981                  |
| Contract Services & Operating Exp.           | 2,659,382                    | 2,668,611                  |
| Capital Outlay                               | 656,279                      | 2,500                      |
| Other Outgo (excluding indirect costs)       | 30,755                       | --                         |
| Other Outgo – Transfers of Indirect Costs    | (60,516)                     | (58,930)                   |
| Total Expenditures                           | 20,701,126                   | 21,263,547                 |
| Excess of Revenues Over/(Under) Expenditures | 479,092                      | 382,916                    |
| <b>Other Financing Sources (Uses)</b>        |                              |                            |
| Operating transfers in                       | --                           | --                         |
| Operating transfers out                      | (404,139)                    | (184,381)                  |
| Other sources                                | --                           | --                         |
| Contributions                                | --                           | --                         |
| Total Other Financing Sources (Uses)         | (404,139)                    | (184,381)                  |
| Net change in fund balance                   | 74,954                       | 198,535                    |
| Fund Balance, July 1                         | 4,156,135                    | 4,203,888                  |
| Fund Balance, June 30                        | \$4,231,088                  | \$4,402,423                |

Source: Willits Unified School District Unaudited Actuals.

**District Reserves.** The District's ending fund balance is the accumulation of surpluses from prior years. This fund balance is used to meet the State's minimum required reserve of 3% of expenditures, plus any other allocation or reserve which might be approved as an expenditure by the District in the future.

In connection with legislation adopted in connection with the State's fiscal year 2014-15 Budget ("**SB 858**"), the Education Code was amended to provide that, beginning in fiscal year 2015-16, if a district's proposed budget includes a local reserve above the minimum recommended level, the governing board must provide the information for review at the annual public hearing on its proposed budget. In addition, SB 858 included a provision, which became effective upon the passage of Proposition 2 at the November 4, 2014 statewide election, which

limits the amount of reserves which may be maintained at the District level. Specifically, the legislation, among other things, enacted Education Code Section 42127.01, which became operative December 15, 2014, and provides that in any fiscal year immediately after a fiscal year in which a transfer is made to the State's Public School System Stabilization Account (the Proposition 98 reserve), a school district may not adopt a budget that contains a reserve for economic uncertainties in excess of twice the applicable minimum recommended reserve for economic uncertainties established by the State Board (for school districts with ADA over 400,000, the limit is three times the amount). Exemptions can be granted by the County Superintendent under certain circumstances.

On October 11, 2017, the Governor signed new legislation ("SB 751") amending Section 42127.01 of the Education Code, effective January 1, 2018. SB 751 raises the reserve cap established under SB 858 to no more than 10% of a school district's combined assigned or unassigned ending general fund balance and provides that the reserve cap will be triggered only if there is a minimum balance of 3% of the Proposition 98 reserve. Basic aid school districts and small districts with 2,500 or fewer ADA are exempt from the reserve cap.

**Attendance - Revenue Limit and LCFF Funding**

**Funding Trends under LCFF.** As described herein, prior to fiscal year 2013-14, school districts in California received State funding based on a formula which considered a revenue limit per unit of ADA. With the implementation of the LCFF, commencing in fiscal year 2013-14, school districts receive base funding based on ADA, and may also be entitled to supplemental funding, concentration grants and funding based on an economic recovery target. The following table sets forth recent LCFF funding per ADA for the District for fiscal years 2014-15 through 2020-21 (budgeted).

**WILLITS UNIFIED SCHOOL DISTRICT  
ADA and LCFF Funding  
Fiscal Years 2014-15 through 2020-21 (Budgeted)**

| Fiscal Year            | ADA   | LCFF Funding Per<br>ADA |
|------------------------|-------|-------------------------|
| 2014-15                | 1,456 | \$8,289                 |
| 2015-16                | 1,390 | 9,864                   |
| 2016-17                | 1,408 | 10,023                  |
| 2017-18                | 1,410 | 10,382                  |
| 2018-19                | 1,402 | 10,881                  |
| 2019-20 <sup>(1)</sup> | 1,455 | 10,945                  |
| 2020-21 <sup>(1)</sup> | 1,460 | 10,811                  |

<sup>(1)</sup> Unaudited Actual/Budgeted.  
Source: California Department of Education; Willits Unified School District.

**District's Unduplicated Student Count.** Under LCFF, school districts are entitled to supplemental funding based on the unduplicated count of targeted students. The District's percentage of unduplicated students is approximately 74% for purposes of calculating supplemental and concentration grant funding under LCFF.

**Possible Impacts of Coronavirus.** As described herein, the short-term and long-term impact of COVID-19 on the District's attendance, revenues and local property values cannot be predicted. The Bonds described in this Official Statement are secured by *ad valorem* property



taxes, and not the District's general fund. See "SECURITY FOR THE BONDS – COVID-19 Global Pandemic."

## **Revenue Sources**

The District categorizes its general fund revenues into four sources, being LCFF, Federal Revenues, Other State Revenues and Local Revenues. Each of these revenue sources is described below.

**LCFF Sources.** District funding is provided by a mix of (1) local property taxes and (2) State apportionments of funding under the LCFF. Generally, the State apportionments will amount to the difference between the District's LCFF funding entitlement and its local property tax revenues.

Beginning in 1978-79, Proposition 13 and its implementing legislation provided for each county to levy (except for levies to support prior voter-approved indebtedness) and collect all property taxes, and prescribed how levies on county-wide property values are to be shared with local taxing entities within each county.

The principal component of local revenues is the school district's property tax revenues, i.e., the district's share of the local 1% property tax, received pursuant to Sections 75 and following and Sections 95 and following of the California Revenue and Taxation Code. Education Code Section 42238(h) itemizes the local revenues that are counted towards the base revenue limit before calculating how much the State must provide in equalization aid. Historically, the more local property taxes a district received, the less State equalization aid it is entitled to.

Under LCFF, a school district whose property tax revenues exceed its funding under the LCFF is entitled to keep its local property tax revenues which exceed its LCFF funding, maintaining its status as a Basic Aid District, now referred to as a "Community Supported District." For school districts that were Basic Aid prior to implementation of the LCFF, such districts are entitled to retain their status as Community Supported and keep their full local property tax revenue entitlement, provided that the per-pupil funding targets under LCFF, including economic recovery targets, are met or exceeded by local property tax revenues. The threshold for Community Supported status under the LCFF, however, is higher than under the prior funding formula, resulting in some districts falling out of Community Supported status as the result of the implementation of the LCFF. The District is not a Community Supported District. Accountability measures contained in the LCFF must be implemented by all districts, including Community Supported Districts.

**Federal Revenues.** The federal government provides funding for several District programs, including special education programs, programs under Every Student Succeeds Act, the Individuals with Disabilities Education Act, and specialized programs such as Drug Free Schools.

**Other State Revenues.** As discussed above, the District receives State apportionment of basic and equalization aid in an amount equal to the difference between the District's LCFF funding entitlement and its property tax revenues. In addition to such apportionment revenue, the District receives other State revenues.

The District receives State aid from the California State Lottery (the "**Lottery**"), which was established by a constitutional amendment approved in the November 1984 general election.

Lottery revenues must be used for the education of students and cannot be used for non-instructional purposes such as real property acquisition, facility construction, or the financing of research. Moreover, State Proposition 20 approved in March 2000 requires that 50% of the increase in Lottery revenues over 1997-98 levels must be restricted to use on instruction material.

For additional discussion of State aid to school districts, see “-Education Funding Generally.”

**Other Local Revenues.** In addition to property taxes, the District receives additional local revenues from items such as interest earnings, leases and rentals.

### District Retirement Systems

Qualified employees of the District are covered under multiple-employer defined benefit pension plans maintained by agencies of the State. Certificated employees are members of the State Teachers’ Retirement System (“**STRS**”) and classified employees are members of the Public Employees’ Retirement System (“**PERS**”). Both STRS and PERS are operated on a Statewide basis. *The information set forth below regarding the STRS and PERS programs, other than the information provided by the District regarding its annual contributions thereto, has been obtained from publicly available sources which are believed to be reliable but are not guaranteed as to accuracy or completeness, and should not to be construed as a representation by either the District or the Underwriter.*

**STRS.** All full-time certificated employees participate in STRS, a cost-sharing, multiple-employer contributory public employee retirement system. STRS provides retirement, disability and survivor benefits to plan members and beneficiaries under a defined benefit program. Benefit provisions and contribution amounts are established by State statutes, as legislatively amended. The program is funded through a combination of investment earnings and statutorily set contributions from three sources: employees, employers and the State. The District’s employer contributions to STRS for recent fiscal years are set forth in the following table.

**STRS Contributions  
Willits Unified School District  
Fiscal Years 2014-15 through 2020-21 (Projected)**

| Fiscal Year            | Amount    |
|------------------------|-----------|
| 2014-15                | \$506,798 |
| 2015-16                | 640,617   |
| 2016-17                | 752,848   |
| 2017-18                | 929,495   |
| 2018-19                | 1,057,862 |
| 2019-20 <sup>(1)</sup> | 1,951,681 |
| 2020-21 <sup>(1)</sup> | 1,690,729 |

<sup>(1)</sup> Unaudited Actual/Budgeted.  
Source: Willits Unified School District.

Historically, employee, employer and State contribution rates did not vary annually to account for funding shortfalls or surpluses in the STRS plan. In recent years, the combination of investment earnings and statutory contributions were not sufficient to pay actuarially required amounts. As a result, the STRS defined benefit program showed an estimated unfunded actuarial liability of approximately \$102.6 billion as of June 30, 2019 (the date of the last actuarial valuation).

In connection with the State’s adoption of its fiscal year 2014-15 Budget, the Governor signed into law Assembly Bill 1469 (“**AB 1469**”), which represents a legislative effort to address the unfunded liabilities of the STRS pension plan. AB 1469 addressed the funding gap by increasing contributions by employees, employers and the State. In particular, employer contribution rates are scheduled to increase through at least fiscal year 2020-21, from a contribution rate of 8.88% in fiscal year 2013-14 to 19.1% in fiscal year 2020-21. Thereafter, employer contribution rates will be determined by the STRS board to reflect the contribution required to eliminate unfunded liabilities by June 30, 2046.

The District’s employer contribution rates for fiscal years 2015-16 through 2019-20 were 10.73%, 12.58%, 14.43%, 16.28%, and 17.10%, respectively. Projected employer contribution rates for school districts (including the District) for fiscal year 2020-21 through fiscal year 2022-23 are set forth in the following table.

**EMPLOYER CONTRIBUTION RATES (STRS)  
Fiscal Years 2020-21 through 2022-23**

| Fiscal Year | Employer Contribution Rate <sup>(1)</sup> |
|-------------|-------------------------------------------|
| 2020-21     | 16.15%                                    |
| 2021-22     | 16.02                                     |
| 2022-23     | 18.10                                     |

<sup>(1)</sup> Expressed as a percentage of covered payroll.  
Source: AB 1469

**PERS.** All full-time and some part-time classified employees participate in PERS, an agent multiple-employer contributory public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State. PERS provides retirement, disability, and death benefits to plan members and beneficiaries. The District is part of a cost-sharing pool within PERS known as the “Schools Pool.” Benefit provisions are established by State statutes, as legislatively amended. Contributions to PERS are made by employers and employees. Each fiscal year, the District is required to contribute an amount based on an actuarially determined employer rate. The District’s employer contributions to PERS for recent fiscal years are set forth in the following table.

**PERS Contributions  
Willits Unified School District  
Fiscal Years 2014-15 through 2020-21 (Projected)**

| Fiscal Year            | Amount    |
|------------------------|-----------|
| 2014-15                | \$404,066 |
| 2015-16                | 446,274   |
| 2016-17                | 546,747   |
| 2017-18                | 641,991   |
| 2018-19                | 746,569   |
| 2019-20 <sup>(1)</sup> | 705,488   |
| 2020-21 <sup>(1)</sup> | 731,419   |

<sup>(1)</sup> Unaudited Actual/Budgeted.  
Source: Willits Unified School District.

Like the STRS program, the PERS program has experienced an unfunded liability in recent years. The PERS unfunded liability, on a market value of assets basis, was approximately

\$31.4 billion as of June 30, 2019 (the date of the last actuarial valuation). To address this issue, the PERS board has taken a number of actions. In April 2013, for example, the PERS board approved changes to the PERS amortization and smoothing policy intended to reduce volatility in employer contribution rates. In addition, in April 2014, PERS set new contribution rates, reflecting new demographic assumptions and other changes in actuarial assumptions. In November 2015, PERS adopted a funding risk mitigation policy intended to incrementally lower its discount rate (its assumed rate of investment return) in years of good investment returns, help pay down the pension fund's unfunded liability, and provide greater predictability and less volatility in contribution rates for employers. In December 2016, PERS voted to lower its discount rate from the current 7.5% to 7.0% over the next three years according to the following schedule.

**PERS Discount Rate  
Fiscal Years 2018-19 through 2020-21**

| Fiscal Year | Amount |
|-------------|--------|
| 2018-19     | 7.375% |
| 2019-20     | 7.250  |
| 2020-21     | 7.000  |

*Source: PERS.*

The new rates and underlying assumptions, which are aimed at eliminating the unfunded liability of PERS in approximately 30 years, will be implemented for school districts beginning in fiscal year 2016-17, with the costs spread over 20 years and the increases phased in over the first five years.

The District's employer contribution rates for fiscal years 2015-16, 2016-17, 2017-18, 2018-19, and 2020-21 were 11.847%, 13.888%, 15.531%, 18.062%, and 19.721% respectively. Projected employer contribution rates for school districts (including the District) for fiscal year 2019-20 through fiscal year 2022-23 are set forth in the following table.

**EMPLOYER CONTRIBUTION RATES (PERS)  
Fiscal Years 2020-21 through 2022-23<sup>(1)</sup>**

| Fiscal Year | Employer<br>Contribution Rate <sup>(2)</sup> |
|-------------|----------------------------------------------|
| 2020-21     | 20.700%                                      |
| 2021-22     | 22.840                                       |
| 2022-23     | 25.500                                       |

(1) The PERS board is expected to approve official employer contribution rates for each fiscal year shown during the immediately preceding fiscal year.

(2) Expressed as a percentage of covered payroll.

*Source: PERS*

**California Public Employees' Pension Reform Act of 2013.** On September 12, 2012, the Governor signed into law the California Public Employees' Pension Reform Act of 2013 ("PEPRA"), which impacted various aspects of public retirement systems in the State, including the STRS and PERS programs. In general, PEPRA (i) increased the retirement age for public employees depending on job function, (ii) capped the annual pension benefit payouts for public employees hired after January 1, 2013, (iii) required public employees hired after January 1, 2013 to pay at least 50% of the costs of their pension benefits (as described in more detail below), (iv) required final compensation for public employees hired after January 1, 2013 to be determined

based on the highest average annual pensionable compensation earned over a period of at least 36 consecutive months, and (v) attempted to address other perceived abuses in the public retirement systems in the State. PEPRAs applies to all public employee retirement systems in the State, *except* the retirement systems of the University of California, and charter cities and charter counties whose pension plans are not governed by State law. PEPRAs provisions went into effect on January 1, 2013 with respect to new State, school, and city and local agency employees hired on or after that date; existing employees who are members of employee associations, including employee associations of the District, have a five-year window to negotiate compliance with PEPRAs through collective bargaining.

PERS has predicted that the impact of PEPRAs on employees and employers, including the District and other employers in the PERS system, will vary, based on each employer's current level of benefits. As a result of the implementation of PEPRAs, new members must pay at least 50% of the normal costs of the plan, which can fluctuate from year to year. To the extent that the new formulas lower retirement benefits, employer contribution rates could decrease over time as current employees retire and employees subject to the new formulas make up a larger percentage of the workforce. This change would, in some circumstances, result in a lower retirement benefit for employees than they currently earn.

With respect to the STRS pension program, employees hired after January 1, 2013 will pay the greater of either (1) fifty percent of the normal cost of their retirement plan, rounded to the nearest one-quarter percent, or (2) the contribution rate paid by then-current members (i.e., employees in the STRS plan as of January 1, 2013). The member contribution rate could be increased from this level through collective bargaining or may be adjusted based on other factors. Employers will pay at least the normal cost rate, after subtracting the member's contribution.

The District is unable to predict the amount of future contributions it will have to make to PERS and STRS as a result of the implementation of PEPRAs, and as a result of negotiations with its employee associations, or, notwithstanding the adoption of PEPRAs, resulting from any legislative changes regarding the PERS and STRS employer contributions that may be adopted in the future.

COVID-19 Impacts: Recent investment losses in the PERS and STRS portfolios as a result of the general market downturn caused by the COVID-19 outbreak may result in increases in the District's required contributions in future years. The District cannot predict the level of such increases, if any.

***Additional Information.*** Additional information regarding the District's retirement programs is available in Note 11 to the District's audited financial statements attached to the Official Statement as APPENDIX B. In addition, both STRS and PERS issue separate comprehensive financial reports that include financial statements and required supplemental information. Copies of such reports may be obtained from STRS and PERS, respectively, as follows: (i) STRS, P.O. Box 15275, Sacramento, California 95851-0275; and (ii) PERS, 400 Q Street, Sacramento, California 95811. More information regarding STRS and PERS can also be obtained at their websites, [www.calstrs.com](http://www.calstrs.com) and [www.calpers.ca.gov](http://www.calpers.ca.gov), respectively. *The references to these Internet websites are shown for reference and convenience only and the information contained on such websites is not incorporated by reference into this Official Statement. The information contained on these websites may not be current and has not been reviewed by the District or the Underwriter for accuracy or completeness.*

**Other Post-Employment Retirement Benefits**

**The Plan Generally.** The District’s post-employment other than pension plan (“**OPEB**”), Willits Unified School District Retiree Benefit Plan (the “**Plan**”) is described below. The Plan is a single employer defined benefit plan administered by the District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

**Benefits Provided.** The eligibility requirements and benefits provided by the Plan are as follows:

|                         | Hired before 7/1/02* | Hired 7/1/02 to 6/30/14            | Hired after 6/30/14                                       |
|-------------------------|----------------------|------------------------------------|-----------------------------------------------------------|
| Benefit Types Provided  | Medical only         | Medical only                       | Medical only                                              |
| Duration of Benefits    | 7 years              | 1 year for each 4 years of service | 1 year for each 5 years of service, but not beyond age 65 |
| Required Service        | 7 years              | 12 years                           | 12 years                                                  |
| Minimum Age             | 55                   | 55                                 | 61                                                        |
| Dependent Coverage      | Yes                  | Yes                                | Yes                                                       |
| District Contribution % | 100% to cap          | 100% to cap                        | 100% to cap                                               |
| District Cap            | Active cap           | Active cap                         | Active cap                                                |

\* Those retiring prior to 7/1/2019 may choose the better of the first two tiers above.  
 Source: Willits Unified School District.

As of the June 30, 2018, valuation date, the plan has 23 retirees receiving benefits and 111 active plan members for a total of 134 plan members.

**Actuarial Assumptions.** The District’s total OPEB liability of \$1,859, 385 was measured as of June 30, 2019 and was determined by an actuarial valuation as of June 30, 2018 using following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified: inflation 2.75%, salary increases 2.75%, investment rate of return 3.50%, and healthcare cost trend rates 4.00%. Mortality rates for certificated employees were based on the 2009 CalSTRS mortality and retirement rates for certificated employees were based on the 2009 CalSTRS retirement rate tables.

The actuarial assumptions used in the June 30, 2018 valuation were based on a review of plan experience. The discount rate was based on the Bond Buyer 20 Bond Index. The actuary assumed contributions would be sufficient to fully fund the obligation over a period not to exceed thirty years.

**Changes in OPEB Liability of the District.** The changes in OPEB liability of the District as of June 30, 2019, is shown in the following table:

**CHANGES IN TOTAL OPEB LIABILITY  
 Willits Unified School District**

|                                    |                  |
|------------------------------------|------------------|
| Service cost                       | \$98,360         |
| Interest                           | 62,128           |
| Changes of assumptions             | 63,048           |
| Benefit payments                   | <u>(180,123)</u> |
| Net change in total OPEB liability | 43,413           |
| Total OPEB liability-beginning     | <u>1,815,972</u> |
| Total OPEB liability-ending        | \$1,859,385      |

Source: Willits Unified School District.

**OPEB Expense.** For the year ended June 30, 2019, the District recognized OPEB expense of \$165,924.

### **Insurance – Joint Powers Agreement**

The District participates in three joint powers agreement (“**JPA**”) entities, the Northern California School Insurance Group, the School Excess Liability Fund and the Schools Insurance Group Northern Alliance. The District pays an annual premium to each entity for its health, workers’ compensation, and property liability coverage.

Each JPA is governed by a board consisting of a representative from each member school agency. Each governing board controls the operations of its JPA independent of any influence by the District beyond the District’s representation on the governing boards.

Each JPA is independently accountable for its fiscal matters. Budgets are not subject to any approval other than that of the respective governing boards. Member district’s share surpluses and deficits proportionately to their participation in the JPA.

The relationship between the District and the JPAs are such that the JPAs are not a component unit of the District for financial reporting purposes. Financial statements are available directly from the JPAs.

### **Existing Debt Obligations**

**General Obligation Bonds.** Prior to the issuance of the Bonds, the District has two outstanding issues of general obligation bonds secured by *ad valorem* taxes levied and collected within the District, on a parity basis with the Bonds.

The District received authorization at an election held on June 8, 2010, by more than the requisite 55% of the qualified electors to issue general obligation bonds in a principal amount not to exceed \$43,000,000 (the “**2010 Authorization**”). On July 22, 2010, the District issued its General Obligation Bonds, Election of 2010, Series A in the aggregate principal amount of \$3,787,053.95 (the “**2010 A Bonds**”) and its Taxable Direct-Pay Qualified School Construction General Obligation Bonds, Election of 2010, Series B in the aggregate principal amount of \$10,015,000 (the “**2010 B Bonds**”) as well as its Taxable General Obligation Bonds, Election of 2010, Series B (Non-Subsidy) (the “**2010 Non-Subsidy Bonds**”). The 2010 A Bonds were issued as capital appreciation bonds, mature in 2041, and are currently outstanding in the aggregate principal amount of \$3,787,053.95. The 2010 B Bonds were issued as current interest bonds, mature in 2027, and are currently outstanding in the principal amount of \$7,050,000. The 2010 Non-Subsidy Bonds matured in 2012. There is currently \$29,092,946.05 unissued authorization remaining under the 2010 Authorization.

On November 3, 2020, the District received authorization by more than the requisite 55% of District voters at the Bond Election to issue general obligation bonds in a principal amount of \$17,000,000 (the “**2020 Authorization**”). The Bonds described herein are the first series of bonds issued pursuant to the 2020 Authorization. Following the issuance of the Bonds, there will be \$13,000,000\* unissued authorization remaining under the 2020 Authorization.

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\*Preliminary; subject to change.



See “DEBT SERVICE SCHEDULES” in the body of this Official Statement for the remaining debt service due on the District’s outstanding general obligation bonds.

### **Investment of District Funds**

In accordance with Government Code Section 53600 *et seq.*, the County Treasurer manages funds deposited with it by the District. The County is required to invest such funds in accordance with California Government Code Sections 53601 *et seq.* In addition, counties are required to establish their own investment policies which may impose limitations beyond those required by the Government Code. See APPENDIX G to the Official Statement for the County’s current investment policy and recent investment report.

### **Effect of State Budget on Revenues**

Public school districts in California are dependent on revenues from the State for a large portion of their operating budgets. California school districts generally receive the majority of their operating revenues from various State sources. The primary source of funding for school districts is LCFF funding, which is derived from a combination of State funds and local property taxes (see “—Education Funding Generally” above). State funds typically make up the majority of a district’s LCFF funding. School districts also receive funding from the State for some specialized programs such as special education.

The availability of State funds for public education is a function of constitutional provisions affecting school district revenues and expenditures (see “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS” below), the condition of the State economy (which affects total revenue available to the State general fund), and the annual State budget process. The District cannot predict how education funding may further be changed in the future, or the state of the economy which in turn can impact the amounts of funds available from the State for education funding. See “STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS.”

## **STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS**

### **State Funding of Education**

**General.** The State requires that from all State revenues there first shall be set apart the moneys to be applied for support of the public school system and public institutions of higher education. School districts in California receive operating income primarily from two sources: (1) the State funded portion which is derived from the State’s general fund, and (2) a locally funded portion, being a district’s share of the 1% general *ad valorem* tax levy authorized by the California Constitution (see “DISTRICT FINANCIAL INFORMATION – Education Funding Generally” above). School districts in California are dependent on revenues from the State for a large portion of their operating budgets. California school districts receive an average of about 55% of their operating revenues from various State sources.

The availability of State funds for public education is a function of constitutional provisions affecting school district revenues and expenditures (see “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS” below), the condition of the State economy (which affects total revenue available to the State general fund),

and the annual State budget process. Decreases in State revenues may significantly affect appropriations made by the legislature to school districts.

The COVID-19 pandemic is expected to have a material impact on State revenues and appropriations.

*The following information concerning the State's budgets for the current and most recent preceding years has been compiled from publicly-available information provided by the State. None of the District, the Underwriter or the County is responsible for the information relating to the State's budgets provided in this section. Further information is available from the Public Finance Division of the State Treasurer's Office.*

**The Budget Process.** The State's fiscal year begins on July 1 and ends on June 30. The annual budget is proposed by the Governor by January 10 of each year for the next fiscal year (the "**Governor's Budget**"). Under State law, the annual proposed Governor's Budget cannot provide for projected expenditures in excess of projected revenues and balances available from prior fiscal years. Following the submission of the Governor's Budget, the Legislature takes up the proposal.

Under the State Constitution, money may be drawn from the State Treasury only through an appropriation made by law. The primary source of the annual expenditure authorizations is the Budget Act as approved by the Legislature and signed by the Governor. The Budget Act must be approved by a majority vote of each house of the Legislature. The Governor may reduce or eliminate specific line items in the Budget Act or any other appropriations bill without vetoing the entire bill. Such individual line-item vetoes are subject to override by a two-thirds majority vote of each house of the Legislature.

Appropriations also may be included in legislation other than the Budget Act. Bills containing appropriations (including for K-14 education) must be approved by a majority vote in each house of the Legislature, unless such appropriations require tax increases, in which case they must be approved by a two-thirds vote of each house of the Legislature, and be signed by the Governor. Continuing appropriations, available without regard to fiscal year, may also be provided by statute or the State Constitution.

Funds necessary to meet an appropriation need not be in the State Treasury at the time such appropriation is enacted; revenues may be appropriated in anticipation of their receipt.

### **Recent State Budgets**

Certain information about the State budgeting process and the State budget is available through several State of California sources. A convenient source of information is the State's website, where recent official statements for State bonds are posted. *The references to internet websites shown below are shown for reference and convenience only, the information contained within the websites may not be current and has not been reviewed by the District and is not incorporated herein by reference.*

- The California State Treasurer internet home page at [www.treasurer.ca.gov](http://www.treasurer.ca.gov), under the heading "Bond Information", posts various State of California Official Statements, many of which contain a summary of the current State budget, past State budgets, and the impact of those budgets on school districts in the State.

- The California State Treasurer's Office Internet home page at [www.treasurer.ca.gov](http://www.treasurer.ca.gov), under the heading "Financial Information", posts the State's audited financial statements. In addition, the Financial Information section includes the State's Rule 15c2-12 filings for State bond issues. The Financial Information section also includes the Overview of the State Economy and Government, State Finances, State Indebtedness, Litigation from the State's most current Official Statement, which discusses the State budget and its impact on school districts.
- The California Department of Finance's Internet home page at [www.dof.ca.gov](http://www.dof.ca.gov), under the heading "California Budget", includes the text of proposed and adopted State budgets.
- The State Legislative Analyst's Office prepares analyses of the proposed and adopted State budgets. The analyses are accessible on the Legislative Analyst's Internet home page at [www.lao.ca.gov](http://www.lao.ca.gov) under the heading "Subject Area – Budget (State)".

***Prior Years' Budgeting Techniques.*** Declining revenues and fiscal difficulties which arose in the State commencing in fiscal year 2008-09 led the State to undertake a number of budgeting strategies, which had subsequent impacts on local agencies within the State. These techniques included the issuance of IOUs in lieu of warrants (checks), the enactment of statutes deferring amounts owed to public schools, until a later date in the fiscal year, or even into the following fiscal year (known as statutory deferrals), trigger reductions, which were budget cutting measures which were implemented or could have been implemented if certain State budgeting goals were not met, among others, and the dissolution of local redevelopment agencies in part to make available additional funding for local agencies. As a result of the COVID-19 pandemic and subsequent economic recession, budget-cutting strategies such as those used in recent years are being used and may continue to be used in the future during a period of budgetary strain.

***2013-14 State Budget: Significant Change in Education Funding.*** As described previously herein, the 2013-14 State Budget and its related implementing legislation enacted significant reforms to the State's system of K-12 education finance with the enactment of the LCFF. Significant reforms such as the LCFF and other changes in law may have significant impacts on the District's finances.

## **2020-21 State Budget**

***Introduction and Background.*** The Governor signed the fiscal year 2020-21 State Budget (the "**2020-21 State Budget**") on June 29, 2020. The 2020-21 State Budget notes that the COVID-19 pandemic has impacted every sector of the State's economy and has caused record high unemployment, and further action from the federal government is needed as a result of the crisis. The Governor is pursuing \$1 trillion in flexible federal aid to state and local governments across the country, which support will be critical to mitigate the effects of the public health crisis, encourage recovery, and support persons in need.

At the time of the Governor's proposed 2020-21 State Budget in January, the State was projecting a surplus of \$5.6 billion. At the time of the May Revision with respect to the 2020-21 State Budget, the State had a budget deficit of \$54.3 billion. The 2020-21 State Budget includes measures to close the gap and bring the State's resources and spending into balance while

preserving reserves for future years.

To reduce the structural deficit in the coming years, the 2020-21 State Budget sustains the January 1, 2022 suspension of several ongoing programmatic expansions that were made in the 2019 Budget Act. In addition, the 2020-21 State Budget accelerates the suspension of most Proposition 56 (2016 tobacco tax measure) tax rate increases to July 1, 2021. Despite these measures, the State forecasts an operating deficit of \$8.7 billion in 2021-22, after accounting for reserves.

**Closing the Budget Gap.** The 2020-21 State Budget uses the following strategies to close the budget gap:

- **Reserve Draw Down:** Draws down \$8.8 billion in reserves, including from the State's Rainy Day Fund (\$7.8 billion), the Safety Net Reserve (\$450 million), and all of the funds in the Public School System Stabilization Account.
- **Triggers:** Includes \$11.1 billion in funding reductions and deferrals that will be restored if at least \$14 billion in federal funds are received by October 15, 2020. If the State receives a lesser amount between \$2 billion and \$14 billion, the reductions and deferrals will be partially restored. The trigger includes \$6.6 billion in deferred funding for schools.
- **Federal Funds:** Relies on \$10.1 billion in federal funds that provide State general fund relief, including \$8.1 billion already received.
- **Revenues:** Temporarily suspends the use of net operating losses for medium and large businesses and temporarily limits to \$5 million the amount of business incentive credits a taxpayer can use in any given tax year. These short-term limitations will generate \$4.4 billion in new revenues in the 2020-21 fiscal year.
- **Borrowing/Transfers/Deferrals:** Relies on \$9.3 billion in special fund borrowing and transfers, as well as other deferrals for K-14 schools. Approximately \$900 million in additional special fund borrowing is associated with the reductions to employee compensation and is contained in the trigger.
- **Other Solutions:** Cancelling multiple program expansions and anticipating increased government efficiencies, higher ongoing revenues above the May Revision forecast and lower health and human services caseload costs than the May Revision estimated.

**General Budget Highlights.** Certain highlights of the 2020-21 State Budget are:

**Emergency Response:** COVID-19 and other emergency response efforts included in the 2020-21 State Budget are:

- **Responding to COVID-19:** The State expects to receive over \$72 billion in federal assistance to State programs, of which unemployment insurance represents about \$52 billion of this total. Under the CARES Act, the State received \$9.5 billion for various uses including \$4.4 billion to mitigate K-14 learning loss. The amount of \$5.9 million of General Fund spending for 2020-21 and \$4.8 million ongoing is allocated to support the State

Department of Health's response to COVID-19.

- Enhancements to Emergency Responses and Preparedness: \$117.6 million is allocated to the State Office of Emergency Services to enhance emergency preparedness and response capabilities, including with respect to power outages, earthquakes, wildfires and cybersecurity.
- Forestry and Fire Protection: \$90 million is allocated to enhance CAL FIRE's fire protection capabilities, including for wildfire prediction and modeling technology.

Revenue Solutions. Revenue measures which are expected to net \$4.3 billion in 2020-21, \$3.1 billion in 2021-22 and \$1.3 billion in 2022-23, include:

- Certain Tax Measure Extensions. Extending certain tax measures including certain sales tax exemptions through the end of 2022-23, extending the carryover period for film credits from 6 years to 9 years, and extending the current exemption from the minimum tax for first year corporations to first year limited liability corporations, partnerships, and limited liability partnerships.

- Expansion of Earned Income Tax. Expanding the Earned Income Tax Credit to certain taxpayers.

- Changes to Tax Laws and Sales Tax. Changes in tax law including suspending net operating losses for 2020, 2021, and 2022 for medium and large businesses, and limiting certain business incentive tax credits, and with respect to closing the sale tax loss gap, requiring used car dealers to remit sales tax to the Department of Motor Vehicles with registration fees.

Recovery for Small Businesses. The 2020-21 State Budget includes a waiver of the minimum franchise tax for the first year of operation, \$100 million budgeted for the State's small business loan program, \$25 million to provide capital to enable the origination of more loans in underbanked communities, and adding funding of \$758,000 ongoing for positions relating to small business support.

Housing. Up to \$500 million is allocated in State tax credits for low-income housing in 2021, under certain conditions. The 2020-21 State Budget provides \$331 million in National Mortgage Settlement funds to help prevent avoidable foreclosures and evictions, and \$8.3 billion across multiple departments and programs to address housing throughout the State.

***K-12 Education Funding Summary***. For K-12 education funding, the 2020-21 State Budget provides for funding under Proposition 98 of \$70.9 billion, which is more than \$10 billion below the minimum guarantee contained in the State's 2019-20 budget. For K-12 schools, this results in Proposition 98 per pupil spending of \$10,654 in 2020-21, which is a \$1,339 decrease over the 2019-20 per pupil spending levels. Additionally, in the same period, per pupil spending from all State, federal, and local sources decreased by approximately \$542 per pupil to \$16,881.

Efforts to mitigate the decline in K-12 funding in the 2020-21 State Budget include:

Deferrals: \$1.9 billion of LCFF apportionment deferrals in 2019-20, growing to \$11 billion LCFF apportionment deferrals in 2020-21. These deferrals will allow LCFF funding to remain at 2019-20 levels in both fiscal years. The statutory LCFF cost-of-living adjustment is suspended in 2020-21. Of the total deferrals, \$5.8 billion will be triggered off in 2020-21 if the federal funding becomes available.

Learning Loss Mitigation: A one-time investment of \$5.3 billion (\$4.4 billion federal Coronavirus Relief Fund, \$539.9 million Proposition 98 General Fund, and \$355.2 million federal Governor's Emergency Education Relief Fund) to local educational agencies to address learning loss related to COVID-19 school closures. Funds will be allocated to local educational agencies on an equity basis, with an emphasis on ensuring the greatest resources are available to local educational agencies serving students with the greatest needs.

Supplemental Appropriations: In 2019-20 and 2020-21, the Proposition 98 funding level drops below the target funding level by a total of approximately \$12.4 billion. To accelerate the recovery from this funding reduction, the 2020-21 State Budget provides supplemental appropriations above the constitutionally-required Proposition 98 funding level, beginning in 2021-22, and in each of the next several fiscal years, in an amount equal to 1.5% of State general fund revenues per year, up to a cumulative total of \$12.4 billion.

Revised PERS and STRS Contributions. To provide local educational agencies with increased fiscal relief, the 2020-21 State Budget redirects \$2.3 billion appropriated in the 2019 Budget Act to STRS and PERS for long-term unfunded liabilities to reduce employer contribution rates in 2020-21 and 2021-22. This reallocation will reduce the STRS employer rate from 18.41% to approximately 16.15% in 2020-21 and from 17.9% to 16.02% in 2021-22. The PERS Schools Pool employer contribution rate will be further reduced from 22.67% to 20.7% in 2020-21 and from 24.6% to 22.84% in 2021-22.

Federal Funds. The 2020-21 State Budget appropriates \$1.6 billion in federal Elementary and Secondary School Emergency Relief funds that the State was recently awarded. Of this amount, 90% (\$1.5 billion) will be allocated to local educational agencies in proportion to the amount of Title I-A funding they receive to be used for COVID-19 related costs. The remaining 10% (\$164.7 million) is available for certain COVID-19 related State-level activities, such as providing additional funding for student meals and social services.

Special Education. The 2020-21 State Budget increases special education base rates to \$625 per pupil pursuant to a new funding formula, apportioned using the existing hold harmless methodology, and provides \$100 million to increase funding for students with low-incidence disabilities. Additional federal funding received by the State is also allocated to various special education programs.

Average Daily Attendance. To ensure funding stability regardless of the instructional model undertaken in the 2020-21 academic year, the 2020-21 State Budget includes a hold harmless for the average daily attendance used to calculate school funding for all local educational agencies and includes requirements for distance learning to ensure that, when in-person instruction is not possible, students continue to receive

access to a quality education via distance learning.

In addition, the 2020-21 State Budget includes certain employee protection terms to ensure the continuity of employment for essential school staff during the COVID-19 pandemic. As such, the 2020-21 State Budget includes the suspension of the August 15, 2020, layoff window for teachers and other non-administrative certificated staff, and the suspension of layoffs for classified staff working in transportation, nutrition, and custodial services from July 1, 2020 through June 30, 2021. The 2020-21 State Budget also includes the intent of the State Legislature that school districts, community college districts, joint powers authorities, and county offices of education retain all classified employees in the 2020-21 fiscal year.

### **Disclaimer Regarding State Budgets**

The execution of State budgets including the above may be affected by numerous factors, including but not limited to: (i) shifts in costs from the federal government to the State, (ii) national, State and international economic conditions, (iii) litigation risks associated with proposed spending reductions, (iv) rising health care costs and/or other unfunded liabilities, such as pension or OPEB, and (v) numerous other factors, all or any of which could cause the revenue and spending projections included in such budgets to be unattainable. The District cannot predict the impact that the 2020-21 State Budget or subsequent State Budgets, will have on its own finances and operations.

The State has not entered into any contractual commitments with the District, the County, the Underwriter or the owners of the Bonds to provide State budget information to the District or the owners of the Bonds. Although they believe the sources of information listed below are reliable, neither the District nor the Underwriter assumes any responsibility for the accuracy of State budget information set forth or referred to or incorporated in this Official Statement.

**Availability of State Budgets.** The complete 2020-21 State Budget is available from the California Department of Finance website at [www.ebudget.ca.gov](http://www.ebudget.ca.gov). An impartial analysis of the budget is published by the Legislative Analyst Office, and is available at [www.lao.ca.gov/budget](http://www.lao.ca.gov/budget). The District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted on these sites, and such information is not incorporated in this Official Statement by these references. The information referred to above should not be relied upon when making an investment decision with respect to the Bonds.

**Uncertainty Regarding Future State Budgets.** The District cannot predict what actions will be taken in future years by the State legislature or the Governor to address the State's current or future revenues and expenditures, or possible future budget deficits. Future State budgets will be affected by national and State economic conditions and other factors over which the District has no control. The District cannot predict what impact any future budget proposals will have on the financial condition of the District. To the extent that the State budget process results in reduced revenues to the District, the District will be required to make adjustments to its own budgets.

### **Legal Challenges to State Funding of Education**

The application of Proposition 98 and other statutory regulations has been the subject of various legal challenges in the past. The District cannot predict if or when there will be changes to education funding or legal challenges which may arise relating thereto.



## **CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS**

Principal of and interest on the Bonds are payable from the proceeds of an *ad valorem* tax levied by the County for the payment thereof. Articles XIII A, XIII B, XIII C, and XIII D of the State Constitution, Propositions 62, 98, 111 and 218, and certain other provisions of law discussed below, are included in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the District to levy taxes and spend tax proceeds for operating and other purposes, and it should not be inferred from the inclusion of such materials that these laws impose any limitation on the ability of the District to levy taxes for payment of the Bonds. The tax levied by the County for payment of the Bonds was approved by the District's voters in compliance with Article XIII A and all applicable laws.

### **Constitutionally Required Funding of Education**

The State Constitution requires that from all State revenues, there shall be first set apart the moneys to be applied by the State for the support of the public school system and public institutions of higher education. School districts receive a significant portion of their funding from State appropriations. As a result, decreases and increases in State revenues can significantly affect appropriations made by the State Legislature to school districts.

### **Article XIII A of the California Constitution**

**Basic Property Tax Levy.** On June 6, 1978, California voters approved Proposition 13 ("**Proposition 13**"), which added Article XIII A to the State Constitution ("**Article XIII A**"). Article XIII A limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on (i) indebtedness approved by the voters prior to July 1, 1978, (ii) (as a result of an amendment to Article XIII A approved by State voters on June 3, 1986) bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness (which provided the authority for the issuance of the Refunded Bonds), and (iii) (as a result of an amendment to Article XIII A approved by State voters on November 7, 2000) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. The tax for the payment of the Bonds falls within the exception described in (iii) of the immediately preceding sentence. Article XIII A defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under full cash value, or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership have occurred after the 1975 assessment". This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIII A has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster and in other minor or technical ways.

Both the United States Supreme Court and the California State Supreme Court have upheld the general validity of Article XIII A.

**Legislation Implementing Article XIII A.** Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the annual adjustment not to exceed 2% are allocated among the various jurisdictions in the "taxing area" based upon their respective "situs." Any such allocation made to a local agency continues as part of its allocation in future years.

**Inflationary Adjustment of Assessed Valuation.** As described above, the assessed value of a property may be increased at a rate not to exceed 2% per year to account for inflation. On December 27, 2001, the Orange County Superior Court, in *County of Orange v. Orange County Assessment Appeals Board No. 3*, held that where a home's taxable value did not increase for two years, due to a flat real estate market, the Orange County assessor violated the 2% inflation adjustment provision of Article XIII A, when the assessor tried to "recapture" the tax value of the property by increasing its assessed value by 4% in a single year. The assessors in most California counties, including the County, use a similar methodology in raising the taxable values of property beyond 2% in a single year. The SBE has approved this methodology for increasing assessed values. On appeal, the Appellate Court held that the trial court erred in ruling that assessments are always limited to no more than 2% of the previous year's assessment. On May 10, 2004 a petition for review was filed with the California Supreme Court. The petition has been denied by the California Supreme Court. As a result of this litigation, the "recapture" provision described above may continue to be employed in determining the full cash value of property for property tax purposes.

### **Article XIII B of the California Constitution**

Article XIII B ("**Article XIII B**") of the State Constitution, as subsequently amended by Propositions 98 and 111, respectively, limits the annual appropriations of the State and of any city, county, school district, authority or other political subdivision of the State to the level of appropriations of the particular governmental entity for the prior fiscal year, as adjusted for changes in the cost of living and in population and for transfers in the financial responsibility for providing services and for certain declared emergencies. For fiscal years beginning on or after July 1, 1990, the appropriations limit of each entity of government shall be the appropriations limit for the 1986-87 fiscal year adjusted for the changes made from that fiscal year under the provisions of Article XIII B, as amended.

The appropriations of an entity of local government subject to Article XIII B limitations include the proceeds of taxes levied by or for that entity and the proceeds of certain state subventions to that entity. "Proceeds of taxes" include, but are not limited to, all tax revenues and the proceeds to the entity from (a) regulatory licenses, user charges and user fees (but only to the extent that these proceeds exceed the reasonable costs in providing the regulation, product or service), and (b) the investment of tax revenues.

Appropriations subject to limitation do not include (a) refunds of taxes, (b) appropriations for debt service, (c) appropriations required to comply with certain mandates of the courts or the federal government, (d) appropriations of certain special districts, (e) appropriations for all qualified capital outlay projects as defined by the legislature, (f) appropriations derived from

certain fuel and vehicle taxes and (g) appropriations derived from certain taxes on tobacco products.

Article XIII B includes a requirement that all revenues received by an entity of government other than the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be returned by a revision of tax rates or fee schedules within the next two subsequent fiscal years. However, in the event that a school district's revenues exceed its spending limit, the district may in any fiscal year increase its appropriations limit to equal its spending by borrowing appropriations limit from the State.

Article XIII B also includes a requirement that 50% of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be transferred and allocated to the State School Fund under Section 8.5 of Article XVI of the State Constitution.

### **Unitary Property**

Some amount of property tax revenue of the District is derived from utility property which is considered part of a utility system with components located in many taxing jurisdictions ("**unitary property**"). Under the State Constitution, such property is assessed by the SBE as part of a "going concern" rather than as individual pieces of real or personal property. State-assessed unitary and certain other property is allocated to the counties by SBE, taxed at special county-wide rates, and the tax revenues distributed to taxing jurisdictions (including the District) according to statutory formulae generally based on the distribution of taxes in the prior year.

### **Articles XIII C and XIII D of the California Constitution**

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the "Right to Vote on Taxes Act." Proposition 218 added to the California Constitution Articles XIII C and XIII D (respectively, "**Article XIII C**" and "**Article XIII D**"), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the "Title and Summary" of Proposition 218 prepared by the California Attorney General, Proposition 218 limits "the authority of local governments to impose taxes and property-related assessments, fees and charges." Among other things, Article XIII C establishes that every tax is either a "general tax" (imposed for general governmental purposes) or a "special tax" (imposed for specific purposes), prohibits special purpose government agencies such as school districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIII C further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIII A of the California Constitution and special taxes approved by a two-thirds vote under Article XIII A, Section 4.

On November 2, 2010, Proposition 26 was approved by State voters, which amended Article XIIC to expand the definition of “tax” to include “any levy, charge, or exaction of any kind imposed by a local government” except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIID. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor’s burdens on, or benefits received from, the governmental activity.

Article XIID deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIIC or XIID will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

While the provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District (thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the District), the District does not believe that Proposition 218 will directly impact the revenues available to pay debt service on the Bonds.

### **Proposition 98**

On November 8, 1988, California voters approved Proposition 98, a combined initiative constitutional amendment and statute called the “Classroom Instructional Improvement and Accountability Act” (the “**Accountability Act**”). Certain provisions of the Accountability Act have, however, been modified by Proposition 111, discussed below, the provisions of which became effective on July 1, 1990. The Accountability Act changes State funding of public education below the university level and the operation of the State’s appropriations limit. The Accountability Act guarantees State funding for K-12 school districts and community college districts (hereinafter referred to collectively as “K-14 school districts”) at a level equal to the greater of (a) the same percentage of general fund revenues as the percentage appropriated to such districts in 1986-87, and (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for increases in enrollment and changes in the cost of living. The Accountability Act permits the Legislature to suspend this formula for a one-year period.

The Accountability Act also changes how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount would, instead of being returned to taxpayers, be transferred to K-14 school districts. Any such transfer to K-14 school districts would be excluded from the appropriations limit for K-14 school

districts and the K-14 school district appropriations limit for the next year would automatically be increased by the amount of such transfer. These additional moneys would enter the base funding calculation for K-14 school districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIII B surplus. The maximum amount of excess tax revenues which could be transferred to K-14 school districts is 4% of the minimum State spending for education mandated by the Accountability Act.

## **Proposition 111**

On June 5, 1990, the voters approved Proposition 111 (Senate Constitutional Amendment No. 1) called the "Traffic Congestion Relief and Spending Limit Act of 1990" ("**Proposition 111**") which further modified Article XIII B and Sections 8 and 8.5 of Article XVI of the State Constitution with respect to appropriations limitations and school funding priority and allocation.

The most significant provisions of Proposition 111 are summarized as follows:

***Annual Adjustments to Spending Limit.*** The annual adjustments to the Article XIII B spending limit were liberalized to be more closely linked to the rate of economic growth. Instead of being tied to the Consumer Price Index, the "change in the cost of living" is now measured by the change in California *per capita* personal income. The definition of "change in population" specifies that a portion of the State's spending limit is to be adjusted to reflect changes in school attendance.

***Treatment of Excess Tax Revenues.*** "Excess" tax revenues with respect to Article XIII B are now determined based on a two-year cycle, so that the State can avoid having to return to taxpayers excess tax revenues in one year if its appropriations in the next fiscal year are under its limit. In addition, the Proposition 98 provision regarding excess tax revenues was modified. After any two-year period, if there are excess State tax revenues, 50% of the excess are to be transferred to K-14 school districts with the balance returned to taxpayers; under prior law, 100% of excess State tax revenues went to K-14 school districts, but only up to a maximum of 4% of the schools' minimum funding level. Also, reversing prior law, any excess State tax revenues transferred to K-14 school districts are not built into the school districts' base expenditures for calculating their entitlement for State aid in the next year, and the State's appropriations limit is not to be increased by this amount.

***Exclusions from Spending Limit.*** Two exceptions were added to the calculation of appropriations which are subject to the Article XIII B spending limit. First, there are excluded all appropriations for "qualified capital outlay projects" as defined by the Legislature. Second, there are excluded any increases in gasoline taxes above the 1990 level (then nine cents per gallon), sales and use taxes on such increment in gasoline taxes, and increases in receipts from vehicle weight fees above the levels in effect on January 1, 1990. These latter provisions were necessary to make effective the transportation funding package approved by the Legislature and the Governor, which expected to raise over \$15 billion in additional taxes from 1990 through 2000 to fund transportation programs.

***Recalculation of Appropriations Limit.*** The Article XIII B appropriations limit for each unit of government, including the State, is to be recalculated beginning in fiscal year 1990-91. It is based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Proposition 111 had been in effect.

**School Funding Guarantee.** There is a complex adjustment in the formula enacted in Proposition 98 which guarantees K-14 school districts a certain amount of State general fund revenues. Under prior law, K-14 school districts were guaranteed the greater of (1) 40.9% of State general fund revenues (the “**first test**”) or (2) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIII B by reference to *per capita* personal income) and enrollment (the “**second test**”). Under Proposition 111, schools will receive the greater of (1) the first test, (2) the second test, or (3) a third test, which will replace the second test in any year when growth in *per capita* State general fund revenues from the prior year is less than the annual growth in California per capita personal income (the “**third test**”). Under the third test, schools will receive the amount appropriated in the prior year adjusted for change in enrollment and *per capita* State general fund revenues, plus an additional small adjustment factor. If the third test is used in any year, the difference between the third test and the second test will become a “credit” to schools which will be paid in future years when State general fund revenue growth exceeds personal income growth.

### **Proposition 39**

On November 7, 2000, California voters approved an amendment (commonly known as “**Proposition 39**”) to the California Constitution. This amendment (1) allows school facilities bond measures to be approved by 55% (rather than two-thirds) of the voters in local elections and permits property taxes to exceed the current 1% limit in order to repay the bonds and (2) changes existing statutory law regarding charter school facilities. Constitutional amendments may be changed only with another statewide vote. The statutory provisions could be changed by a majority vote of both houses of the Legislature and approval by the Governor, but only to further the purposes of the proposition. The local school jurisdictions affected by Proposition 39 are K-12 school districts including the District, community college districts, and county offices of education. As noted above, the California Constitution previously limited property taxes to 1% of the value of property. Prior to the approval of Proposition 39, property taxes could only exceed this limit to pay for (1) any local government debts approved by the voters prior to July 1, 1978 or (2) bonds to acquire or improve real property that receive two-thirds voter approval after July 1, 1978.

The 55% vote requirement authorized by Proposition 39 applies only if the local bond measure presented to the voters includes: (1) a requirement that the bond funds can be used only for construction, rehabilitation, equipping of school facilities, or the acquisition or lease of real property for school facilities; (2) a specific list of school projects to be funded and certification that the school board has evaluated safety, class size reduction, and information technology needs in developing the list; and (3) a requirement that the school board conduct annual, independent financial and performance audits until all bond funds have been spent to ensure that the bond funds have been used only for the projects listed in the measure. Legislation approved in June 2000 places certain limitations on local school bonds to be approved by 55% of the voters. These provisions require that the tax rate levied as the result of any single election be no more than \$60 (for a unified school district), \$30 (for an elementary school district or high school district), or \$25 (for a community college district), per \$100,000 of taxable property value. These requirements are not part of Proposition 39 and can be changed with a majority vote of both houses of the Legislature and approval by the Governor.

### **Proposition 1A and Proposition 22**

On November 2, 2004, California voters approved Proposition 1A, which amended the State constitution to significantly reduce the State's authority over major local government revenue sources. Under Proposition 1A, the State cannot (i) reduce local sales tax rates or alter

the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to schools or community colleges, (iii) change how property tax revenues are shared among local governments without two-thirds approval of both houses of the State Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. Under Proposition 1A, beginning in 2008-09, the State may shift to schools and community colleges a limited amount of local government property tax revenue if certain conditions are met, including: (i) a proclamation by the Governor that the shift is needed due to a severe financial hardship of the State, and (ii) approval of the shift by the State Legislature with a two-thirds vote of both houses. Under such a shift, the State must repay local governments for their property tax losses, with interest, within three years. Proposition 1A does allow the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amended the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to schools or community colleges or to those mandates relating to employee rights.

Proposition 22, a constitutional initiative entitled the “Local Taxpayer, Public Safety, and Transportation Protection Act of 2010,” approved on November 2, 2010, superseded many of the provision of Proposition 1A. This initiative amends the State constitution to prohibit the legislature from diverting or shifting revenues that are dedicated to funding services provided by local government or funds dedicated to transportation improvement projects and services. Under this proposition, the State is not allowed to take revenue derived from locally imposed taxes, such as hotel taxes, parcel taxes, utility taxes and sales taxes, and local public transit and transportation funds. Further, in the event that a local governmental agency sues the State alleging a violation of these provisions and wins, then the State must automatically appropriate the funds needed to pay that local government. This Proposition was intended to, among other things, stabilize local government revenue sources by restricting the State’s control over local property taxes. Proposition 22 did not prevent the California State Legislature from dissolving State redevelopment agencies pursuant to AB 1X26, as confirmed by the decision of the California Supreme Court decision in *California Redevelopment Association v. Matosantos* (2011).

Because Proposition 22 reduces the State’s authority to use or reallocate certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget, such as reducing State spending or increasing State taxes, and school and college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State’s general fund.

### **Proposition 30 and Proposition 55**

The Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment (also known as “**Proposition 30**”), temporarily increased the State Sales and Use Tax and personal income tax rates on higher incomes. Proposition 30 temporarily imposed an additional tax on all retailers, at the rate of 0.25% of gross receipts from the sale of all tangible personal property sold in the State from January 1, 2013 to December 31, 2016. Proposition 30 also imposed an additional excise tax on the storage, use, or other consumption in the State of tangible personal property purchased from a retailer on and after January 1, 2013 and before January 1, 2017. This excise tax was levied at a rate of 0.25% of the sales price of the property so purchased. For personal income taxes imposed beginning in the taxable year commencing January 1, 2012 and ending December 31, 2018, Proposition 30 increases the marginal personal income tax rate by: (i) 1% for taxable income over \$250,000 but less than \$300,000 for single filers (over \$500,000



but less than \$600,000 for joint filers), (ii) 2% for taxable income over \$300,000 but less than \$500,000 for single filers (over \$600,000 but less than \$1,000,000 for joint filers), and (iii) 3% for taxable income over \$500,000 for single filers (over \$1,000,000 for joint filers). Proposition 55 (described below) extended said increases to personal income rates through the end of 2030.

The revenues generated from the temporary tax increases will be included in the calculation of the Proposition 98 minimum funding guarantee for school districts and community college districts. See "Proposition 98" and "Proposition 111" above. From an accounting perspective, the revenues generated from the temporary tax increases will be deposited into the State account created pursuant to Proposition 30 called the Education Protection Account (the "EPA"). Pursuant to Proposition 30, funds in the EPA will be allocated quarterly, with 89% of such funds provided to schools districts and 11% provided to community college districts. The funds will be distributed to school districts and community college districts in the same manner as existing unrestricted per-student funding, except that no school district will receive less than \$200 per unit of ADA and no community college district will receive less than \$100 per full time equivalent student. The governing board of each school district and community college district is granted sole authority to determine how the moneys received from the EPA are spent, provided that, the appropriate governing board is required to make these spending determinations in open session at a public meeting and such local governing boards are prohibited from using any funds from the EPA for salaries or benefits of administrators or any other administrative costs.

The California Children's Education and Health Care Protection Act of 2016, also known as Proposition 55, was a proposed constitutional amendment initiative that was approved on the November 8, 2016 general election ballot in California. Proposition 55 extends the increases to personal income tax rates for high-income taxpayers that were approved as part of Proposition 30 through 2030, instead of the scheduled expiration date of December 31, 2018. Tax revenue received under Proposition 55 is to be allocated 89% to K-12 schools and 11% to community colleges. Proposition 55 did not extend the sales or excise tax increases of Proposition 30.

### **California Senate Bill 222**

Senate Bill 222 ("**SB 222**") was signed by the California Governor on July 13, 2015 and became effective on January 1, 2016. SB 222 amended Section 15251 of the California Education Code and added Section 52515 to the California Government Code to provide that voter approved general obligation bonds which are secured by *ad valorem* tax collections such as the Bonds are secured by a statutory lien on all revenues received pursuant to the levy and collection of the property tax imposed to service those bonds. Said lien shall attach automatically and is valid and binding from the time the bonds are executed and delivered. The lien is enforceable against the issuer, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any further act. The effect of SB 222 is the treatment of general obligation bonds as secured debt in bankruptcy due to the existence of a statutory lien.

### **Future Initiatives**

Article XIII A, Article XIII B, Article XIII C and Article XIII D of the California Constitution and Propositions 98, 111, 22, 26, 30, 39 and 55 were each adopted as measures that qualified for the ballot under the State's initiative process. From time to time other initiative measures could be adopted further affecting District revenues or the District's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the District.

**APPENDIX B**

**WILLITS UNIFIED SCHOOL DISTRICT  
AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2018-19**

## APPENDIX C

### ECONOMIC AND DEMOGRAPHIC INFORMATION ABOUT THE CITY OF WILLITS AND MENDOCINO COUNTY

*The Bonds are not a debt of the City of Willits (the “City”) or Mendocino County (the “County”). The County, including its Board of Supervisors, officers, officials, agents and other employees, are required, only to the extent required by law, to: (i) levy and collect ad valorem taxes for payment of the Bonds in accordance with the law; and (ii) transmit the proceeds of such taxes to the paying agent for the payment of the principal of and interest on the Bonds at the time such payment is due.*

*The economic and demographic data contained in this Appendix are the latest available, but are generally as of dates and for periods before the economic impact of the COVID-19 pandemic and the measures instituted to slow it. Accordingly, they are not necessarily indicative of the current financial condition or future economic prospects of the District, the City, the County or the region.*

#### **General Information**

**The City.** The District is located in the City of Willits (the “City”), in Mendocino County (the “County”), approximately 140 miles north of San Francisco and 20 miles north of Ukiah, the largest city in the County. The City, located at the heart of the County and at the beginning of the county’s extensive redwood forests, on Highway 101, was incorporated in 1888 and is known to be the Gateway to the Redwoods. The City has hot, dry summer days and cool summer nights and cool winters, with the occasional snow fall.

**The County.** The County was created in 1850 by the State Legislature and was one of the State’s original 27 counties. Sonoma, Lake, Glenn, Tehama, Trinity and Humboldt counties all border Mendocino County on its inland side. The County spans an area of over 2 million acres, which is approximately 3,500 square miles with a coastline of about 100 miles. Coastal State Route 1 and U.S. Highway 101, which runs through the center of the County, are important transportation routes. Smaller country roads connect the County’s five distinct regions, which are the Anderson Valley to the south, South Mendocino coast, North Mendocino coast, Northern Mendocino County and the Russian River Valley to the east. The City of Ukiah is the largest city in the County and is the County seat. The County is legislatively governed by a board of five supervisors, each with a separate district.

The County has nine Indian reservations within its borders, the fourth-most of any county in the United States (after San Diego County, California; Sandoval County, New Mexico; and Riverside County, California).

## Population

The County's population at January 1, 2020, the most recent estimate, was 87,946 according to the State Department of Finance. The table below shows population estimates for the City and the County, for the last five years.

**MENDOCINO COUNTY**  
**Population Estimates**  
**Calendar Years 2016 through 2020 as of January 1**

| <b>Area</b>         | <b>2016</b>   | <b>2017</b>   | <b>2018</b>   | <b>2019</b>   | <b>2020</b>   |
|---------------------|---------------|---------------|---------------|---------------|---------------|
| Fort Bragg          | 7,411         | 7,434         | 7,514         | 7,471         | 7,427         |
| Point Arena         | 444           | 445           | 448           | 441           | 451           |
| Ukiah               | 15,970        | 15,993        | 16,151        | 16,029        | 16,061        |
| <b>Willits</b>      | <b>5,026</b>  | <b>5,061</b>  | <b>5,139</b>  | <b>5,117</b>  | <b>5,072</b>  |
| Balance of County   | 59,633        | 59,785        | 59,399        | 59,330        | 58,935        |
| <b>Total County</b> | <b>88,484</b> | <b>88,718</b> | <b>88,651</b> | <b>88,388</b> | <b>87,946</b> |

*Source: State Department of Finance estimates (as of January 1).*

## Largest Employers

The following table lists major employers within the County as of November 2020, being the most current date for which such information is available. The employers are listed in alphabetical order without regard to the number of employees.

### MENDOCINO COUNTY Major Employers (Listed Alphabetically) As of November 2020

| <b>Employer Name</b>           | <b>Location</b> | <b>Industry</b>                         |
|--------------------------------|-----------------|-----------------------------------------|
| Adventist Health Ukiah Vly     | Ukiah           | Outpatient Services                     |
| California Department-Forestry | Willits         | Government Offices-State                |
| Costco Wholesale               | Ukiah           | Wholesale Clubs                         |
| Coyote Valley Casino           | Redwood Valley  | Casinos                                 |
| Dharma Realm Buddhist Assn     | Ukiah           | Associations                            |
| Fetzer Vineyards               | Hopland         | Wineries (mfrs)                         |
| Frank R Howard Memorial Hosp   | Willits         | Hospitals                               |
| Howard Memorial Hosp Med Imgng | Willits         | Diagnostic Imaging Centers              |
| Little River Inn Golf & Tennis | Little River    | Hotels & Motels                         |
| Mendocino Coast District Hosp  | Fort Bragg      | Hospitals                               |
| Mendocino Community Health     | Ukiah           | Clinics                                 |
| Mendocino County Food Stamps   | Ukiah           | Government Offices-County               |
| Mendocino County Office-Edu    | Ukiah           | Government Offices-County               |
| Mendocino County Sheriff       | Point Arena     | Government Offices-County               |
| Mendocino County Social Svc    | Ukiah           | Government Offices-County               |
| Mendocino Redwood Co LLC       | Calpella        | Nonclassified Establishments            |
| Metalfx                        | Willits         | Sheet Metal Fabricators (mfrs)          |
| Pacific Coast Farm Credit      | Ukiah           | Loans-Agricultural                      |
| Redwood Empire Packing Inc     | Ukiah           | Fruits & Vegetables-Growers & Shippers  |
| Safeway                        | Fort Bragg      | Grocers-Retail                          |
| Sawmill                        | Ukiah           | Sawmills & Planing Mills-General (mfrs) |
| Sho-Ka-Wah Casino              | Hopland         | Casinos                                 |
| Ukiah City Civic Ctr           | Ukiah           | Government Offices-City/Village & Twp   |
| Ukiah Valley Medical Ctr       | Ukiah           | Hospitals                               |
| Walmart                        | Ukiah           | Department Stores                       |

*Source: State of California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2020 1st Edition.*

## Employment and Industry

The following table shows the average annual estimated numbers of wage and salary workers by industry.

### Mendocino County Annual Average Civilian Labor Force, Employment and Unemployment, Employment by Industry (March 2019 Benchmark)

|                                                   | 2015   | 2016   | 2017   | 2018   | 2019   |
|---------------------------------------------------|--------|--------|--------|--------|--------|
| Civilian Labor Force <sup>(1)</sup>               | 39,860 | 39,640 | 39,630 | 39,720 | 38,930 |
| Employment                                        | 37,550 | 37,550 | 37,840 | 38,150 | 37,390 |
| Unemployment                                      | 2,320  | 2,090  | 1,790  | 1,560  | 1,550  |
| Unemployment Rate                                 | 5.8%   | 5.3%   | 4.5%   | 3.9%   | 4.0%   |
| <u>Wage and Salary Employment: <sup>(2)</sup></u> |        |        |        |        |        |
| Agriculture                                       | 1,400  | 1,360  | 1,380  | 1,450  | 1,460  |
| Mining, Logging, and Construction                 | 1,340  | 1,370  | 1,540  | 1,690  | 1,700  |
| Manufacturing                                     | 2,510  | 2,550  | 2,540  | 2,470  | 2,380  |
| Wholesale Trade                                   | 730    | 740    | 840    | 810    | 750    |
| Retail Trade                                      | 4,650  | 4,730  | 4,760  | 4,820  | 4,810  |
| Transportation, Warehousing, Utilities            | 690    | 710    | 710    | 730    | 710    |
| Information                                       | 250    | 250    | 230    | 230    | 210    |
| Financial Activities                              | 1,040  | 1,050  | 1,060  | 1,070  | 1,060  |
| Professional and Business Services                | 1,700  | 1,670  | 1,670  | 1,790  | 1,900  |
| Educational and Health Services                   | 5,500  | 5,580  | 5,750  | 5,780  | 5,830  |
| Leisure and Hospitality                           | 4,290  | 4,410  | 4,410  | 4,490  | 4,370  |
| Other Services                                    | 780    | 790    | 810    | 810    | 740    |
| Federal Government                                | 270    | 280    | 270    | 270    | 270    |
| State Government                                  | 590    | 570    | 560    | 580    | 600    |
| Local Government                                  | 6,280  | 6,400  | 6,400  | 6,320  | 6,300  |
| Total, All Industries <sup>(3)</sup>              | 32,020 | 32,440 | 32,950 | 33,290 | 33,080 |

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Columns may not sum to totals due to rounding.

Source: State of California Employment Development Department.

## Commercial Activity

Summaries of historic taxable sales within the City, and the County during the past five years for which data are available are shown in the following tables.

Total taxable sales during the first two quarters of calendar year 2020 in the City were reported to be \$65,155,554, a 0.08% increase over the total taxable sales of \$65,100,395 reported during the first two quarters of calendar year 2019.

**CITY OF WILLITS**  
**Taxable Retail Sales**  
**Number of Permits and Valuation of Taxable Transactions**  
**Calendar Years 2015 through 2019**  
**(Dollars in Thousands)**

| Year                | Retail Stores     |                      | Total Outlets     |                      |
|---------------------|-------------------|----------------------|-------------------|----------------------|
|                     | Permits on July 1 | Taxable Transactions | Permits on July 1 | Taxable Transactions |
| 2015 <sup>(1)</sup> | 228               | \$119,754            | 345               | \$144,379            |
| 2016                | 223               | 118,099              | 356               | 140,910              |
| 2017                | 219               | 114,817              | 348               | 134,352              |
| 2018                | 207               | 111,172              | 375               | 130,193              |
| 2019                | 207               | 115,717              | 385               | 132,983              |

(1) Permit figures for calendar year 2015 are not comparable to that of prior years due to outlet counts in these reports including the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers.

Source: State Department of Tax and Fee Administration.

Total taxable sales during the first two quarters of calendar year 2020 in the County were reported to be \$751,783,571, a 1.47% decrease over the total taxable sales of \$740,889,133 reported during the first quarter of calendar year 2019.

**MENDOCINO COUNTY**  
**Taxable Retail Sales**  
**Number of Permits and Valuation of Taxable Transactions**  
**Calendar Years 2015 through 2019**  
**(Dollars in Thousands)**

| Year                | Retail Stores     |                      | Total Outlets     |                      |
|---------------------|-------------------|----------------------|-------------------|----------------------|
|                     | Permits on July 1 | Taxable Transactions | Permits on July 1 | Taxable Transactions |
| 2015 <sup>(1)</sup> | 1,538             | \$1,034,850          | 4,001             | \$1,378,476          |
| 2016                | 2,489             | 1,075,436            | 4,145             | 1,424,943            |
| 2017                | 2,529             | 1,111,403            | 4,460             | 1,467,165            |
| 2018                | 2,492             | 1,150,832            | 4,796             | 1,490,850            |
| 2019                | 2,472             | 1,245,092            | 5,046             | 1,602,968            |

(1) Permit figures for calendar year 2015 are not comparable to that of prior years due to outlet counts in these reports including the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers.

Source: State Department of Tax and Fee Administration.



## Construction Trends

Provided below are the building permits and valuations for the City and the County for calendar years 2015 through 2019.

**CITY OF WILLITS**  
**Total Building Permit Valuations**  
**Calendar Years 2015 through 2019**  
**(dollars in thousands)**

|                            | 2015           | 2016           | 2017         | 2018           | 2019           |
|----------------------------|----------------|----------------|--------------|----------------|----------------|
| <u>Permit Valuation</u>    |                |                |              |                |                |
| New Single-family          | \$2,418.3      | \$1,126.2      | \$3,604.8    | \$885.2        | \$299.0        |
| New Multi-family           | 0.0            | 0.0            | 0.0          | 0.0            | 0.0            |
| Res. Alterations/Additions | <u>616.3</u>   | <u>1,608.6</u> | <u>321.8</u> | <u>473.8</u>   | <u>732.8</u>   |
| Total Residential          | \$3,034.6      | \$2,734.8      | \$3,926.6    | \$1,359.0      | \$1,031.8      |
| <br>                       |                |                |              |                |                |
| New Commercial             | 4,595.0        | 35.0           | 1,962.5      | 728.0          | 998.9          |
| New Industrial             | 198.0          | 0.0            | 775.3        | 5.0            | 0.0            |
| New Other                  | 194.1          | 175.0          | 137.3        | 481.0          | 147.9          |
| Com. Alterations/Additions | <u>1,024.9</u> | <u>520.1</u>   | <u>314.1</u> | <u>2,947.1</u> | <u>1,104.0</u> |
| Total Nonresidential       | \$6,012.00     | \$730.1        | \$3,189.20   | \$4,161.1      | \$2,250.8      |
| <br>                       |                |                |              |                |                |
| <u>New Dwelling Units</u>  |                |                |              |                |                |
| Single Family              | 10             | 5              | 15           | 3              | 2              |
| Multiple Family            | <u>0</u>       | <u>0</u>       | <u>0</u>     | <u>0</u>       | <u>0</u>       |
| TOTAL                      | 10             | 5              | 15           | 3              | 2              |

*Source: Construction Industry Research Board, Building Permit Summary*

**MENDOCINO COUNTY**  
**Total Building Permit Valuations**  
**Calendar Years 2015 through 2019**  
**(dollars in thousands)**

|                            | 2015           | 2016            | 2017           | 2018           | 2019           |
|----------------------------|----------------|-----------------|----------------|----------------|----------------|
| <u>Permit Valuation</u>    |                |                 |                |                |                |
| New Single-family          | \$15,467.7     | \$11,628.5      | \$17,779.4     | \$29,034.7     | \$22,296.2     |
| New Multi-family           | 224.7          | 8,400.0         | 224.9          | 0.0            | 1,630.7        |
| Res. Alterations/Additions | <u>7,345.8</u> | <u>10,523.7</u> | <u>7,241.9</u> | <u>985.7</u>   | <u>9,095.0</u> |
| Total Residential          | \$23,038.2     | \$30,552.2      | \$25,246.2     | \$39,303.1     | \$33,021.9     |
| <br>                       |                |                 |                |                |                |
| New Commercial             | \$8,608.5      | \$3,937.5       | \$14,404.3     | \$4,248.8      | \$17,698.1     |
| New Industrial             | 515.0          | 78.2            | 775.3          | 5.0            | 14.6           |
| New Other                  | 4,173.1        | 4,008.9         | 2,859.7        | 20,105.1       | 5,738.3        |
| Com. Alterations/Additions | <u>6,201.4</u> | <u>6,652.3</u>  | <u>2,240.8</u> | <u>7,387.6</u> | <u>8,771.3</u> |
| Total Nonresidential       | \$19,498.0     | \$14,676.9      | \$20,280.1     | \$31,746.5     | \$32,222.3     |
| <br>                       |                |                 |                |                |                |
| <u>New Dwelling Units</u>  |                |                 |                |                |                |
| Single Family              | 85             | 70              | 91             | 157            | 137            |
| Multiple Family            | <u>2</u>       | <u>48</u>       | <u>2</u>       | <u>0</u>       | <u>8</u>       |
| TOTAL                      | 87             | 118             | 93             | 157            | 145            |

*Source: Construction Industry Research Board, Building Permit Summary*

**Effective Buying Income**

“Effective Buying Income” is defined as personal income less personal tax and non-tax payments, a number often referred to as “disposable” or “after-tax” income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor’s income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), non-tax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as “disposable personal income.”

The following table summarizes the median household effective buying income for the City, the County, the State and the United States for the period 2017 through 2020, and projected for 2021.

**CITY OF WILLITS, MENDOCINO COUNTY,  
STATE OF CALIFORNIA AND UNITED STATES  
Median Household Effective Buying Income  
2017 through 2021**

|                  | <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> |
|------------------|-------------|-------------|-------------|-------------|-------------|
| City of Willits  | 32,935      | 31,882      | 32,241      | 36,980      | 38,300      |
| Mendocino County | 40,032      | 40,496      | 42,231      | 48,768      | 46,801      |
| California       | 55,681      | 59,646      | 62,637      | 65,870      | 67,956      |
| United States    | 48,043      | 50,735      | 52,841      | 55,303      | 56,790      |

*Source: The Nielsen Company (US), Inc. for years 2017 and 2018; Claritas, LLC for 2019 through 2021.*

## APPENDIX D

### PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF JONES HALL]

\_\_\_\_\_, 2021

Board of Trustees  
Willits Unified School District  
1277 Blosser Lane  
Willits, California 95490

**OPINION:**     \$ \_\_\_\_\_ Willits Unified School District  
                  General Obligation Bonds Election of 2020, Series A

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Members of the Board of Trustees:

We have acted as bond counsel to the Willits Unified School District (the "District") in connection with the issuance by the District of \$ \_\_\_\_\_ principal amount of Willits Unified School District (Mendocino County, California) General Obligation Bonds Election of 2020, Series A, dated the date hereof (together, the "Bonds"), under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and a resolution of the Board of Trustees adopted on December 16, 2020 (the "Resolution"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Board contained in the Resolution and in the certified proceedings and other certifications furnished to us, without undertaking to verify such facts by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The District is duly created and validly existing as a school district with the power to issue the Bonds and to perform its obligations under the Bond Resolution and the Bonds.
2. The Bond Resolution has been duly adopted by the Board and constitutes a valid and binding obligation of the Board enforceable against the Board in accordance with its terms.
3. The Bonds have been duly issued and sold by the District and are valid and binding general obligations of the District, and the County of Mendocino is obligated to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District, without limitation as to rate or amount.

4. Interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Tax Code”), and, in the case of certain financial institutions (within the meaning of Section 265(b)(5) of the Tax Code), a deduction is allowed for 80 percent of that portion of such financial institutions’ interest expense allocable to the portion of the Bonds designated as and comprising interest.

The opinions set forth in the preceding paragraph are subject to the condition that the District comply with all requirements of the Tax Code relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds, and in order for the Bonds to be “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Tax Code. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds, or may cause the Bonds not to be “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Tax Code.

5. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

A Professional Law Corporation

## APPENDIX E

### FORM OF CONTINUING DISCLOSURE CERTIFICATE

\$ \_\_\_\_\_  
**WILLITS UNIFIED SCHOOL DISTRICT**  
**(Mendocino County, California)**  
**General Obligation Bonds**  
**Election of 2020, Series A**  
**(Bank Qualified)**

#### CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “**Disclosure Certificate**”) is executed and delivered by the Willits Unified School District (the “**District**”) in connection with the execution and delivery of the captioned bonds (the “**Bonds**”). The Bonds are being executed and delivered pursuant to a resolution adopted by the Board of Trustees of the District on December 16, 2020 (the “**Resolution**”). The Bank of New York Mellon Trust Company, N.A. is initially acting as paying agent for the Bonds (the “**Paying Agent**”).

The District hereby covenants and agrees as follows:

**Section 1. Purpose of the Disclosure Certificate.** This Disclosure Certificate is being executed and delivered by the District for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

**Section 2. Definitions.** In addition to the definitions set forth above and in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

“*Annual Report*” means any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4.

“*Annual Report Date*” means the date not later than nine months after the end of each fiscal year of the District (currently being March 31 based on a fiscal year ending June 30).

“*Dissemination Agent*” means, initially, Fieldman, Rolapp & Associates, Inc. doing business as Applied Best Practices, or any successor Dissemination Agent designated in writing by the District and which has filed with the District and the Paying Agent a written acceptance of such designation.

“*Listed Events*” means any of the events listed in Section 5(a).

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

“*Official Statement*” means the final official statement executed by the District in connection with the issuance of the Bonds.

“*Paying Agent*” means The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, or any successor thereto.

“*Participating Underwriter*” means Stifel, Nicolaus & Company, Incorporated, the original Underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“*Rule*” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

**Section 3. Provision of Annual Reports.**

(a) The District shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2021 with the report for the 2019-20 fiscal year, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. The filing of this Official Statement with the Municipal Securities Rulemaking Board will serve as the first Annual Report. Not later than 15 Business Days prior to the Annual Report Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the District) has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the District’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c). The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the District hereunder.

(b) If the District does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the District shall provide (or cause the Dissemination Agent to provide) notice to the MSRB, in a timely manner, in an electronic format as prescribed by the MSRB, with a copy to the Paying Agent and Participating Underwriter.

(c) With respect to each Annual Report, the Dissemination Agent shall:

- (i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and
- (ii) if the Dissemination Agent is other than the District, file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

**Section 4. Content of Annual Reports.** The District's Annual Report shall contain or incorporate by reference the following:

(a) Audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, financial information and operating data with respect to the District for the preceding fiscal year, substantially similar to that provided in the corresponding tables in the Official Statement:

- (i) the average daily attendance in District schools on an aggregate basis for the preceding fiscal year;
- (ii) pension plan contributions made by the District for the preceding fiscal year;
- (iii) aggregate principal amount of short-term borrowings, lease obligations and other long-term borrowings of the District as of the end of the preceding fiscal year;
- (iv) description of amount of general fund revenues and expenditures which have been budgeted for the current fiscal year, together with audited actual budget figures for the preceding fiscal year;
- (v) the District's total revenue limit for the preceding fiscal year;
- (vi) if the District is not participating in the Teeter Plan, assessed valuation of the top ten taxpayers and information regarding secured tax charges and delinquencies on taxable properties within the District; and
- (vii) current fiscal year assessed valuation of taxable properties in the District.

(c) In addition to any of the information expressly required to be provided under paragraphs (a) and (b) of this Section, the District shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB's internet web site or filed with the Securities and Exchange Commission.



## **Section 5. Reporting of Significant Events.**

(a) The District shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the District.
- (13) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (15) Incurrence of a financial obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect security holders, if material.
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

(b) Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event.

(c) The District acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14), and (a)(15) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Bonds. The District shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Whenever the District obtains knowledge of the occurrence of any of these Listed Events, the District will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the District will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

(e) For purposes of Section 5(a)(15) and (16), "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

**Section 6. Identifying Information for Filings with the MSRB.** All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

**Section 7. Termination of Reporting Obligation.** The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

**Section 8. Dissemination Agent.** The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Fieldman, Rolapp & Associates, Inc. doing business as Applied Best Practices. Any Dissemination Agent may resign by providing 30 days' written notice to the District and the Paying Agent.

**Section 9. Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Resolution for amendments to the Resolution with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the District to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be filed in the same manner as for a Listed Event under Section 5(c).

**Section 10. Additional Information.** Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

**Section 11. Default.** If the District fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Resolution, and the sole remedy under this Disclosure Certificate in the event

of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

**Section 12. Duties, Immunities and Liabilities of Dissemination Agent.**

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent will have no duty or obligation to review any information provided to it by the District hereunder, and shall not be deemed to be acting in any fiduciary capacity for the District, the Bondholders or any other party. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the District for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

**Section 13. Beneficiaries.** This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: \_\_\_\_\_, 2021

**WILLITS UNIFIED SCHOOL DISTRICT**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ACCEPTANCE OF DUTIES  
AS DISSEMINATION AGENT

**FIELDMAN, ROLAPP & ASSOICATES, INC.**  
**d/b/a APPLIED BEST PRACTICES**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## APPENDIX F

### DTC AND THE BOOK-ENTRY ONLY SYSTEM

*The following description of the Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.*

*Neither the District nor the Paying Agent take any responsibility for the information contained in this Section.*

*No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.*

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (in this Appendix, the "Bonds"). The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned

subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com). *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive Bonds representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

6. Redemption notices will be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting

rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from District or Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Paying Agent, or District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of District or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to District or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds are required to be printed and delivered.

10. The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that District believes to be reliable, but District takes no responsibility for the accuracy thereof.



**APPENDIX G**  
**MENDOCINO COUNTY INVESTMENT POLICY**  
**AND INVESTMENT REPORT**

§ \_\_\_\_\_  
**WILLITS UNIFIED SCHOOL DISTRICT**  
**(Mendocino County, California)**  
**General Obligation Bonds, Election of 2020, Series A**  
**(Bank Qualified)**

**BOND PURCHASE AGREEMENT**

\_\_\_\_\_, 2020

Board of Education  
Willits Unified School District  
1277 Blosser Lane  
Willits, California 95490

Ladies and Gentlemen:

The undersigned, Stifel, Nicolaus & Company, Incorporated, as underwriter (the “Underwriter”), offers to enter into this Bond Purchase Agreement (the “Bond Purchase Agreement”) with the Willits Unified School District (the “District”), which, upon the District’s acceptance hereof, will be binding upon the District and the Underwriter. This offer is made subject to the written acceptance of this Bond Purchase Agreement by the District and delivery of such acceptance to the Underwriter at or prior to 11:59 P.M., Pacific Time, on the date hereof. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Official Statement (as defined herein) or, if not defined in the Official Statement, in the Resolution (as defined herein).

The District acknowledges and agrees that (i) the purchase and sale of the Bonds (as defined herein) pursuant to this Bond Purchase Agreement is an arm’s-length commercial transaction between the District and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or fiduciary of the District, (iii) the Underwriter has not assumed a fiduciary responsibility in favor of the District with respect to (x) the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the District on other matters) or (y) any other obligation to the District except the obligations expressly set forth in this Bond Purchase Agreement, and (iv) the District has consulted with its own legal, accounting, tax, financial, and other professional advisors to the extent it has deemed appropriate in connection with the offering of the Bonds. The District acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required disclosure under Rule G-17 of the Municipal Securities Rulemaking Board (the “MSRB”).

**1. Purchase and Sale of the Bonds.** Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the District for reoffering to the public, and the District hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of \$\_\_\_\_\_ aggregate principal amount of the District’s General Obligation Bonds, Election of 2020, Series A (the “Bonds”).

The Bonds shall accrue interest at the rates, shall mature in the years and shall be subject to redemption as shown on Exhibit A hereto, which is incorporated herein by this reference. The Bonds shall be dated the date of delivery thereof (the "Date of Delivery") and shall bear interest from such date, payable semiannually on each February 1 and August 1, commencing August 1, 2021.

The Underwriter shall purchase the Bonds at a price of \$ \_\_\_\_\_ (which is equal to the principal amount of the Bonds of \$ \_\_\_\_\_, plus [net] original issue premium of \$ \_\_\_\_\_, less an Underwriter's discount of \$ \_\_\_\_\_, less \$ \_\_\_\_\_ to be applied by the Underwriter towards the payment of the premium on the Policy (as defined herein)). Certain costs of issuance of the Bonds shall be paid by the District in accordance with Section 12 hereof.

[The proceeds of the Bonds may be applied by the District to the acquisition, construction and modernization of District sites and facilities, including the furnishing and equipping thereof. The payment of the principal of and interest on the Bond, when due, will be guaranteed under a municipal bond insurance policy (the "Policy"), to be issued by \_\_\_\_\_ (the "Insurer")]

2. **The Bonds.** The Bonds shall otherwise be as described in the Official Statement, and shall be issued and secured pursuant to the provisions of the Resolution of the District adopted on December 9, 2020 (the "Resolution"), this Bond Purchase Agreement, and Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Act").

The Bonds shall be executed and delivered under and in accordance with the provisions of this Bond Purchase Agreement and the Resolution. The Bonds shall bear CUSIP numbers; be in fully registered book-entry form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). The Bonds shall initially be issued in authorized denominations of five thousand dollars (\$5,000) principal amount, or any integral multiple thereof.

3. **Use of Documents.** The District hereby authorizes the Underwriter to use, in connection with the offer and sale of the Bonds, the Continuing Disclosure Certificate (as defined herein), this Bond Purchase Agreement, the Preliminary Official Statement (as defined herein), the Official Statement, the Resolution and all information contained herein and therein and all of the documents, certificates or statements furnished by the District to the Underwriter in connection with the transactions contemplated by this Bond Purchase Agreement.

4. **Public Offering of Bonds; Establishment of Issue Price.** The Underwriter agrees to make a bona fide public offering of all the Bonds at the initial public offering prices or yields to be set forth on the inside cover of the Official Statement and Exhibit A hereto.

(a) The Underwriter agrees to assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Jones Hall, a Professional Law Corporation ("Bond Counsel"), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the District under this section to establish the issue price of the Bonds may be taken on behalf of the District by the District's municipal advisor

identified herein and any notice or report to be provided to the District may be provided to the District's municipal advisor.

(b) Except as otherwise set forth in Exhibit A attached hereto, the District will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Bond Purchase Agreement, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Bonds of that maturity or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the District or Bond Counsel. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

(c) The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the District promptly after the close of the fifth business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

- (1) any selling group agreement and any retail or other third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A) (i) to (1) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(2) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a retail or other third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail or other third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The District acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a retail or other third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the retail or other third-party distribution agreement and the related pricing wires. The District further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail or other third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not

limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bond.

(f) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(1) “public” means any person other than an underwriter or a related party,

(2) “underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(3) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(4) “sale date” means the date of execution of this Bond Purchase Agreement by all parties.

5. **Review of Official Statement.** The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, dated \_\_\_\_\_, 2021 (the “Preliminary Official Statement”). The District represents that it has duly authorized and prepared the Preliminary Official Statement for use by the Underwriter in connection with the sale of the Bonds, and that it has deemed the Preliminary Official Statement to be final as of its date, except for either revision or addition of the offering price(s), interest rate(s), yield(s) to maturity, selling compensation, aggregate principal amount, principal amount per maturity, redemption provisions, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the “SEC”) promulgated under the Securities Exchange Act of 1934, as amended (the “Rule”).

The Underwriter agrees that prior to the time the Official Statement relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail or electronic distribution (or other equally prompt

means) not later than the first business day following the date upon which each such request is received.

The Underwriter agrees to file the Official Statement with the MSRB through its Electronic Municipal Market Access system within one business day after receipt thereof from the District, but in no event later than the Closing.

6. **Closing.** At 9:00 A.M., Pacific Time, on \_\_\_\_\_, 2021 or at such other time or on such other date as shall have been mutually agreed upon by the District and the Underwriter (the “Closing”), the District will deliver or cause to be delivered to the Underwriter, through the facilities of DTC in New York, New York, or at such other place as the District and the Underwriter may mutually agree upon, the Bonds in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and at the offices of Bond Counsel in San Francisco, California, the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the purchase price set forth in Section 1 hereof in immediately available funds by wire transfer to the account or accounts designated by the District.

7. **Representations, Warranties and Agreements of the District.** The District hereby represents, warrants and agrees with the Underwriter that:

(a) **Due Organization.** The District is a unified school district duly organized and validly existing under the laws of the State of California (the “State”), with the power to issue the Bonds pursuant to the Act.

(b) **Due Authorization.** (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the District has full legal right, power, and authority to enter into this Bond Purchase Agreement and the Continuing Disclosure Certificate, to adopt the Resolution, to perform its obligations under each such document or instrument, to approve the Official Statement, and to carry out and effectuate the transactions contemplated by this Bond Purchase Agreement, the Continuing Disclosure Certificate, and the Resolution; (iii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in, the Bonds, the Resolution, the Continuing Disclosure Certificate and this Bond Purchase Agreement have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Bond Purchase Agreement, assuming the due authorization, execution and delivery by the other party thereto, and the Continuing Disclosure Certificate, constitute valid and legally binding obligations of the District, enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors’ rights and except as their enforcement may be subject to the application of equitable principles or the exercise of judicial discretion in appropriate cases if equitable remedies are sought, and by the limitations on legal remedies against public agencies in the State; and (v) the District has duly authorized the consummation by it of all transactions contemplated by this Bond Purchase Agreement.

(c) **Consents.** No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds, the execution and delivery of this Bond Purchase Agreement and the Continuing Disclosure



Certificate, the adoption of the Resolution, or the consummation of the other transactions effected or contemplated herein or hereby, which have not been taken or obtained, except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriter may reasonably request, or which have not been taken or obtained; provided, however, that the District shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

(d) Internal Revenue Code. The District has complied with the requirements of the Internal Revenue Code of 1986, as amended, with respect to the Bonds.

(e) No Conflicts. To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of this Bond Purchase Agreement, the Continuing Disclosure Certificate, the Resolution and the Bonds, and the compliance with the provisions hereof and thereof do not conflict with or constitute on the part of the District a violation of or default under the State Constitution or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject.

(f) Litigation. As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the District, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices of the District or of the titles of the officials of the District to such offices; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, the collection or levy of *ad valorem* property taxes contemplated by the Resolution, and the application thereof to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, this Bond Purchase Agreement, the Continuing Disclosure Certificate or the Resolution or contesting the powers of the District or its authority with respect to the Bonds, the Resolution, this Bond Purchase Agreement, or the Continuing Disclosure Certificate; or (iii) in which a final adverse decision could (a) materially adversely affect the operations or financial condition of the District or the consummation of the transactions contemplated by this Bond Purchase Agreement, the Continuing Disclosure Certificate or the Resolution, (b) declare this Bond Purchase Agreement to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes and the exemption of such interest on the Bonds from State personal income taxation.

(g) No Other Debt. Between the date hereof and the Closing, without the prior written consent of the Underwriter, neither the District, nor any other person or entity on behalf of the District, will have issued in the name and on behalf of the District, any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement.

(h) Interim Financial Report. The District has not received a qualified or negative certification in its most recent interim report pursuant to Education Code Section 42130 *et seq.*

(i) Certificates. Any certificates signed by any officer of the District and delivered to the Underwriter shall be deemed a representation and warranty by the District to the Underwriter, but not by the person signing the same, as to the statements made therein.

(j) Continuing Disclosure. In accordance with the requirements of the Rule and pursuant to the Resolution, at or prior to the Closing, the District shall have duly authorized, executed and delivered a Continuing Disclosure Certificate with respect to the Bonds (the "Continuing Disclosure Certificate") on behalf of each obligated person for which financial and/or operating data is presented in the Official Statement. The Continuing Disclosure Certificate shall be substantially in the form attached to the Official Statement as Appendix E. Except as otherwise disclosed in the Official Statement, the District has not, within the past five years, failed to comply in a material respect with any of its previous undertakings pursuant to the Rule to provide annual reports or notice of certain listed events.

(k) Official Statement Accurate and Complete. The Preliminary Official Statement, as of the date thereof, did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. As of the date hereof and as of the date of Closing, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. The District makes no representation or warranty as to the information contained in or omitted from the Preliminary Official Statement or the Official Statement in reliance upon and in conformity with information furnished in writing to the District by or on behalf of the Underwriter through a representative of the Underwriter specifically for inclusion therein.

(l) Levy of Tax. The District hereby agrees to take any and all actions as may be required by Mendocino County (the "County") or otherwise necessary in order to arrange for the levy and collection of *ad valorem* property taxes, payment of the Bonds, and the deposit and investment of Bond proceeds. In particular, the District hereby agrees to provide to the Auditor-Controller and Treasurer-Tax Collector (or equivalent official) of the County a copy of the Resolution, a copy of Exhibit A hereto, and the full debt service schedule for the Bonds, in accordance with Education Code Section 15140(c) and policies and procedures of the County.

(m) No Material Adverse Change. The financial statements of, and other financial information regarding, the District in the Official Statement fairly present the financial position and results of the District as of the dates and for the periods therein set forth. Prior to the Closing, there will be no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the District.

8. **Covenants of the District.** The District covenants and agrees with the Underwriter that:

(a) Securities Laws. The District will furnish such information, execute such instruments, and take such other action in cooperation with the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations or such states and jurisdictions, provided,

however, that the District shall not be required to consent to service of process in any jurisdiction in which it is not so subject as of the date hereof;

(b) Application of Proceeds. The District will apply the proceeds from the sale of the Bonds for the purposes specified in the Resolution;

(c) Official Statement. The District hereby agrees to deliver or cause to be delivered to the Underwriter, not later than the seventh (7th) business day following the date this Bond Purchase Agreement is signed, copies of a final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter and the District (such Official Statement with such changes, if any, and including the cover page, inside front cover page, and all appendices, exhibits, maps, reports and statements included therein or attached thereto being herein called the "Official Statement") in such quantities as may be requested by the Underwriter not later than seven (7) business days following the date this Bond Purchase Agreement is signed, in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB. The District hereby authorizes the Underwriter to use and distribute the Official Statement in connection with the offering and sale of the Bonds;

(d) Subsequent Events. The District hereby agrees to notify the Underwriter of any event or occurrence that may affect the accuracy or completeness of any information set forth in the Official Statement relating to the District until the date which is twenty-five (25) days following the End of the Underwriting Period;

(e) References. References herein to the Preliminary Official Statement and the Official Statement include the cover, inside front cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto; and

(f) Amendments to Official Statement. During the period ending on the 25th day after the End of the Underwriting Period (or such other period as may be agreed to by the District and the Underwriter), the District (i) shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter and (ii) shall notify the Underwriter promptly if any event shall occur, or information comes to the attention of the District, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the opinion of the Underwriter, such event requires the preparation and distribution of a supplement or amendment to the Official Statement, the District shall prepare and furnish to the Underwriter, at the District's expense, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the District and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Closing, the District also shall furnish, or cause to be furnished, at its own expense, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

For purposes of this Bond Purchase Agreement, the “End of the Underwriting Period” is used as defined in the Rule and shall occur on the later of (A) the date of Closing or (B) when the Underwriter no longer retains an unsold balance of the Bonds; unless otherwise advised in writing by the Underwriter on or prior to the date of Closing, or otherwise agreed to by the District and the Underwriter, the District may assume that the End of the Underwriting Period is the date of Closing.

**9. Representations, Warranties and Agreements of the Underwriter.** The Underwriter represents to and agrees with the District that, as of the date hereof and as of the date of the Closing:

(a) The Underwriter is duly authorized to execute this Bond Purchase Agreement and to take any action under this Bond Purchase Agreement required to be taken by it.

(b) The Underwriter is in compliance with MSRB Rule G-37 with respect to the District, and is not prohibited thereby from acting as underwriter with respect to securities of the District.

(c) The Underwriter has, and has had, no financial advisory relationship, as that term is defined in Government Code Section 53590(c) or MSRB Rule G-23, with the District with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship.

**10. Conditions to Closing.** The Underwriter has entered into this Bond Purchase Agreement in reliance upon the representations and warranties of the District contained herein and the performance by the District of its obligations hereunder, both as of the date hereof and as of the date of Closing. The Underwriter’s obligations under this Bond Purchase Agreement are, and shall be subject, at the option of the Underwriter, to the following further conditions at the Closing:

(a) Representations True. The representations and warranties of the District contained herein shall be true, complete and correct in all material respects at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete and correct in all material respects on the date of the Closing; and the District shall be in compliance with each of the agreements made by it in this Bond Purchase Agreement;

(b) Obligations Performed. At the time of the Closing, (i) the Official Statement, this Bond Purchase Agreement, the Continuing Disclosure Certificate and the Resolution shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter; (ii) all actions under the Act which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) the District shall perform or have performed all of their obligations required under or specified in the Resolution, this Bond Purchase Agreement or the Official Statement to be performed at or prior to the Closing;

(c) Adverse Rulings. No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Bond Purchase Agreement (and not reversed on appeal or otherwise set aside), or shall be pending, or, to the best knowledge of the District, threatened, which has any of the effects described in Section 7(f) hereof or contesting in any way the completeness or accuracy of the Official Statement;

(d) Banking Moratorium. There has not been declaration of a general banking moratorium by federal, New York or State authorities, or a general suspension of trading on any national securities exchange;

(e) Exchange Trading Restrictions. There has been no imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or obligations of the general character of the Bonds, or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(f) General Obligation Bond Offering Invalidation. No order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the SEC, or any other governmental agency having jurisdiction over the subject matter thereof, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;

(g) Marketability. Between the date hereof and the Closing, the market price or marketability or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall not have been materially adversely affected, in the reasonable judgment of the Underwriter, by reason of any of the following:

(1) legislation enacted by the Congress of the United States, or passed by either House of Congress, or favorably reported for passage to either House of Congress by any Committee of such House to which such legislation has been referred for consideration, or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of federal income taxation of the interest received by the owners of the Bonds, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(i) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of federal income taxation of the interest received by the owners of the Bonds;  
or

(ii) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter

thereof, to the effect that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended;

(2) legislation enacted by the State legislature or a decision rendered by a State Court, or a ruling, order, or regulation (final or temporary) made by a State authority, which would have the effect of changing, directly or indirectly, the State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof;

(3) there shall have occurred or any notice shall have been given of any intended downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to the outstanding indebtedness of the District or the claims-paying ability of the Insurer;

(4) there shall have occurred (i) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (ii) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis;

(5) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction;

(6) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; or

(7) there shall have occurred any materially adverse change in the affairs or financial condition of the District.

(8) any amendment shall have been made to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the District, its property, income securities (or interest thereon) or the validity or enforceability of the levy of taxes to pay principal of and interest on the Bonds; or

(9) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission;

(e) Delivery of Documents. At or prior to the date of the Closing, the Underwriter shall receive sufficient copies of the following documents in each case dated as of the date of Closing and satisfactory in form and substance to the Underwriter:

(1) Opinion of Bond Counsel. An approving opinion of Bond Counsel, as to the validity and tax-exempt status of the Bonds, dated the date of the Closing, and addressed to the District in substantially the form set forth in the Preliminary Official Statement as Appendix B;

(2) Reliance Letter. A reliance letter from Bond Counsel to the effect that the Underwriter can rely upon the opinion described in Section 10(e)(1) above;

(3) Supplemental Opinion of Bond Counsel. A supplemental opinion of Bond Counsel in form and substance satisfactory to the Representative, dated the Closing Date and addressed to the District and the Underwriter, substantially to the effect that:

(i) the description of the Bonds and the security for the Bonds and statements in the Official Statement on the cover page thereof and under the captions "INTRODUCTION," "THE BONDS," "TAX MATTERS" and "CONTINUING DISCLOSURE" and the description of the approving opinion of Bond Counsel in Appendix D, to the extent they purport to summarize certain provisions of the Resolution, the Continuing Disclosure Certificate, and California law or federal law, fairly and accurately summarize the matters purported to be summarized therein (excluding any and all information contained in such sections with respect to the Book-Entry Only System of DTC);

(ii) assuming due authorization, execution and delivery by the parties to this Bond Purchase Agreement other than the District, this Bond Purchase Agreement and the Continuing Disclosure Certificate have been duly authorized, executed and delivered by the District and constitute legal, valid and binding agreements of the District and are enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and except as their enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases if equitable remedies are sought;

(iii) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolution and the Paying Agent Agreement are exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended;

(4) Disclosure Counsel Letter. A letter of Jones Hall, A Professional Law Corporation, Disclosure Counsel, dated the Closing Date and addressed to the District and the Underwriter, to the effect that, without having undertaken to determine independently the accuracy or completeness of the statements contained in



the Preliminary Official Statement and the final Official Statement, but on the basis of their participation in conferences with representatives of the District, the Underwriter and others, and their examination of certain documents, nothing has come to their attention which has led them to believe that the Preliminary Official Statement as of its date, and the final Official Statement as of its date and as of the Closing Date, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except that no opinion or belief need be expressed as to any financial or statistical data, information concerning DTC and the book-entry only system contained in the Preliminary Official Statement or the final Official Statement);

(5) District Certificates. A certificate signed by appropriate officials of the District to the effect that (i) such officials are authorized to execute this Bond Purchase Agreement, (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of Closing, (iii) the District has complied with all the terms of the Resolution, the Continuing Disclosure Certificate and this Bond Purchase Agreement to be complied with by the District prior to or concurrently with the Closing, and, as to the District, such documents are in full force and effect, (iv) such District officials have reviewed the Preliminary Official Statement and Official Statement and on such basis certify that the Preliminary Official Statement (other than information permitted to be omitted therefrom pursuant to Rule 15c2-12) as of its date and as of the date of the Bond Purchase Agreement did not, and the Official Statement as of its date and as of the Closing Date does not, contain any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, (v) the Bonds being delivered on the date of the Closing to the Underwriter under this Bond Purchase Agreement substantially conform to the descriptions thereof contained in the Resolution, (vi) no event concerning the District has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement thereto, but should be disclosed in order to make the statements in the Official Statement in light of the circumstances in which they were made not misleading, and (vii) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or public body, pending or, to the best knowledge of such officials, threatened against the District, contesting in any way the completeness or accuracy of the Official Statement, the issuance of the Bonds by the District on behalf of the District or the due adoption of the Resolution;

(6) Arbitrage. A nonarbitrage certificate of the District in form satisfactory to Bond Counsel, with respect to the Bonds;

(7) Ratings. Evidence satisfactory to the Underwriter that (i) the Bonds shall have been given the ratings of “\_\_” by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P), based upon the issuance of the Policy by the Insurer, (ii) the Bonds shall have been given an underlying rating of “\_\_” by S&P, and (iii) any such ratings have not been revoked or downgraded;

(8) Resolution. A certificate, together with fully executed copies of the Resolution, of the Secretary to or Clerk of the Board of Education of the District to the effect that:

(i) such copies are true and correct copies of the Resolution; and

(ii) that the Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the date of the Closing;

(9) Official Statement. A certificate of the appropriate official of the District evidencing his or her determinations respecting the Preliminary Official Statement in accordance with the Rule;

(10) Certificate of the Paying Agent. A certificate of The Bank of New York Mellon Trust Company, N.A., as the paying agent for the Bonds (the "Paying Agent"), signed by a duly authorized officer thereof, and in form and substance satisfactory to the Underwriter, substantially to the effect that no litigation is pending or, to the best of the Paying Agent's knowledge, threatened (either in state or federal courts) (i) seeking to restrain or enjoin the delivery by the Paying Agent of any of the Bonds, or (ii) in any way contesting or affecting any authority of the Paying Agent for the delivery of the Bonds or the validity or enforceability of the Bonds or any agreement with the Paying Agent;

(11) Continuing Disclosure Certificate. An executed copy of the Continuing Disclosure Certificate, substantially in the form presented in the Official Statement as Appendix E thereto;

(12) Insurance Documents. The fully executed Policy, together with (i) an opinion of counsel to the Insurer, dated as of the Closing and addressed to the District and the Underwriter, in a form and substance acceptable to the Underwriter, and (ii) a certificate of the Insurer, dated as of the Closing, in a form and substance acceptable to the Underwriter regarding, among other matters, the due authorization, execution and validity of the Policy, and certain federal income tax matters

(13) Underwriter's Counsel Opinion. The opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, as counsel to the Underwriter, in a form and substance satisfactory to the Underwriter; and

(14) Other Documents. Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel or the Underwriter may reasonably request to evidence compliance (i) by the District with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the District herein contained and of the Official Statement, and (iii) the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

(f) **Termination.** Notwithstanding anything to the contrary herein contained, if for any reason whatsoever the Bonds shall not have been delivered by the District to the Underwriter as provided in Section 6 herein, then the obligation to purchase Bonds hereunder shall terminate and be of no further force or effect except with respect to the obligations of the District and the Underwriter under Sections 12(c) and 14 hereof.

If the District is unable to satisfy the conditions to the Underwriter's obligations contained in this Bond Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement may be cancelled by the Underwriter at, or at any time prior to, the time of Closing. Notice of such cancellation shall be given to the District in writing, or, if by telephone, confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter in writing at its sole discretion.

11. **Conditions to Obligations of the District.** The performance by the District of its obligations is conditioned upon (i) the performance by the Underwriter of its obligations hereunder; and (ii) receipt by the District and the Underwriter of opinions and certificates being delivered at the Closing by persons and entities other than the District.

12. **Expenses.** (a) To the extent that the transactions contemplated by this Bond Purchase Agreement are consummated, the District shall pay (or cause to be paid), and the Underwriter shall be under no obligation to pay, the following costs of issuance with respect to the Bonds, including but not limited to the following: (i) the fees and disbursements of the District's Bond Counsel and Disclosure Counsel; (ii) the cost of the preparation, printing and delivery of the Bonds; (iii) the fees for the Bond rating; (iv) the cost of the printing and distribution of the Preliminary Official Statement and Official Statement; (v) the initial fees of the Paying Agent and Fiscal Agent (as defined herein); (vi) expenses for travel, lodging, and subsistence related to rating agency visits and other meetings connected to the authorization, sale, issuance and distribution of the Bonds; (vii) the fees and expenses of the District's Financial Advisor; and (viii) all other fees and expenses incident to the issuance and sale of the Bonds. The District hereby authorizes the Underwriter to wire a portion of the purchase price for the Bonds not to exceed \$ \_\_\_\_\_ to The Bank of New York Mellon Trust Company, N.A., as fiscal agent for the District (the "Fiscal Agent"), for the payment of such costs. In the event that following payment of the expenses set forth above, there is any portion remaining, such remaining amount shall be deposited into the Building Fund (as defined in the Resolution) for the Bonds.

(b) Notwithstanding any of the foregoing, the Underwriter shall pay all out of pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, CUSIP fees, the fees and disbursement of counsel to the Underwriter, and other expenses (except those expressly provided above) without limitation, except travel and related expenses attributable to District personnel in connection with the Bond rating.

(c) Notwithstanding Section 10(f) hereof, the District hereby agrees, in the event the purchase and sale of the Bonds does not occur as contemplated hereunder, to reimburse the Underwriter for any costs described in Subsection 12(a)(vi) above that are attributable to District personnel.

13. **Notices.** Any notice or other communication to be given under this Bond Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing, if to the District, to Willits Unified School District, 1277 Blosser Lane, Willits, California 95490, Attention: Superintendent, or if to the Underwriter, to Stifel, Nicolaus & Company, Incorporated, One Montgomery Street, 37th Floor, San Francisco, California 94104, attention: Erica Gonzalez, Managing Director.

14. **Parties in Interest; Survival of Representations and Warranties.** This Bond Purchase Agreement when accepted by the District in writing as heretofore specified shall constitute the entire agreement between the District and the Underwriter. This Bond Purchase Agreement is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter). No person shall acquire or have any rights hereunder or by virtue hereof. All the representations, warranties and agreements of the District in this Bond Purchase Agreement shall survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Bonds hereunder, and (c) any termination of this Bond Purchase Agreement.

15. **Execution in Counterparts.** This Bond Purchase Agreement may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document.

[REMAINDER OF PAGE LEFT BLANK]

16. **Applicable Law.** This Bond Purchase Agreement shall be interpreted, governed and enforced in accordance with the laws of the State applicable to contracts made and performed in such State.

Very truly yours,

**STIFEL, NICOLAUS & COMPANY,  
INCORPORATED, as Underwriter**

By: \_\_\_\_\_  
Authorized Representative

The foregoing is hereby agreed to and accepted at \_\_\_\_\_ p.m., Pacific Time, as of the date first above written:

**WILLITS UNIFIED SCHOOL DISTRICT**

By: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

EXHIBIT A

\$ \_\_\_\_\_  
WILLITS UNIFIED SCHOOL DISTRICT  
(Mendocino County, California)  
General Obligation Bonds, Election of 2020, Series A

\$ \_\_\_\_\_ Serial Bonds

| <u>Maturity<br/>(August 1)</u> | <u>Principal<br/>Amount</u> | <u>Interest<br/>Rate</u> | <u>Yield</u> | <u>Price</u> | <u>10% Rule<br/>Satisfied</u> | <u>Hold-the-<br/>Offering-<br/>Price Rule</u> |
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|-------------------------------|-----------------------------------------------|
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|-------------------------------|-----------------------------------------------|

\$ \_\_\_\_\_ Term Bonds

| <u>Maturity<br/>(August 1)</u> | <u>Principal<br/>Amount</u> | <u>Interest<br/>Rate</u> | <u>Yield</u> | <u>Price</u> | <u>10% Rule<br/>Satisfied</u> | <u>Hold-the-<br/>Offering-<br/>Price Rule</u> |
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|-------------------------------|-----------------------------------------------|
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|-------------------------------|-----------------------------------------------|

<sup>(1)</sup> Yield to call at par on August 1, 20\_\_.

**Redemption Provisions**

*[To Come]*

**EXHIBIT B**

**FORM OF ISSUE PRICE CERTIFICATE**

§ \_\_\_\_\_  
**WILLITS UNIFIED SCHOOL DISTRICT**  
**(Mendocino County, California)**  
**General Obligation Bonds, Election of 2020, Series A**  
**(Bank Qualified)**

**ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of STIFEL, NICOLAUS & COMPANY, INCORPORATED (“STIFEL”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) Stifel offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, Stifel has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail or other third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail or other third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) *District* means Willits Unified School District.

(b) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(c) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”



(d) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is \_\_\_\_\_, 2021.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail or other third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Stifel's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in the tax certificate with respect to the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Norton Rose Fulbright US LLP, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Bonds.

STIFEL, NICOLAUS & COMPANY  
INCORPORATED

By: \_\_\_\_\_

Name: \_\_\_\_\_

STIFEL, NICOLAUS & COMPANY  
INCORPORATED

By: \_\_\_\_\_

Name: \_\_\_\_\_

Dated: \_\_\_\_\_, 2021

**SCHEDULE A**

**IDENTIFICATION OF GENERAL RULE MATURITIES AND  
HOLD-THE-OFFERING-PRICE MATURITIES**

\$ \_\_\_\_\_ Serial Bonds

| <u>Maturity<br/>(August 1)</u> | <u>Principal<br/>Amount</u> | <u>Interest<br/>Rate</u> | <u>Yield</u> | <u>Price</u> | <u>General<br/>Rule<br/>Maturity</u> | <u>Hold-the-<br/>Offering-Price<br/>Maturity</u> |
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|--------------------------------------|--------------------------------------------------|
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|--------------------------------------|--------------------------------------------------|

\$ \_\_\_\_\_ Term Bonds

| <u>Maturity<br/>(August 1)</u> | <u>Principal<br/>Amount</u> | <u>Interest<br/>Rate</u> | <u>Yield</u> | <u>Price</u> | <u>General<br/>Rule<br/>Maturity</u> | <u>Hold-the-<br/>Offering-Price<br/>Maturity</u> |
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|--------------------------------------|--------------------------------------------------|
|--------------------------------|-----------------------------|--------------------------|--------------|--------------|--------------------------------------|--------------------------------------------------|

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<sup>(1)</sup> Yield to call at par on August 1, 20\_\_.

**SCHEDULE B**

**PRICING WIRE OR EQUIVALENT COMMUNICATION**

**(see attached)**

## AGENDA ITEM

**To: Governing Board**

**From: Director of Fiscal Services**

### **BACKGROUND:**

In order to offset the fiscal impact of COVID-19, the State's 2020-21 Adopted Budget deferred \$12.9 billion in aid to school districts, community colleges and offices of education ("LEAs") expected to be paid in 2020-21 to 2021-22. In response to this, California State Treasurer Fiona Ma has created a new Statewide working capital financing program to help LEAs manage the financial impacts of the deferrals. The California School Finance Authority ("CSFA" or the "Authority") was created in 1985 to aid LEAs by providing access to financing for working capital and capital improvements. The goal of the CSFA State Aid Intercept Notes is to provide LEA's with a streamlined and secure process that minimizes the impact of the deferrals on their operations.

The District currently projects that it will experience a cash flow shortfall during fiscal year 2020-21 created by timing differences between its anticipated expenditures and estimated receipt of revenues. The Resolution being presented to the Governing Board authorizes a short-term borrowing by the District to address this cash flow shortfall through the issuance of tax and revenue anticipation notes ("TRANS" or "Notes") through the CSFA State Aid Intercept Notes Program.

(a) **District Resolution.** The resolution authorizes the issuance of the Notes by the District in an amount not-to-exceed \$3,000,000, specifies certain basic terms, parameters and form of the District Notes, and approves the form of the Note Purchase Agreement and Indenture described below. In particular, the Resolution establishes the maximum aggregate principal amount of the District TRANS to be issued (\$3,000,000). The Resolution describes the State Aid Intercept procedure to assist with repayment of the District Notes, the determination of repayment periods, certain representations and covenants of the District, and the District's Pledged Revenues. Pursuant to the resolution, the District requests that the County Board of Supervisors notify the District within 45 calendar days following receipt of the certified copy of the Resolution, that the District may issue the District Notes on its own behalf, so that the District can participate in the CSFA State Aid Intercept Notes Program.

(b) Form of **Indenture.** Under the CSFA Program, each participating District issues a series of Notes which is sold to the CSFA. CSFA pools each District's Notes with Notes of other districts, and sells one or more series of Authority Notes, pursuant to an Indenture between CSFA and U.S. Bank National Association, as Trustee. The Authority Notes would be purchased by joint senior managers RBC Capital Markets and Citigroup Global Markets Inc., each acting on behalf of itself and other Underwriters to be appointed by the State Treasurer at a later date, who would in turn sell the Authority Notes to the investing public. Proceeds of the District Notes and the funds used to repay such Notes will be invested by the District in the County Treasury, or by the Trustee on the District's behalf in another type of permitted investment under the Indenture, respectively. District Note Proceeds will be deposited in the general fund of the District and used to finance projected cash flow deficits.

(b) Form of **Note Purchase Agreement.** The Resolution approves the form of a District Note Purchase Agreement (the "Purchase Agreement") by and between the District and the Authority.

Pursuant to the Purchase Agreement, the Authority will agree to buy the District's Note. The conditions of closing the transaction are set forth in this document, including the documentation to be provided at the closing by various parties. Upon the pricing and sale of the TRANs, the final execution copy of the Purchase Agreement will be prepared following this form and the District's Authorized Officer will sign the Confirmation of Pricing.

(c) In the event the District is deemed to be a non-State Credit Issuer (should it need to borrow more than its deferred apportionment), or if the District has Senior Existing Indebtedness, the Governing Board authorizes the District's Authorized Officer to provide information for a Preliminary Official Statement ("POS"). The POS is the offering document describing the CSFA State Aid Intercept Notes which will be distributed to prospective purchasers of the Authority Notes. The POS discloses information with respect to, among other things, (i) the proposed uses of proceeds of the Authority Notes, (ii) the terms of the TRANs (interest rate, yield, etc.), (iii) the security for repayment of the TRANs (pledged revenues), (iv) may include District cash flows, financial and operating data, and (v) disclosure of litigation and other miscellaneous matters expected to be of interest to prospective purchasers of the TRANs. Following the pricing of the TRANs, a final Official Statement for the TRANs will be prepared, substantially in the form of the POS.

**Recommendation:** It is recommended that the Board approve Resolution No. 2020/21-8.

**Financial Impact:** Pursuant to the Resolution, the District will pledge a portion of the revenues expected to be received by the District during, or attributed to the District for fiscal year 2020-21 to the repayment of the TRANs in an amount equal to the principal and interest due on the TRANs. However, the TRANs will be a general obligation of the District payable from its General Fund, and to the extent pledged revenues are not available, the TRANs will be paid from other legally available moneys of the District attributable to fiscal year 2020-21.

**DISTRICT AUTHORIZING RESOLUTION 2020/21-8**

***ACTION ITEM***

***(PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 53635.7)***

**WILLITS UNIFIED SCHOOL DISTRICT**

**MENDOCINO COUNTY, CALIFORNIA**

**RESOLUTION OF THE GOVERNING BOARD AUTHORIZING DISTRICT PARTICIPATION IN THE CALIFORNIA SCHOOL FINANCE AUTHORITY STATE AID INTERCEPT NOTES (FISCAL YEAR 2020-21 SCHOOL AND COMMUNITY COLLEGE DISTRICT DEFERRALS) THROUGH THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF FISCAL YEAR 2020-21 TAX AND REVENUE ANTICIPATION NOTES AND REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY TO WAIVE/DECLINE SUCH ISSUANCE BY THE COUNTY OR TO ISSUE AND SELL SAID SERIES OF NOTES**

**WHEREAS**, in order to offset the fiscal impact of COVID-19, the State's fiscal year 2020-21 Adopted Budget deferred approximately \$12.9 billion in aid to school districts, community college districts and county offices of education expected to be paid in 2020-21 to 2021-22; and

**WHEREAS**, the Willits Unified School District (the "**District**") will require cash flow assistance from the deferral by the State of principal apportionments due to the District in the months of February, 2021 through and including June, 2021 (the "**Deferral Months**") to the months of July, 2021 through November, 2021 (the "**Deferral Amounts**").

**WHEREAS**, Section 53850 through and including Section 53858 of the California Government Code (the "**Act**") (comprising Article 7.6, Chapter 4, Part 1, Division 2, Title 5 of the Act) authorizes school districts, community college districts and county boards of education (each, an "**Issuer**") to borrow money on a temporary basis through the issuance of short-term notes, including tax and revenue anticipation notes ("**TRANS**"); and

**WHEREAS**, the California School Finance Authority (the "**Authority**"), a public instrumentality of the State of California (the "**State**") has established a Statewide pooled TRANS program including, but not limited to the State Aid Intercept Notes (Fiscal Year 2020-21 School and Community College District Deferrals) (the "**CSFA Program**") under the powers granted to the Authority pursuant to its enabling legislation, being Section 17170 *et seq.* of the Education Code of the State (the "**CSFA Act**"), for the purpose of providing working capital loans to school districts, community college districts and county offices of education; and

**WHEREAS**, the terms of the CSFA Program are highly favorable to the District and the Board has determined it to be in the best interests of the District to participate in the CSFA Program, along with other Issuers; and

**WHEREAS**, the governing board (the "**Board**") of the District located in the above-referenced County (the "**County**") has determined that, in order to satisfy certain financial



obligations and working capital requirements, it is desirable that an aggregate principal amount of not-to-exceed \$3,000,000 (the “**Principal Amount**”), should be borrowed by the District for such purposes during the fiscal year ending June 30, 2021 (“**Fiscal Year 2020-21**”) by the issuance of 2020-21 Tax and Revenue Anticipation Notes by the District; and

**WHEREAS**, if the Authorized Officer (as defined herein) determines, that it is necessary for the District to effect a temporary borrowing for cash flow purposes in excess of the Deferral Amounts, the Board hereby determines to issue a series of District Notes to be secured by both the Deferral Amounts along with other Unrestricted Revenues (as defined herein) attributable to Fiscal Year 2020-21; and

**WHEREAS**, the Authorized Officer (as defined herein) may determine that the Principal Amount shall be divided into two or more portions, as evidenced by multiple series of District Notes (as defined below) issued simultaneously under one Note Purchase Agreement (as defined herein) and/or subsequently during the Fiscal Year 2020-21 under separate Note Purchase Agreements during Fiscal Year 2020-21, such Principal Amount to be confirmed, along with the interest rate, price and other terms of the sale or sales of the series of District Notes set forth in the applicable Confirmation of Pricing(s) (the “**Confirmation of Pricing**”) applicable to such series of District Notes; provided that “Series of District Notes” shall be deemed to refer to the District Note issued hereunder in one series by the County or the District, as applicable, or each individual Series of District Notes if issued in two or more series by the County or the District, as applicable; and

**WHEREAS**, the initial series of District Notes shall be referred to herein as the “**Series A District Notes**” and any subsequent series of which shall be referred to as the “**Additional District Notes**,” and collectively with the Series A District Notes, shall be referred to as the “**District Notes**” or the “**Notes**”), and an Additional District Notes may be issued in one or more series (each a “**Series**”) simultaneously with the Series A District Notes and/or subsequently to the issuance of the Series A District Notes;

**WHEREAS**, each Series of District Notes shall be issued in anticipation of the receipt by or accrual to the District during Fiscal Year 2020-21 of taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts and other moneys provided for such fiscal year for the general fund, including Deferral Amounts, and, if so indicated in a Confirmation of Pricing, such other funds of the District specified therein; provided that pursuant to Section 53854 of the Government Code of the State, such Series of District Notes may be made payable during Fiscal Year 2021-22, but in no event later than 15 months after the date of issue, when such note or Series of Notes is payable only from revenue received or accrued during the fiscal year in which issued, it being anticipated that certain Deferral Amounts will be attributable to Fiscal Year 2020-21 but received by the District in Fiscal Year 2021-22; and

**WHEREAS**, for the purposes set forth above, this Board has determined that it is in the best interests of the District to issue District Notes in one or more Series, and that because the District does not have fiscal accountability status pursuant to Section 1080, Section 42647, Section 42650 or Section 85266 of the California Education Code, the District hereby requests the Board of Supervisors of the County (the “**Board of Supervisors**”) to notify the District, within 45 calendar days following its receipt of a certified copy of this Resolution, that the District may issue the

District Notes on its own behalf for the purpose of participating in the CSFA Program, as permitted under Section 53853(b) of the Act; and

**WHEREAS**, if the Board of Supervisors declines to so notify the District, the District requests the Board of Supervisors to issue the District's Notes as soon as possible following its receipt of a certified copy of this Resolution so that the District Notes may be financed as a part of the CSFA Program; and

**WHEREAS**, certain taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts and other moneys which will be received by or accrue to the District during Fiscal Year 2020-21, including Deferral Amounts, are, pursuant to Section 53856 of the Act, authorized to be pledged for the payment of the principal of the District Notes and the interest thereon as provided herein; and

**WHEREAS**, no money has been borrowed by or on behalf of the District through the issuance of tax anticipation notes or temporary notes in anticipation of the receipt of, or payable from or secured by, taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts and other moneys provided for Fiscal Year 2020-21 which will be received by or will accrue to the District during Fiscal Year 2020-21 for the general fund indicated in a Confirmation of Pricing, or any other fund of the District named in such Confirmation of Pricing; and

**WHEREAS**, this Board hereby determines that the Principal Amount plus the interest payable thereon does not exceed eighty-five percent (85%) of the estimated amount of the uncollected taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts and other moneys provided for Fiscal Year 2020-21 which will be received by or which will accrue to the District during Fiscal Year 2020-21 for the general fund (taking into account certain Deferral Amounts), and, if so indicated in a Confirmation of Pricing, other specified funds of the District and which will be available for the payment of the principal of the District Notes and the interest thereon as provided herein; and

**WHEREAS**, the municipal advisor for the CSFA Program, being Montague DeRose and Associates (the "**Municipal Advisor**"), and the Underwriters for the CSFA Program, being RBC Capital Markets LLC and Citigroup Global Markets Inc., as joint senior managers (the "**Underwriters**") have structured the CSFA Program so that the notes of the Authority (the "**Authority Notes**") in one or more series ("**Series of Authority Notes**") will be issued through the Authority and under the terms of an Indenture and/or a supplement thereto (the original indenture and each supplement thereto applicable to a Series of Authority Notes to which a District Note shall be assigned is herein collectively referred to as the "**Indenture**") by and between the Authority and U.S. Bank National Association, as Trustee (the "**Trustee**"), substantially in the form presented to this meeting of the Board; and

**WHEREAS**, each Issuer participating in any particular Series of Authority Notes under the CSFA Program will be required to sell each Series of its District Notes to the Authority pursuant to a note purchase agreement (the District's note purchase agreement, in substantially the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "**Note Purchase Agreement**"), between the

District and the Authority, and dated as of the date of the Confirmation of Pricing, applicable to the sale of one or more series of the District's Notes of such Series to be sold simultaneously, a form of which has been submitted to the Board; and

**WHEREAS**, the Authority will form one or more pools of notes (the "**Pooled Authority Notes**") of each participating Issuer pursuant to the advice of the Underwriters and the Municipal Advisor, and assign each respective series of notes to a particular pool (the "**Pool**") and sell a Series of Authority Notes secured by each Pool pursuant to the Indenture, each Series of Pooled Authority Notes distinguished by (i) whether or what type of credit secures such series of Pooled Authority Notes, (ii) the principal amounts or portions of principal amounts of the notes of such respective series assigned to the Pool, or (iii) other factors, and the District hereby acknowledges and approves the discretion of the Authority, acting upon the advice of the Underwriters and the Municipal Advisor, to assign the District Notes of such respective Series to such Pool and such Indenture as the Authority may determine; and

**WHEREAS**, at the time of execution of the Confirmation of Pricing applicable to the sale of the District Notes of each Series issued simultaneously, the District will (in such Confirmation of Pricing) request the Authority to issue a Series of Pooled Authority Notes pursuant to an Indenture to which such Series of District Notes identified in such Confirmation of Pricing will be assigned by the Authority in its discretion, acting upon the advice of the Underwriters, which series of Pooled Authority Notes will be payable from payments of all or a portion of principal of and interest on such Series of District Notes and the other respective series of notes of other participating Issuers assigned to the same Pool and assigned to the same Indenture to which the Series of District Notes is assigned; and

**WHEREAS**, each Issuer, whose series of notes is assigned to a Pool as security for a Series of Pooled Authority Notes, will be responsible for its share of the fees of the costs of issuing the applicable Series of Pooled Authority Notes; and

**WHEREAS**, each participating Issuer is required to approve the forms of Indenture and Note Purchase Agreement in substantially the forms presented to the Board, with such final terms and details to be determined in the Confirmation of Pricing applicable to the sale of the District Notes of such Series to be sold by the respective Issuer, including the District; and

**WHEREAS**, the Underwriters will submit an offer to the Authority to purchase the Series of Pooled Authority Notes which will be secured by the Indenture to which such Pool will be assigned; and

**WHEREAS**, all or any portions of the net proceeds of each Series of District Notes issued by the District may be invested in one or more Permitted Investments (as defined in the Indenture), including one or more investment agreements with one or more investment providers (if any), the initial investment of which is to be determined in the Confirmation of Pricing related to such Series of District Notes; and

**WHEREAS**, it is necessary to engage the services of certain professionals to assist the District in its participation in the CSFA Program;

**NOW, THEREFORE**, this Board hereby finds, determines, declares and resolves as follows:

Section 1. Recitals. All the above recitals are true and correct and this Board so finds and determines.

Section 2. TRANS Issuance.

(A) Initial Series of TRANS. The Board hereby determines to borrow, and hereby requests the Board of Supervisors to authorize the District to borrow on its own behalf, in anticipation of the receipt by or accrual to the District during Fiscal Year 2020-21 of taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts and other moneys provided for such fiscal year for the general fund, including Deferral Amounts, and, if so indicated in the applicable Confirmation of Pricing, any other fund indicated in such Confirmation of Pricing, and not pursuant to any common plan of financing of the District, by the issuance under the Act, of Notes, designated generally as the District's "Tax and Revenue Anticipation Notes, 2020-21 Series A" in one or more Series, on a tax-exempt or taxable basis. The issuance of such Notes shall be in order of priority of payment described in the "**Series A District Notes**" being the initial Series of Notes issued under this Resolution, together with one or more series of Additional District Notes which may be issued simultaneously with, or subsequent to, upon a separate sale date, the issuance of the Series A District Notes, in accordance with the provisions hereof. The Additional District Notes may be tax-exempt or taxable, and payable on a parity or subordinate basis with the Series A District Notes. References herein to a Confirmation of Pricing shall be deemed to refer to the Confirmation of Pricing relating to and describing the particular Series of Notes and the applicable Series of Authority Notes secured by such Series of Notes.

The aggregate principal amount of all Series of Notes issued hereunder shall not exceed the lesser of (1) 85% of the amount of Unrestricted Revenues of the District for the remainder of or attributed to Fiscal Year 2020-21, or (2) the maximum accumulated cash flow deficit of the District, in the case of all Series of Tax-Exempt Notes. Additionally, if the District is a State-Credit Issuer (as defined herein), the principal amount of the Series A District Notes and any Additional District Notes secured solely by Deferral Amounts may not exceed the aggregate of the Deferral Amounts.

The Series of Notes are being issued to provide cash flow relief from the deferral by the State of principal apportionments due to the District in the months of February, 2021 through and including June, 2021 to the months of July, 2021 through and including November, 2021. The Series A District Notes will enjoy the benefit of the intercept procedure (the "**Intercept**") administered by the State Controller (the "**Controller**"), by which all or a portion of each Deferral Amount will be intercepted by the Controller and deposited into the District's Payment Account with the Trustee. Due to the timing of the calculation for the actual Deferral Amount for the month of June, 2021 (the "**Final June Deferral Amount**"), based on the second principal apportionment (P-2) information, proceeds of the Series A District Notes attributable to the estimated June Deferral Amount based on the first principal apportionment (P-1) (the "**Estimated June Deferral Amount**") will be deposited in escrow with the Trustee (the "**Escrow Account**") until the June Deferral Amount is provided to the Authority, following which time, (i) if the Final June Deferral

Amount is equal to or greater than the Estimated June Deferral Amount, the amount in escrow equal to the Estimated June Deferral Amount, taking into consideration investment earnings thereon, will be released to the District for deposit into its general fund; or (ii) if the Final June Deferral Amount is less than the Estimated June Deferral Amount, an amount equal to the difference between the Final June Deferral Amount and the Estimated June Deferral Amount will be transferred to the Payment Account of the District, taking into consideration investment earnings thereon, and the remainder will be released to the District for deposit into its general fund. The District will be a “**State-Credit Issuer**” if repayment of its Series A District Notes are made solely from the Deferral Amounts and the Intercept by the Controller as described herein.

(B) Terms of Series of Notes. The Notes of each Series shall be issued in the form of one registered note in the principal amount thereof as set forth in the Confirmation of Pricing and all such principal amounts aggregating to the principal amount set forth in the Confirmation of Pricings, in each case, to bear a Series designation, to be dated the date of its delivery to the initial purchaser thereof, to mature (without option of prior redemption) not more than thirteen (13) months thereafter on a date indicated on the face thereof and determined in the Confirmation of Pricing applicable to such Series (the “**Maturity Date**”), and to bear interest, payable at maturity (and, if the maturity is longer than twelve (12) months, an additional interest payment shall be payable within twelve (12) months of the issue date, as determined in the Confirmation of Pricing) and computed upon the basis of a 360-day year consisting of twelve 30-day months, at a rate not to exceed twelve percent (12%) per annum as determined in the Confirmation of Pricing applicable to the Notes of such Series and indicated on the face of such Notes (collectively, the “**Note Rate**”).

If Notes of a Series or the Pooled Authority Notes issued in connection therewith are not fully paid at their Maturity Date, the unpaid portion thereof shall be deemed outstanding and shall continue to bear interest thereafter at the Default Rate (as defined in the Indenture) until paid. In such case, the obligation of the District with respect to such Defaulted Note or unpaid Notes of a Series shall not be a debt or liability of the District prohibited by Article XVI, Section 18 of the California Constitution, and the District shall not be liable thereon except to the extent of the income and revenue provided for Fiscal Year 2020-21 within the meaning of Article XVI, Section 18 of the California Constitution, as provided in the section herein entitled “Source of Payment.”

Both the principal of and interest on the Notes of each Series shall be payable in lawful money of the United States of America, but only upon surrender thereof, at the corporate trust office of the Trustee in San Francisco, California, or as otherwise indicated in the Indenture. The aggregate Principal Amount may, prior to the issuance of any Series, be reduced from the aggregate Principal Amount specified above, at the discretion of the Underwriters upon consultation with the Authorized Officer or, if and to the extent necessary to obtain an approving legal opinion of Norton Rose Fulbright US LLP (“**Bond Counsel**”) as to the legality thereof or, if applicable, the exclusion from gross income for federal tax purposes of interest thereon.

In the event the Board of Supervisors of the County authorizes the issuance of the Notes by the District on its own behalf, as provided in Section 53853(b) of the Act, following receipt of this Resolution, this Board hereby authorizes issuance of such Notes, in the District’s name, in one or more Series, pursuant to the terms stated in this Resolution. The Notes shall then be issued in conjunction with one or more series of notes of one or more other Issuers as part of the CSFA Program and within the meaning of Section 53853(b) of the Act.

Section 3. Form of Notes. The Notes of each Series shall be issued in fully registered form without coupons and shall be substantially in the form set forth in Exhibit A attached hereto and by reference incorporated herein, the blanks in said form to be filled in with appropriate words and figures.

Section 4. Sale of Notes; Delegation. Any one of the President or Chairperson, Secretary or Clerk of the Governing Board, the Superintendent, Superintendent/President, Chancellor, the Assistant Superintendent of Business, the Assistant Superintendent, Vice President of Business and Administration, Vice Chancellor of Administrative Services, the Assistant Superintendent, Business Services, business manager, director of business or fiscal services or chief financial/business officer of the District, as the case may be, or the equivalent, or, in the absence of said officer, his or her duly appointed designee (each an “**Authorized Officer**”), is hereby authorized and directed to confirm, with the Authority and the California State Treasurer, as the Agent for Sale (the “State Treasurer”), an interest rate or rates on the Notes of each Series to the stated maturity or maturities thereof, which shall not, in any individual case, exceed twelve percent (12%) per annum (per Series of Notes), and the purchase price to be paid by the Authority for the Notes of each Series, which purchase price shall be at a discount which when added to the District’s share of the costs of issuance shall not be more than the greater of (a) one percent (1%) of (i) the principal amount of the Note, if only one Series of Notes is issued or (ii) the sum of the principal amounts of each individual Series of Notes, if more than one series is issued, or (b) five thousand dollars (\$5,000). If such interest rate and price and other terms of the sale of the Notes of a Series set forth in the Confirmation of Pricing are acceptable to said Authorized Officer, said Authorized Officer is hereby further authorized and directed to execute and deliver the Confirmation of Pricing supplement to be delivered by the Authority to the District on a date within five (5) days, or such longer period of time as may be agreed upon by the Authority, of said negotiation of interest rates and purchase price during the period from the date of adoption of this Resolution through June 15, 2021, substantially in the form presented to this meeting as Schedule I to the Note Purchase Agreement, with such changes therein as said Authorized Officer shall require or approve, and such other documents or certificates required to be executed and delivered thereunder or to consummate the transactions contemplated hereby or thereby, for and in the name and on behalf of the District, such approval by this Board and such officer to be conclusively evidenced by such execution and delivery. A Note Purchase Agreement may reference more than one Series of Notes if such Series of Notes are issued simultaneously. In the event more than one Series of Notes is issued, a separate Confirmation of Pricing shall be executed and delivered corresponding to each Series of Notes. Any Authorized Officer is hereby further authorized to execute and deliver, prior to the execution and delivery of the Confirmation of Pricing, the Note Purchase Agreement, substantially in the form presented to this meeting, which form is hereby approved, with such changes therein as said officer shall require or approve, such approval to be conclusively evidenced by such execution and delivery; provided, however, that any such Note Purchase Agreement shall not be effective and binding on the District until the execution and delivery of the corresponding Confirmation of Pricing. Delivery of a Confirmation of Pricing by telecopy, or electronic transmission of an executed copy shall be deemed effective execution and delivery for all purposes. If requested by said Authorized Officer at his or her option, any duly authorized deputy or assistant of such Authorized Officer may approve said interest rate or rates and price by execution of the Note Purchase Agreement and/or the Confirmation of Pricing.

Section 5. Issuance of Additional District Notes. The District (or the County on behalf of the District, as applicable) may at any time issue pursuant to this Resolution, one or more Additional District Notes, subject in each case to the following specific conditions, which are hereby made conditions precedent to the issuance of any such Additional District Notes:

(A) The District shall not have issued any TRANs relating to the Fiscal Year 2020-21 except (i) in connection with the CSFA Program under this Resolution, or (ii) notes secured by a pledge of its Unrestricted Revenues (as defined herein) that are subordinate in all respects to the pledge of its Unrestricted Revenues hereunder; (iii) the District shall be in compliance with all agreements and covenants contained herein; and (iv) no Event of Default shall have occurred and be continuing with respect to any such outstanding previously issued notes or Series of Notes.

(B) The aggregate Principal Amount of Notes issued and at any time outstanding hereunder shall not exceed any limit imposed by law, by this Resolution or by any resolution of the Board amending or supplementing this Resolution (each a “**Supplemental Resolution**”). Additional District Notes issued hereunder shall only be issued for the purpose of participating in the CSFA Program through another Series of Notes.

(C) If the Additional District Notes are secured by the Deferral Amounts, such Additional District Notes shall be limited to the remaining Deferral Amounts.

(D) Whenever the District shall determine to issue, execute and deliver any Additional District Notes pursuant to this Section, the Note principal amount of which, when added to the Note principal amounts of all Series of Notes previously issued by the District, would exceed the not-to-exceed Principal Amount authorized by this Resolution, the District shall adopt a Supplemental Resolution amending this Resolution to increase the not-to-exceed Principal Amount as appropriate and shall submit such Supplemental Resolution to the Board of Supervisors of the County as provided in Section 53850 *et seq.* of the Act with a request that the County authorize the District to issue such Additional District Notes on its own behalf as provided herein. The Supplemental Resolution may contain any other provision authorized or not prohibited by this Resolution relating to such Additional District Notes.

(E) Prior to the issuance of such Additional Series Notes, the District shall file or cause to be filed the following documents with the Trustee: (i) an Opinion of Counsel to the District to the effect that (a) such Additional District Notes constitute the valid and binding obligations of the District, (b) such Additional District Notes are special obligations of the District and are payable from the moneys pledged to the payment thereof in this Resolution, and (c) the applicable Supplemental Resolution, if any, has been duly adopted by the District; (ii) a certificate of the District certifying as to the incumbency of its officers and stating that the requirements of this Section have been met; (iii) a certified copy of this Resolution and any applicable Supplemental Resolution; (iv) if this Resolution was amended by a Supplemental Resolution to increase the maximum Principal Amount, the resolution of the County Board of Supervisors approving such increase in the not-to-exceed Principal Amount and the issuance of such Additional District Notes, or evidence that the County Board of Supervisors has elected to not issue such Additional District Notes; (v) an executed counterpart or duly authenticated copy of the applicable Note Purchase Agreement; (vi) a Confirmation of Pricing relating to the Additional District Notes duly executed by an Authorized Officer (as defined herein); (vii) the Additional District Notes duly executed by



the applicable representatives of the District or the County, as provided herein, either in connection with the initial issuance of the Series A District Notes or in connection with any Supplemental Resolution increasing the maximum Principal Amount; and (viii) if the Additional District Notes are to be payable on parity with the District's outstanding Notes, evidence or confirmation that no rating then in effect with respect to any outstanding Notes, series of notes or series of bonds, as applicable, from a Rating Agency will be withdrawn, reduced, or suspended solely as a result of the issuance of such Additional District Notes.

Section 6. Program Approval. The District hereby delegates to the Authority the authority to determine the structure and parameters of the CSFA Program, with the Authorized Officer of the District accepting and approving such determinations by execution of the Confirmation of Pricing.

(A) Pooled Structure. The Confirmation of Pricing for a Series of Notes may, but shall not be required to, specify the Series of Pooled Authority Notes to which such Series of Notes will be assigned (but need not include information about other series of notes assigned to the same pool or their Issuers). The District hereby delegates to the Authority the authority to select the Credit Instrument(s), Credit Provider(s) and Credit Agreement(s), if any, to which each Series of Notes issued by the District will be assigned, all of which shall be identified in, and approved by the Authorized Officer of the District executing, the Confirmation of Pricing for such Series of Notes and the Credit Agreement(s) (if any), for and in the name and on behalf of the District, such approval of such officer to be conclusively evidenced by the execution of the Confirmation of Pricing and the Credit Agreement(s) (if any).

The form of Indenture presented to this meeting is hereby acknowledged and approved, and it is acknowledged that the Authority will execute and deliver the Indenture and one or more Supplemental Indentures, which shall be identified in the Confirmation of Pricing applicable to the Series of Notes to be issued, in substantially one or more of said forms with such changes therein as the Authorized Officer who executes such Confirmation of Pricing shall require for approval (substantially final forms of the Indenture and the Supplemental Indenture (if applicable) to be delivered to the Authorized Officer concurrently with the Confirmation of Pricing applicable to the Series of Notes to be issued), such approval of such Authorized Officer and this Board to be conclusively evidenced by the execution of the Confirmation of Pricing applicable to such Series of Notes. It is acknowledged that the Authority is authorized and requested to issue one or more Series of Pooled Authority Notes pursuant to and as provided in the Indenture as finally executed and, if applicable, each Supplemental Indenture as finally executed.

Each Authorized Officer is hereby authorized and directed to provide the Underwriter with such information relating to the District as the Underwriter shall reasonably request for inclusion in the Preliminary Official Statement(s) and Official Statement(s) of the Authority relating to a Series of Pooled Authority Notes. If, at any time prior to the execution of a Confirmation of Pricing, any event occurs as a result of which the information contained in the corresponding Preliminary Official Statement or other offering document relating to the District might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the District shall promptly notify the Underwriter.

Subject to the Section 11 hereof, the District hereby agrees that if a Series of Notes shall become a Defaulted Note, the unpaid portion thereof shall be deemed outstanding and shall not be deemed to be paid until the holders of such Series of Notes or the Series of the Pooled Authority Notes issued in connection with such Series of Notes are paid the full principal amount represented by the unsecured portion of such Series of Notes plus interest accrued thereon (calculated at the Default Rate) to the date of deposit of such aggregate required amount with the Trustee. Holders of such Series of Pooled Authority Notes will be deemed to have received such principal amount and such accrued interest upon deposit of such moneys with the Trustee.

The District agrees to pay or cause to be paid, in addition to the amounts payable under each Series of Notes, any fees or expenses of the Trustee and, to the extent permitted by law, if such Series of Notes is secured in whole or in part by a Credit Instrument (by virtue of the fact that the corresponding Series of Pooled Authority Notes is secured by a Credit Instrument), any Predefault Obligations and Reimbursement Obligations (to the extent not payable under such Series of Notes), (i) arising out of an "Event of Default" hereunder or (ii) arising out of any other event (other than an event arising solely as a result of or otherwise attributable to a default by any other Issuer). In the case described in (ii) above with respect to Predefault Obligations, the District shall owe only the percentage of such fees, expenses and Predefault Obligations equal to the ratio of the Principal Amount (or Series Principal Amount as applicable) of its Series of Notes over the aggregate Principal Amounts (or Series Principal Amounts, as applicable) of all series of notes, including such Series of Notes, assigned to the Series of Pooled Authority Notes issued in connection with such Series of Notes, at the time of original issuance of such Series of Pooled Authority Notes. Such additional amounts will be paid by the District within twenty-five (25) days of receipt by the District of a bill therefor from the Trustee.

[THE FOLLOWING PRELIMINARY OFFICIAL STATEMENT SECTION SHALL APPLY TO TRADITIONAL TRANS (NON STATE-CREDIT ISSUERS) and ISSUERS WITH DISTRICT SENIOR EXISTING INDEBTEDNESS, AS APPLICABLE]

(B) Preliminary Official Statement. Each Authorized Officer is authorized to provide the Authority and the Underwriters with a compilation of District information including, but not limited to the information listed in Exhibit C hereto, to be included in the Preliminary Official Statement, and the Underwriters are hereby authorized to distribute the Preliminary Official Statement in connection with the offering and sale of each series of notes associated with the CSFA Program. Each Authorized Officer is hereby authorized and directed to provide the Authority and the Underwriters with such information relating to the District as the Authority and Underwriters shall reasonably request for inclusion in the Preliminary Official Statement. Upon inclusion of the information relating to the District therein, the Preliminary Official Statement for the applicable Series of notes associated with the CSFA Program, as applicable, shall be, except for certain omissions permitted by Rule 15c2-12 of the Securities Exchange Act of 1934, as amended (the "Rule"), deemed final within the meaning of the Rule; provided that no representation is made as to the information contained in a Preliminary Official Statement relating to the other Issuers and the Authority is hereby authorized to certify on behalf of the District that the Preliminary Official Statement is, as of its date, deemed final within the meaning of the Rule. If, at any time prior to the execution of a Confirmation of Pricing, any event occurs as a result of which the information contained in the Preliminary Official Statement relating to the District might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements

therein, in light of the circumstances under which they were made, not misleading, the District shall promptly notify the Underwriters. The Authority is hereby authorized and directed, at or after the time of the sale of the Authority Notes, for and in the name and on behalf of the District, to execute or approve a final Official Statement, with such additions thereto or changes therein as the Authority may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

(C) Reserved.

(D) Appointment of Professionals. In connection with the CSFA Program, Montague DeRose and Associates, LLC, is hereby appointed and approved as Municipal Advisor, the law firm of Norton Rose Fulbright US LLP is hereby appointed and approved as Bond Counsel, Nixon Peabody LLP is hereby appointed and approved as Disclosure Counsel, and joint senior managers RBC Capital Markets LLC and Citigroup Global Markets Inc., each acting on behalf of itself and other underwriters to be appointed by the State Treasurer at a later date, are hereby appointed and approved as Underwriters for the CSFA Program. U.S. Bank National Association is hereby appointed and approved as Trustee for the CSFA Program. In addition, the District may appoint and approve a law firm to act as special counsel to the District in connection with the CSFA Program.

Section 7. No Joint Obligation. Each Series of Notes will be issued in conjunction with a series of notes of one or more other Issuers and will be assigned to a Pool in order to secure a corresponding Series of Pooled Authority Notes. In all cases, the obligation of the District to make payments on or in respect to each Series of its Notes is a several and not a joint obligation and is strictly limited to the District's repayment obligation under this Resolution, the resolution of the county providing for the issuance of the District Note, if applicable, and such Series of Notes.

Section 8. Debt Management Policy With Respect to Notes. Notwithstanding any other debt management policy of the District heretofore or hereafter adopted, the debt management policy of the District pertaining to each Series of Notes shall be consistent with, and the Board hereby approves, the following: (i) the proceeds of each Series of Notes may be used and expended by the District for any purpose for which the District is authorized to use and expend moneys, including but not limited to current expenses, capital expenditures, investment and reinvestment, and the discharge of any obligation or indebtedness of the District, as provided by Section 53852 of the Act; (ii) the debt that may be issued pursuant to this debt management policy is limited to each Series of Notes authorized under this Resolution; (iii) each Series of Notes shall be issued to manage the cash flow requirements of the District based on the District's budgetary needs and consistent with the limitations provided for in this Resolution; (iv) the objective of this debt management policy is to implement cost effective cash flow borrowing under the CSFA Program for Fiscal Year 2020-21, whereby participating school districts, community college districts and county boards of education throughout the State of California will simultaneously issue district notes; and (v) to ensure the proceeds of each Series of Notes will be directed to their intended use, moneys allocable to each Series of Notes from the sale of the corresponding Series of Authority Notes, net of the District's share of the costs of issuance, shall be deposited in the District's Proceeds Account (as hereinafter defined) attributed to such Series of Notes and held and invested by the Trustee under the Indenture for the District, or transferred in the name of the District's

General Fund to the Treasurer of the County, or as otherwise provided under the Indenture, and said moneys may be used and expended by the District for such use upon requisition from such Proceeds Account as specified in the Indenture, as applicable. Any debt management policy adopted by the Board hereafter in contravention of the foregoing shall be deemed to modify the authorization contained herein only if it shall specifically reference this Resolution and Section. With the passage of this Resolution, the Board hereby certifies that the District has adopted local debt policies with respect to each Series of Notes issued pursuant to this Resolution that comply with California Government Code Section 8855(i), and that the District Notes authorized to be issued pursuant to this Resolution are consistent with such policies, and instructs Bond Counsel (as herein defined) to check on behalf of the District the “Yes” box relating thereto in the Report of Proposed Debt Issuance filed pursuant to California Government Code Section 8855 with respect to each Series of Notes issued pursuant to this Resolution.

Section 9. Disposition of Proceeds of Notes. A portion of the proceeds of the District Notes, allocable to the District’s share of the Authority’s costs of issuance, shall be retained by the Authority and used to pay Costs of Issuance with respect to the Authority Notes, as provided in the Indenture. Subject to Section 2 herein, the remaining proceeds of the District Notes will be deposited in its Proceeds Account and transferred by the Trustee in the name of the District’s General Fund to the County Treasurer where the District is located, which shall be invested by the District, as reasonably practicable, with such Treasurer of the County.

The District hereby covenants that, to the extent its District Notes will be allocated by the Authority to a Tax-Exempt Series of Authority Notes, it will comply with the terms of the District Tax Certificate to be executed by the District with respect to the District Notes (the “District Tax Certificate”) and any other instructions requested by or otherwise provided by Bond Counsel.

Section 10. Payment Account.

(A) The Trustee shall transfer to each Payment Account (hereinafter defined) relating to a Series of Notes Pledged Revenues from amounts intercepted on behalf of the District as described in Section 11 below or, if applicable, for non-State Credit Issuers, deposited by or on behalf of the District, by the tenth Business Day of each Repayment Period (as defined hereinafter) (or such other day of each Repayment Period designated in the Confirmation of Pricing), amounts which, taking into consideration anticipated earnings thereon to be received by the Maturity Date (as set forth in a Certificate from the Municipal Advisor to the Trustee), are equal to the percentages of the principal and interest due with respect to such District Notes for the corresponding Repayment Period set forth in such Confirmation of Pricing; provided, however, if as described in Section 2 herein, the District’s Final June Deferral Amount is less than the Estimated June Deferral Amount, the Trustee shall transfer from the District’s Escrow Account an amount equal to the difference between the Final June Deferral Amount and the Estimated June Deferral Amount to the Payment Account of the District, and the remainder will be released to the District for deposit into its General Fund, as provided in the Indenture.

(B) For District Notes issued in calendar year 2021 and allocated by the Authority to a series of Authority Notes, the interest on which is intended to be Tax-Exempt (a “**Tax-Exempt Series of Authority Notes**”), in the event that either (A) the Note Principal Amount of the District Notes, together with the aggregate amount of all tax-exempt obligations (including any tax-exempt

leases, but excluding private activity bonds), issued and reasonably expected to be issued by the District (and all subordinate entities of the District) during calendar year 2021, will, at the time of the issuance of such District Notes (as represented by the District in the District Tax Certificate) exceed \$15,000,000, or (B) the Note Principal Amount of such District Notes, together with the aggregate amount of all tax-exempt obligations not used to finance school construction (including any tax-exempt leases, but excluding private activity bonds), issued and reasonably expected to be issued by the District (and all subordinate entities of the District) during calendar year 2021, will, at the time of the issuance of such District Notes (as represented by the District in the District Tax Certificate), exceed \$5,000,000, paragraph (D) below shall apply. In such case, the District shall be deemed a “**Large Issuer**” with respect to such District Notes.

(C) For District Notes issued in calendar year 2021 and allocated by the Authority to a Tax-Exempt Series of Authority Notes, in the event that both (A) the Note Principal Amount of the District Notes, together with the aggregate amount of all tax-exempt obligations (including any tax-exempt leases, but excluding private activity bonds), issued and reasonably expected to be issued by the District (and all subordinate entities of the District) during calendar year 2021, will not, at the time of the issuance of such District Notes (as represented by the District in the District Tax Certificate) exceed \$15,000,000, and (B) the Note Principal Amount of such District Notes, together with the aggregate amount of all tax-exempt obligations not used to finance school construction (including any tax-exempt leases, but excluding private activity bonds), issued and reasonably expected to be issued by the District (and all subordinate entities of the District) during calendar year 2021, will not, at the time of the issuance of such District Notes (as represented by the District in the District Tax Certificate), exceed \$5,000,000, paragraph (D) below shall not apply. In such case, the District shall be deemed a “**Small Issuer**” with respect to such District Notes.

(D) For District Notes allocated by the Authority to a Tax-Exempt Series of Authority Notes, as set forth in greater detail in the District Tax Certificate, the District will certify as to its reasonably expected “maximum anticipated cumulative cash-flow deficit.” To the extent, as set forth in the District Tax Certificate, less than 100% of the proceeds of the District Notes are treated as “spent” for purposes of Section 148 of the Internal Revenue Code of 1986 (the “**Code**”) and the Treasury Regulations thereunder (the “**Arbitrage Regulations**”), the District shall be subject to the arbitrage rebate requirements (the “**Rebate Requirement**”) of Section 148 of the Code. In such event, the District shall promptly notify the Authority in writing using a form of notification appended to the District Tax Certificate, that the District Notes do not qualify for an exception to arbitrage rebate and, therefore, proceeds of the District Note must be taken into account by the Authority’s arbitrage rebate consultant in calculating the Authority’s rebate liability, if any, with respect to the issue of Authority Notes to which the District Notes are allocable. The District agrees to pay to the Authority the District’s share of the Authority’s rebate liability, if any, as determined by the Authority’s arbitrage rebate consultant.

(E) The term “**Tax-Exempt**” shall mean, with respect to a Series of Authority Notes, that the interest to be paid on such Series of Authority Notes is intended to be excluded from the gross income of the holders thereof for federal income tax purposes.

#### Section 11. Source of Payment.

(A) Pledge. The term “**Unrestricted Revenues**” shall mean the taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts and other moneys provided for Fiscal Year 2020-21 which will be received by or will accrue to the District during such fiscal year for the general fund, including the Deferral Amounts, and, if so indicated in a Confirmation of Pricing, capital fund and/or special revenue fund (or similarly named fund or funds as indicated in such Confirmation of Pricing) of the District and which are lawfully available for the payment of current expenses and other obligations of the District. As security for the payment of the principal of and interest on all Series of Notes issued hereunder, subject to the payment priority provisions set forth herein and this Section, the District hereby pledges the revenues described below to be received by the District in the periods specified in each Confirmation of Pricing as Repayment Periods (each individual period a “**Repayment Period**” and collectively the “**Repayment Periods**”), in an amount equal to the percentages of the principal and interest due with respect to each Series of Notes at maturity for the corresponding Repayment Period specified in such Confirmation of Pricing (the “**Pledged Revenues**”):

(1) As a State-Credit Issuer, the District hereby pledges its Deferral Amounts.

(2) If an Authorized Officer of the District later determines that the District is not a State-Credit Issuer, as indicated in its Confirmation of Pricing, the District hereby pledges the first Unrestricted Revenues to be received by the District.

(B) General Obligation. As provided in Section 53857 of the Act, notwithstanding the provisions of Section 53856 of the Act and of subsection (C) below of this Section, all Series of Notes issued hereunder shall be general obligations of the District and, in the event that on the tenth Business Day (as defined in the Indenture) of each such Repayment Period (or such other day of each Repayment Period designated in the Confirmation of Pricing) the District has not received sufficient Deferral Amounts, or Unrestricted Revenues, as applicable, to permit the deposit into each Payment Account of the full amount of Pledged Revenues to be deposited therein from said Deferral Amounts or Unrestricted Revenues, respectively, in such Repayment Period, then the amount of any deficiency shall be satisfied and made up from any other moneys of the District lawfully available for the payment of the principal of all Series of Notes and the interest thereon, as and when such other moneys are received or are otherwise legally available, in the following order of priority: first, to satisfy pro-rata any deficiencies attributable to any Series of Senior Notes; second, to satisfy pro-rata any deficiencies attributable to any Series of Subordinate Notes (except for any Series of Subordinate Notes described in the next clause); and thereafter, to satisfy any deficiencies attributable to any other Series of Subordinate Notes that shall have been further subordinated to previously issued Series of Subordinate Notes in the applicable Confirmation of Pricing, in such order of priority. “Senior Notes” means the District’s Series A District Notes and any Additional Series of Senior Notes.

(C) Lien and Charge. As provided in Section 53856 of the Act, all Series of Notes issued hereunder and the interest thereon, subject to the payment priority provisions hereof, shall be a first lien and charge against, and shall be payable from the first moneys received by the District from, the Pledged Revenues.

(D) Payment Accounts. In order to effect, in part, the pledge provided for in subsection (A) of this Section, the District agrees to the establishment and maintenance as a special

fund of the District of a separate Payment Account for each Series of District Notes issued hereunder (each a “**Payment Account**”) held by the Trustee under the Indenture, and the Trustee is hereby appointed as the responsible agent to maintain such fund until the payment of the principal of the corresponding Series of Notes and the interest thereon, and the District hereby covenants and agrees to cause to be deposited directly in each Payment Account the Funds Subject to Intercept (as defined in Section 11(E) below) and may, at the District’s option, deposit Unrestricted Revenues during any Repayment Period, a pro-rata share (as provided below) of the first Unrestricted Revenues received in each Repayment Period specified in the applicable Confirmation of Pricing and any Unrestricted Revenues received thereafter until the amount on deposit in each Payment Account, taking into consideration anticipated investment earnings thereon to be received by the Maturity Date applicable to the respective Series of Notes (as set forth in a certificate from the Municipal Advisor to the Trustee), is equal in the respective Repayment Periods identified in the Confirmation of Pricing applicable to such Series of Notes to the percentages of the principal of and interest on such Series of Notes at maturity specified in the Confirmation of Pricing applicable to such Series of Notes; provided that such deposits shall be made in the following order of priority: first, pro-rata to the Payment Account(s) attributable to any applicable Series of Senior Notes; second, pro-rata to the Payment Account(s) attributable to any applicable Series of Subordinate Notes (except for any Series of Subordinate Notes described in the next clause); and thereafter, to the Payment Account(s) attributable to any other applicable Series of Subordinate Notes that shall have been further subordinated to previously issued Series of Subordinate Notes in the applicable Confirmation of Pricing, in such order of priority.

Subject to the payment priority provisions of Section 20 hereof and this Section, any moneys placed in the Payment Account attributed to a Series of Notes shall be for the benefit of (i) the holders of the Series of Pooled Authority Notes issued in connection with the Pool of which such Series of District Notes is a part and (ii) (to the extent provided in the Indenture) the Credit Provider(s), if any. Subject to the payment priority provisions of Section 20 hereof and this Section, the moneys in the Payment Account attributed to the Series of Notes shall be applied only for the purposes for which the Payment Account is created until the principal of such Series of Notes and all interest thereon are paid or until provision has been made for the payment of the principal of such Series of Notes at maturity of such Series of Notes with interest to maturity (in accordance with the requirements for defeasance of the related Series of Pooled Authority Notes, as set forth in the Indenture).

(E) Intercept Procedures. This Board hereby determines and elects to participate in the funding of debt service payments, amounts pledged, fees and charges, and other costs necessary or incidental in connection with the District Notes and payments on Authority Notes attributed to the District, as permitted under California Education Code section 17199.4. In accordance with the requirements set forth in Section 17199.4 of the Education Code and to effect the pledge contained in this resolution, the District shall and does hereby authorize and instruct the State Controller to intercept Pledged Revenues from moneys designated for apportionment to the District for fiscal year 2020-21 (“**Funds Subject to Intercept**”), and to transfer such amounts to the Trustee for deposit into the Payment Account with a designation to the Trustee of the amounts to be credited for the District. Upon such deposit, such funds will not be available to the District. The District shall provide, or cause to be provided on its behalf, a notice to the State Controller accompanied by a schedule setting forth the dates and amounts of intercepts, together with instructions to whom such funds shall be wired, substantially in the form attached hereto as



Exhibit B, and by reference incorporated herein, the blanks in said form to be filled in with appropriate words and figures (the “**Intercept Schedule**”). In circumstances where, despite having received a proper Intercept Schedule on behalf of the District, the Funds Subject to Intercept are inadvertently sent to the District during a Repayment Period, the District is obligated to remit the Funds Subject to Intercept to the Trustee forthwith. If the District receives any Pledged Revenues necessary for repayment of the District Notes during a Repayment Period, it will immediately deposit such amounts with the Trustee for deposit into the Payment Account.

Should the Legislature of the State take action following the date of issuance of the District Notes (a “**Change in State Law**”) to advance or further defer the dates upon which the Deferral Amounts are to be paid, or to otherwise alter the Deferral Amounts, the Authority on the District’s behalf shall adjust the Intercept Schedule and Notice to the State Controller, so that sufficient funds are available for repayment of the District Notes. If the effect of the Change in State Law is to reduce any Deferral Amounts due to be paid to the District, so that a greater percentage of the apportionments payable in due course to the District during any of the Deferral Months is in fact paid during the Deferral Months (each, a “**Restored Apportionment**”), the District has authorized the Authority, on the District’s behalf, to provide the Controller with a revised Intercept Schedule or schedules that (a) reduce the Funds Subject to Intercept during the months of July through and including November 2021 by an amount equal to the Restored Apportionment and (b) subject all of the Restored Apportionment to the Intercept Notice and Schedule in the Repayment Periods and in the amounts established pursuant to the Change in State Law.

If the effect of the Change in State Law is to delay one or more dates upon which the Deferral Amounts were, as of the date of issuance of the District Notes, expected to be paid to the District, the District has authorized the Authority, on its behalf, to provide the Controller with a revised Intercept Schedule that reduces or increases, as appropriate, the Deferral Amounts as and when scheduled to be received under the terms of the Change in State Law during revised Repayment Periods.

(F) Determination of Repayment Periods. With respect to each Series of District Notes, the length of any individual Repayment Period shall not exceed the greater of three (3) consecutive calendar months or ninety (90) days, and the number of Repayment Periods determined in the related Confirmation of Pricing shall not exceed nine (9), or as otherwise determined in the related Confirmation of Pricing; provided, however, that (1) the first Repayment Period of any Series of Subordinate Notes shall not occur prior to the end of the last Repayment Period of any outstanding Series of Notes of a higher priority; and (2) if the first Repayment Period of any Series of Subordinate Notes overlaps the last Repayment Period of any outstanding Series of Notes of a higher priority, no deposits shall be made in the Payment Account of such Subordinate Notes until all required amounts shall have been deposited into the Payment Accounts of all outstanding Series of Notes of a higher priority. Any Authorized Officer is hereby authorized to approve the determination of the Repayment Periods and percentages of the principal and interest due with respect to each Series of District Notes at maturity required to be on deposit in the related Payment Account in each Repayment Period, all as specified in the Confirmation of Pricing, by executing and delivering the Confirmation of Pricing, such execution and delivery to be conclusive evidence of approval by this Board and such Authorized Officer.

(G) Application of Moneys in Payment Accounts. On any interest payment date (if different from the Maturity Date) and on the Maturity Date of a Series of Notes, the moneys in the Payment Account attributed to such Series of Notes shall be transferred by the Trustee, to the extent necessary, to pay, in the case of an interest payment date, the interest, and in the case of the Maturity Date, the principal of and interest with respect to such Series of Notes, subject to the payment priority provisions of Section 20 hereof and this Section, in the event that moneys in the Payment Account attributed to any Series of Notes are insufficient to pay the principal of and/or interest with respect to such Series of Notes in full on an interest payment date and/or the Maturity Date, moneys in such Payment Account together with moneys in the Payment Accounts of all other outstanding Series of Notes issued by the District shall be applied in the following priority:

- (1) with respect to all Series of Senior Notes:
  - a. first, to pay interest with respect to all Series of Senior Notes pro-rata; and
  - b. second, (if on the Maturity Date) to pay principal of all Series of Senior Notes pro-rata;
- (2) then, with respect to all Series of Subordinate Notes (except for any Series of Subordinate Notes described in paragraph (3) below), to make the pro-rata payments corresponding to each such Series of Subordinate Notes equivalent to the payments described above in paragraphs (1)(a) through (e), in such order;
- (3) then, with respect to all other Series of Subordinate Notes that have been further subordinated to previously issued Series of Subordinate Notes in the applicable Confirmation of Pricing, to make the pro-rata payments corresponding to each such Series of Subordinate Notes equivalent to the payments described above in paragraphs (1)(a) through (e), in such order; and
- (4) lastly, to pay any other Costs of Issuance not previously disbursed.

Any moneys remaining in or accruing to the Payment Account attributed to each such Series of Notes after the principal of all the Series of Notes and the interest thereon and obligation, if any, to pay any rebate amounts in accordance with the provisions of the Indenture have been paid, or provision for such payment has been made, if any, shall be transferred by the Trustee to the District, subject to any other disposition required by the Indenture. Nothing herein shall be deemed to relieve the District from its obligation to pay its Note of any Series in full on the applicable Maturity Date.

(H) Investment of Moneys in Proceeds Account and Payment Accounts. Moneys in the Proceeds Account attributed to each Series of Notes and the Payment Account attributed to such Series of Notes shall be invested by the Trustee pursuant to the Indenture, in an investment agreement or agreements and/or other Permitted Investments as described in and under the terms of the Indenture, and as designated in the Confirmation of Pricing applicable to such Series of Notes.

Section 12. Execution of Note. In the event the Board of Supervisors of the County fails or declines to authorize issuance of the Series of Notes as referenced in Section 2 hereof, any one of the President or Chairperson of the governing board of the District or any other member of such board shall be authorized to execute the Note by manual, electronic or facsimile signature and the Secretary or Clerk of the governing board of the District, the Superintendent or Chancellor of the District, the Assistant Superintendent for Business, the Assistant Superintendent for Administrative Services, the business manager, director of business or fiscal services or chief financial/business officer of the District, as the case may be, or any duly appointed designee thereto, shall be authorized to countersign each such Note by manual, electronic or facsimile signature. Any one of the Treasurer of the County, or, in the absence of said officer, his or her duly appointed assistant, the Chairperson of the Board of Supervisors of the County or the Auditor (or comparable financial officer) of the County shall be authorized to execute each Note of any Series issued hereunder by manual, electronic or facsimile signature and the Clerk of the Board of Supervisors of the County or any Deputy Clerk shall be authorized to countersign each such Note by manual, electronic or facsimile signature and to affix the seal of the County to each such Note either manually, electronically or by facsimile impression thereof. Said officers of the County or the District, as applicable, are hereby authorized to cause the blank spaces of each such Note to be filled in as may be appropriate pursuant to the applicable Confirmation of Pricing. Said officers are hereby authorized and directed to cause the Trustee, as registrar and authenticating agent, to authenticate and accept delivery of each such Note pursuant to the terms and conditions of the corresponding Note Purchase Agreement, as applicable, this Resolution and the Indenture. In case any officer whose signature shall appear on any Series of Notes shall cease to be such officer before the delivery of such Series of Notes, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Each Series of the Notes shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Trustee and showing the date of authentication. Each Series of the Notes shall not be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless and until such certificate of authentication shall have been duly executed by the Trustee by manual signature, and such certificate of authentication upon any such Series of Notes shall be conclusive evidence that such has been authenticated and delivered under this Resolution. The certificate of authentication on a Series of Notes shall be deemed to have been executed by the Trustee if signed by an authorized officer of the Trustee. The Notes need not bear the seal of the District, if any.

Section 13. Note Registration and Transfer. As long as any Series of the Notes remains outstanding, the District shall maintain and keep, at the principal corporate trust office of the Trustee, books for the registration and transfer of each Series of the Notes. Each Series of the Notes shall initially be registered in the name of the Trustee under the Indenture to which such Series of the Notes is assigned. Upon surrender of a Note of a Series for transfer at the office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or its duly authorized attorney, and upon payment of any tax, fee or other governmental charge required to be paid with respect to such transfer, the County or the District, as applicable, shall execute and the Trustee shall authenticate and deliver, in the name of the designated transferee, a fully registered Note of the same Series. For every transfer of a Note of a Series, the District, the County or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to the transfer, which sum

or sums shall be paid by the person requesting such transfer as a condition precedent to the exercise of the privilege of making such transfer.

In the event that the Authorized Officer shall elect to issue the District's Notes within the CSFA Program, such Notes shall be deposited with the Trustee and maintained in trust until their scheduled maturity and payment in full. The District Notes shall not be transferable or assignable by the Trustee while the associated Pooled Authority Notes are outstanding. Notwithstanding the foregoing, in the event that the District Notes should be lost, stolen, destroyed or mutilated prior to their stated maturity, the District shall cause to be issued a new District Note or Notes of the same tenor, term and maturity as the original to replace the same upon such reasonable terms and conditions, including the payment of costs and the posting of a surety bond, as may from time to time be determined and prescribed by the Authorized Officer in consultation with the Authority.

(A) Subject to Section 7 hereof, the County, the District, the Trustee and their respective successors may deem and treat the person in whose name a Note of a Series is registered as the absolute owner thereof for all purposes, and the County, the District and the Trustee and their respective successors shall not be affected by any notice to the contrary, and payment of or on account of the principal of such Note shall be made only to or upon the order of the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

(B) Any Note of a Series may, in accordance with its terms, be transferred upon the books required to be kept by the Trustee, pursuant to the provisions hereof by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Note for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in form approved by the Trustee.

(C) The Trustee or the Authorized Officer of the District, acting separately or together, are authorized to sign any letter or letters of representations which may be required in connection with the delivery of any Series of Pooled Authority Notes to which such Series of District Notes is assigned, if such Series of Pooled Authority Notes are delivered in book-entry form.

(D) The Trustee will keep or cause to be kept, at its principal corporate trust office, sufficient books for the registration and transfer of each Note of a Series issued, which shall be open to inspection by the County and the District during regular business hours. Upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such books, the Notes of a Series presented as hereinbefore provided.

(E) If any Note of a Series shall become mutilated, the County or the District, as applicable, at the expense of the registered owner of such Note of a Series, shall execute, and the Trustee shall thereupon authenticate and deliver a new Note of like tenor, series and number in exchange and substitution for the Note so mutilated, but only upon surrender to the Trustee of the Note so mutilated. Every mutilated Note so surrendered to the Trustee shall be cancelled by it and delivered to, or upon the order of, the County or the District, as applicable. If any Note of a Series shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the County, the District and the Trustee and, if such evidence be satisfactory to them and indemnity

satisfactory to them shall be given, the County or the District, as applicable, at the expense of the registered owner, shall execute, and the Trustee shall thereupon authenticate and deliver a new Note of like tenor, series and number in lieu of and in substitution for the Note so lost, destroyed or stolen (or if any such Note of a Series shall have matured (as of the latest maturity date indicated on the face thereof) or shall be about to mature (as of the latest maturity date indicated on the face thereof), instead of issuing a substitute Note, the Trustee may pay the same without surrender thereof). The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Note issued pursuant to this paragraph and of the expenses which may be incurred by the County or the District, as applicable, and the Trustee in such preparation. Any Note of a Series issued under these provisions in lieu of any Note of a Series alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the County (on behalf of the District) or on the part of the District, as applicable, whether or not the Note of a Series so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of this Resolution with all other Notes of the same Series secured by this Resolution.

Section 14. Covenants Regarding Transfer of Funds. It is hereby covenanted and warranted by the District that it will not request the County Treasurer to make temporary transfers of funds in the custody of the County Treasurer to meet any obligations of the District during Fiscal Year 2020-21 pursuant to Article XVI, Section 6 of the Constitution of the State of California and California Education Code 42620; provided, however, that the District may request the County Treasurer to make such temporary transfers of funds if all amounts required to be deposited into the Payment Accounts of all outstanding Series of Notes (regardless of when due and payable) shall have been deposited into such Payment Accounts.

Section 15. Representations and Covenants.

(A) The District is a school, community college district or county office of education, duly organized and existing under and by virtue of the laws of the State of California and has all necessary power and authority to (i) adopt this Resolution and any supplement hereto, and approve and perform its obligations under the Note Purchase Agreement(s) and the District Note(s), and (ii) authorize the issuance of one or more Series of Notes, or, if applicable authorize the County to issue one or more Series of Notes on its behalf.

(B) (i) Upon the issuance of each Series of Notes, the District will have taken all action required to be taken by it to authorize the issuance and delivery of such Series of Notes and the performance of its obligations thereunder, (ii) the District has full legal right, power and authority to issue and deliver each Series of Notes, or (iii) the District has full legal right, power and authority to request the County to issue and deliver such Series of Notes on behalf of the District and to perform its obligations as provided herein and therein.

(C) The issuance of each Series of Notes, the adoption of this Resolution and the execution and delivery of the Note Purchase Agreement(s) and the Indenture(s) and compliance with the provisions hereof and thereof do not and will not conflict with, breach or violate any law, administrative regulation, court decree, resolution, charter, by-laws or other agreement to which the District is subject or by which it is bound.

(D) Except as may be required under blue sky or other securities law of any state or Section 3(a)(2) of the Securities Act of 1933, there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory authority having jurisdiction over the District required for the issuance and sale of each Series of Notes or the consummation by the District of the other transactions contemplated by this Resolution except those the District shall obtain or perform prior to or upon the issuance of each Series of Notes.

(E) The District has (or will have prior to the issuance of the first Series of Notes) duly and properly adopted a budget for Fiscal Year 2020-21 setting forth expected revenues and expenditures and has (or will have prior to the issuance of the first Series of Notes) complied with all statutory and regulatory requirements with respect to the adoption of such budget. The District hereby covenants that it will (i) duly and properly prepare and adopt its revised or final budget for Fiscal Year 2020-21, (ii) provide to the Authority, the Trustee, the Underwriters and the Municipal Advisor, promptly upon adoption, copies of such revised or final budget and of any subsequent revisions, modifications or amendments thereto and (iii) comply with all applicable law pertaining to its budget.

(F) [FOR TRADITIONAL TRANS NON-STATE CREDIT ISSUERS][The County has experienced an *ad valorem* property tax collection rate of not less than eighty-five percent (85%) of the average aggregate amount of *ad valorem* property taxes levied within the District in each of the five fiscal years from Fiscal Year 2014-15 through Fiscal Year 2018-19, and the District, as of the date of adoption of this Resolution and on the date of issuance of each Series of Notes, reasonably expects the County to have collected and to collect at least eighty-five percent (85%) of such amount for Fiscal Years 2019-20 and 2020-21, respectively.]

(G) The District (i) is not currently in default on any debt obligation, (ii) to the best knowledge of the District, has never defaulted on any debt obligation, and (iii) has never filed, or had filed on its behalf, a petition in bankruptcy.

(H) The District's most recent audited financial statements fairly present the financial condition of the District as of the date thereof and the results of operation for the period covered thereby. Except as has been disclosed to the Underwriters, there has been no change in the financial condition of the District since the date of such audited financial statements that will in the reasonable opinion of the District materially impair its ability to perform its obligations under this Resolution and each Series of Notes. The District agrees to furnish to the Authority, Underwriters, and the Municipal Advisor, promptly, from time to time, such information regarding the operations, financial condition and property of the District as such party may reasonably request.

(I) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, arbitrator, governmental or other board, body or official, pending or, to the best knowledge of the District, threatened against or affecting the District questioning the validity of any proceeding taken or to be taken by the District in connection with each Series of Notes, the Note Purchase Agreement(s), the District Note or this Resolution, or seeking to prohibit, restrain or enjoin the execution, delivery or performance by the District of any of the foregoing, or wherein an unfavorable decision, ruling or finding would have a materially adverse effect on the District's financial condition or results of operations or on the ability of the District to conduct its activities

as presently conducted or as proposed or contemplated to be conducted, or would materially adversely affect the validity or enforceability of, or the authority or ability of the District to perform its obligations under, each Series of Notes, the Note Purchase Agreement(s), the Indenture or this Resolution.

(J) The District will not directly or indirectly amend, supplement, repeal, or waive any portion of this Resolution (i) without the consents of the Authority, the Credit Provider(s), if any, or (ii) in any way that would materially adversely affect the interests of any holder or owner of any Series of the Notes or Pooled Authority Notes, as applicable, issued or executed and delivered in connection with any Series of the Notes; provided, however that, if the CSFA Program is implemented, the District may adopt one or more Supplemental Resolutions without any such consents in order to increase the not-to-exceed Principal Amount in connection with the issuance of one or more Series of Additional Series of District Notes as provided for herein.

(K) Upon issuance of a Series of Notes, such Series of Notes, and this Resolution will constitute the legal, valid and binding agreements of the District, enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy or other laws affecting creditors' rights generally (as applicable), the application of equitable principles, if equitable remedies are sought, the exercise of judicial discretion in appropriate cases and the limitations on legal remedies against school districts, community college districts and county boards of education, as applicable, in the State of California.

(1) The District acknowledges that pursuant to Senate Bill 820, codified as California Education Code Section 17199.15, notwithstanding any other law, if any bonds or notes that were issued for purposes of borrowing pursuant to paragraph (3) of subdivision (a) of California Education Code Section 17199.1 to fund several financings of working capital for several participating parties under a single resolution remain outstanding, each participating party for which those bonds were issued is ineligible to be a debtor in a case under Chapter 9 of the United States Bankruptcy Code (Chapter 9 (commencing with Section 901) of Title 11 of the United States Code), as that chapter may be amended from time to time, and no governmental officer or organization is or may be empowered to authorize a participating party to be a debtor under that chapter.

(L) It is hereby covenanted and warranted by the District that all representations and recitals contained in this Resolution are true and correct, and that the District and its appropriate officials have duly taken, or will take, all proceedings necessary to be taken by them, if any, for the levy, receipt, collection and enforcement of the Pledged Revenues in accordance with law for carrying out the provisions of this Resolution and each Series of Notes.

(M) The District shall not incur any indebtedness that is not issued in connection with the CSFA Program under this Resolution and that is secured by a pledge of its Unrestricted Revenues for fiscal year 2020-21.

(N) So long as any Series of Pooled Authority Notes executed or issued in connection with a Series of District Notes are Outstanding, the District will not create or suffer to be created any pledge of or lien on such Series of District Notes other than the pledge and lien of the Indenture.



(O) As of the date of adoption of this Resolution, based on the most recent report prepared by the Superintendent of Public Instruction of the State of California, the District does not have a negative certification (or except as disclosed in writing to the Underwriters, a qualified certification) applicable to the fiscal year ending June 30, 2020 (“**Fiscal Year 2019-20**”) or June 30, 2021 (“**Fiscal Year 2020-21**”) (within the meaning of Section 42133 of the California Education Code). The District covenants that it will immediately deliver a written notice to the Authority, the Underwriters, the Municipal Advisor, and Bond Counsel if it (or, in the case of County Boards of Education, the County Superintendent of Schools) files with the County Superintendent of Schools, the County Board of Education or the State Superintendent of Public Instruction or receives from the County Superintendent of Schools or the State Superintendent of Public Instruction a qualified or negative certification applicable to Fiscal Year 2019-2020 or Fiscal Year 2020-21 prior to the respective Closing Date referenced in each Confirmation of Pricing or the Maturity Date of each Series of Notes.

(P) The District will maintain a positive general fund balance in Fiscal Year 2020-21.

(Q) The District will maintain an investment policy consistent with the policy set forth above.

(R) The District covenants that it will immediately deliver a written notice to the Authority, the Underwriters, the Municipal Advisor and Bond Counsel upon the occurrence of any event which constitutes an Event of Default hereunder or would constitute an Event of Default but for the requirement that notice be given, or time elapse, or both.

#### Section 16. Tax Covenants.

(A) The District will not take any action or fail to take any action if such action or failure to take such action would adversely affect the federal income tax exclusion from gross income of the interest payable on each Series of Authority Notes that make up the “issue” (as defined in Section 1.150-1(c) of the Treasury Regulations) of Authority Notes that purport to be Tax-Exempt (hereinafter, a “Tax-Exempt Issue”). Without limiting the generality of the foregoing, the District will not make any use of the proceeds of any District Notes or any other funds of the District that would cause any Tax-Exempt Issue to be an “arbitrage bond” within the meaning of Section 148 of the Code, a “private activity bond” within the meaning of Section 141(a) of the Code, or an obligation the interest on which is subject to federal income taxation because it is “federally guaranteed” as provided in Section 149(b) of the Code.

(B) In the event the District is deemed a Large Issuer (as defined above) with respect to a Tax-Exempt Series of Authority Notes, this subsection (B) shall apply. The District covenants that it shall determine, pursuant to the District Tax Certificate, whether all of the proceeds of the District Notes are treated as “spent” for purposes of the Arbitrage Regulations, and shall, to the extent advised by the Authority following calculations performed by the Authority’s arbitrage rebate consultant, segregate and set aside from lawfully available sources the amount such calculations may indicate may be required to be paid to the United States Treasury, and shall otherwise at all times do and perform all acts and things necessary and within its power and authority, including complying with the instructions of Bond Counsel referred to herein to assure Authority compliance with the Rebate Requirements.

(C) Notwithstanding any other provision of this Resolution to the contrary, upon the District's failure to observe, or refusal to comply with, the covenants contained in this Section, no one other than the holders or former holders of each Tax-Exempt Series of Notes (or any Tax-Exempt Series of Pooled Authority Notes related thereto), the Authority Note owners, as applicable, the Credit Provider(s), if any, or the Trustee on their behalf shall be entitled to exercise any right or remedy under this Resolution on the basis of the District's failure to observe, or refusal to comply with, such covenants. The District further recognizes that its noncompliance with the covenants contained in this Section could cause interest on an entire Series of Authority Notes only a portion of which is allocable to the District Notes, or on an entire "issue" (as defined in Section 1.150-1(c) of the Treasury Regulations) of Authority Notes only a portion of which is allocable to the District Notes, to become included in the gross income for federal income tax purposes of the owners of such Series of Authority Notes or such "issue" (as so defined) of Authority Notes.

(D) With adequate lead time, the District shall provide to the Municipal Advisor and Bond Counsel the monthly cash-flows for its 2019-20 fiscal year, for its 2020-21 fiscal year (using estimates for months as to which the District's "books" have not yet been closed) and, to the extent possible, and particularly where the District reasonably expects its "maximum anticipated cumulative cash flow deficit" ("MACCFD") to occur after the close of its 2020-21 fiscal year, monthly cash-flows for the 2021-22 fiscal year, the last of which month ends after the expected date of the District's MACCFD. The District shall cooperate with the Municipal Advisor and Bond Counsel in their review of the District's MACCFD, in order to promote efficiency and accuracy given the anticipated number of participants in the CSFA Notes.

(E) The District shall certify, in the District Tax Certificate (or other similar document) the District is requested by CSFA and Bond Counsel to sign prior to the issuance of the CSFA Notes, its MACCFD, which shall be based on the District's reasonably expected cash-flows for the remaining months of the 2020-21 fiscal year and, as applicable, several months of the 2021-22 fiscal year. The District shall represent in the District Tax Certificate that it understands the basic methodology under which the MACCFD is calculated, including the rules governing when proceeds the District derives from the issuance of its District Note are treated as "spent" for federal income tax purposes.

(F) The District shall report to CSFA, not more than 45 days after the District expected to reach its MACCFD, whether in fact, absent proceeds the District derives from the issuance of its District Note, it has reached its MACCFD. Such reporting shall be done through a form that will be an exhibit to the District Tax Certificate. In the event the District has not reached its MACCFD, the District shall cooperate with CSFA, CSFA's arbitrage rebate consultant and Bond Counsel (as needed) in such consultant's calculation of the amount of arbitrage rebate liability, if any, owed by CSFA to the U.S. Department of the Treasury. The District understands that CSFA, based on such calculations, may allocate a portion of CSFA's arbitrage rebate liability to the District based on the District's cash-flows. The District agrees to pay or reimburse CSFA for such allocable share of CSFA's arbitrage rebate liability and CSFA's expense associated with the calculation of arbitrage rebate liability.

(G) The covenants contained in this Section shall survive the payment of all Series of the Notes.

Section 17. Events of Default and Remedies.

If any of the following events occurs, it is hereby defined as and declared to be and to constitute an “**Event of Default:**”

(A) Failure by the District to make or cause to be made the deposits to any Payment Account required to be made hereunder on or before the fifteenth (15th) day after the date on which such deposit is due and payable, or failure by the District to make or cause to be made any other payment required to be paid hereunder on or before the date on which such payment is due and payable;

(B) Failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Resolution, for a period of fifteen (15) days after written notice, specifying such failure and requesting that it be remedied, is given to the District by the Trustee, unless the Trustee shall agree in writing to an extension of such time prior to its expiration;

(C) Any warranty, representation or other statement by or on behalf of the District contained in this Resolution or the Note Purchase Agreement(s) (including the Confirmation(s) of Pricing), or in any requisition delivered by the District or in any instrument furnished in compliance with or in reference to this Resolution or the Note Purchase Agreement(s), or in connection with any Series of the Notes, is false or misleading in any material respect;

(D) Any event of default constituting a payment default occurs in connection with any other bonds, notes or other outstanding debt of the District; and

(E) An “Event of Default” under the terms of the resolution, if any, of the County providing for the issuance of the Notes (and any Series thereof).

Whenever any Event of Default referred to in this Section shall have happened and be continuing, subject to the provisions of Section 20 hereof, the Trustee shall, in addition to any other remedies provided herein or by law or under the Indenture have the right, at its option without any further demand or notice, to take one or any combination of the following remedial steps:

(1) Without declaring any Series of Notes to be immediately due and payable, require the District to pay to the Trustee, for deposit into the applicable Payment Account(s) of the District under the Indenture an amount equal to all of the principal of all Series of Notes and interest thereon to the respective final maturity(ies) of such Series of Notes, plus all other amounts due hereunder, and upon notice to the District the same shall become immediately due and payable by the District without further notice or demand; and

(2) Take whatever other action at law or in equity (except for acceleration of payment on any Series of Notes) which may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce any other of its rights hereunder.

Section 18. Trustee. The Trustee is hereby appointed as paying agent, registrar and authenticating agent for any and all Series of Notes. The District hereby directs and authorizes the

payment by the Trustee of the interest on and principal of any and all Series of Notes when such become due and payable from the corresponding Payment Account held by the Trustee in the name of the District in the manner set forth herein. The District hereby covenants to deposit funds in each such Payment Account at the times and in the amounts specified herein to provide sufficient moneys to pay the principal of and interest on any and all Series of Notes on the day or days on which each such Series matures. Payment of any and all Series of Notes shall be in accordance with the terms of the applicable Series of Notes and this Resolution and any applicable Supplemental Resolution.

The District hereby agrees to maintain the Trustee as paying agent, registrar and authenticating agent of any and all Series of Notes.

The District further agrees to indemnify, to the extent permitted by law and without making any representation as to the enforceability of this covenant, and save the Trustee, its directors, officers, employees and agents harmless against any liabilities which it may incur in the exercise and performance of its powers and duties under the Indenture including but not limited to costs and expenses incurred in defending against any claim or liability, which are not due to its negligence or default.

Section 19. Sale of Notes. Each Series of District Notes shall be sold to the Authority in accordance with the terms of the Note Purchase Agreement applicable to such Series of District Notes, in each case as hereinbefore approved.

Section 20. Subordination. (a) Anything in this Resolution to the contrary notwithstanding, the indebtedness evidenced by each Series of Subordinate Notes shall be subordinated and junior in right of payment, to the extent and in the manner hereinafter set forth, to all principal of, premium, if any, and interest on each Series of Senior Notes and any refinancings, refundings, deferrals, renewals, modifications or extensions thereof.

In the event of (1) any insolvency, bankruptcy, receivership, liquidation, reorganization, readjustment, composition or other similar proceeding relating to the District or its property, (2) any proceeding for the liquidation, dissolution or other winding-up of the District, voluntary or involuntary, and whether or not involving insolvency or bankruptcy proceedings, (3) any assignment for the benefit of creditors, or (4) any distribution, division, marshalling or application of any of the properties or assets of the District or the proceeds thereof to creditors, voluntary or involuntary, and whether or not involving legal proceedings, then and in any such event, payment shall be made to the parties and in the priority set forth in Section 11(G) hereof, and each party of a higher priority shall first be paid in full before any payment or distribution of any character, whether in cash, securities or other property shall be made in respect of any party of a lower priority.

Notwithstanding any other provision of this Resolution, the terms of this Section shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any Series of Senior Notes is rescinded, annulled or must otherwise be returned by any holder of Series of Senior Notes or such holder's representative, upon the insolvency, bankruptcy or reorganization of the District or otherwise, all as though such payment has not been made.

The terms of this Section, the subordination effected hereby and the rights of the holders of the Series of Senior Notes shall not be affected by (a) any amendment of or addition or supplement to any Series of Senior Notes or any instrument or agreement relating thereto, including without limitation, this Resolution, (b) any exercise or non-exercise of any right, power or remedy under or in respect of any Series of Senior Notes or any instrument or agreement relating thereto, or (c) any waiver, consent, release, indulgence, extension, renewal, modification, delay or other action, inaction or omission, in respect of any Series of Senior Notes or any instrument or agreement relating thereto or any security therefor or guaranty thereof, whether or not any holder of any Series of Subordinate Notes shall have had notice or knowledge of any of the foregoing.

In the event that a Series of Additional Subordinate Notes is further subordinated in the applicable Confirmation of Pricing, at the time of issuance thereof, to all previously issued Series of Subordinate Notes of the District, the provisions of this Section relating to Series of Senior Notes shall be applicable to such previously issued Series of Subordinate Notes and the provisions of this Section relating to Series of Subordinate Notes shall be applicable to such Series of Additional Subordinate Notes.

Section 21. Continuing Disclosure Undertaking. [THIS CONTINUING DISCLOSURE SECTION SHALL APPLY TO NON STATE-CREDIT ISSUERS, AS APPLICABLE]

(A) The District covenants to report to the Authority and the State Treasurer, as dissemination agent to the Authority (the “**Dissemination Agent**”), the occurrences of the events described in paragraphs (A)(1)j. and (A)(2)h. below, within five business days of such occurrence in order to assist the Authority with its continuing disclosure obligations set forth below with respect to the Authority Notes and the related Series of District Notes. The District shall promptly provide the Authority and the Dissemination Agent with a notice of such occurrence which the Dissemination Agent agrees to file with the Municipal Securities Rulemaking Board. The Authority shall, for the sole benefit of the owners of each Series of Authority Notes and the related Series of District Notes (and, to the extent specified in this Section, the beneficial owners thereof):

(1) Provide in a timely manner not later than ten business days after the occurrence of the event, through the Dissemination Agent, to the Municipal Securities Rulemaking Board, notice of any of the following events with respect to an outstanding Series of Notes of the District:

- a. Principal and interest payment delinquencies on such Series of Notes and the related Series of Authority Notes;
- b. Unscheduled draws on debt service reserves reflecting financial difficulties;
- c. Unscheduled draws on credit enhancements reflecting financial difficulties;
- d. Substitution of credit or liquidity providers, or their failure to perform;

- e. Adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);
- f. Tender offers;
- g. Defeasances;
- h. Rating changes; or
- i. Bankruptcy, insolvency, receivership or similar event of the obligated person.

For the purposes of the event identified in subsection i., the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

- j. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation (as defined herein) of the District, any of which reflect financial difficulties.

(2) Provide in a timely manner not later than ten business days after the occurrence of the event, through the Dissemination Agent, to the Municipal Securities Rulemaking Board, notice of any of the following events with respect to an outstanding Series of Notes of the District, if material:

- a. Unless described in subsection (A)(1)e., other material notices or determinations by the Internal Revenue Service with respect to the tax status of such Series of Notes and the related Series of Authority Notes or other material events affecting the tax status of such Series of Notes and the related Series of Authority Notes;
- b. Modifications to rights of owners and beneficial owners of the Series of Authority Notes which evidence and represent such Series of Notes;
- c. Optional, contingent or unscheduled bond calls;

- d. Release, substitution or sale of property securing repayment of such Series of Notes;
- e. Non-payment related defaults;
- f. The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
- g. Appointment of a successor or additional Trustee or the change of name of a Trustee; or
- h. Incurrence of a Financial Obligation of the District (as defined herein), or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect security holders.

For the purposes of the events listed as (1)j. and (2)h., the term “Financial Obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Whenever the District obtains knowledge of the occurrence of an event described in subsection (A)(2)h. of this Section, the District shall determine if such event would be material under applicable federal securities laws. The Authority and the Dissemination Agent shall have no responsibility for such determination and shall be entitled to conclusively rely upon the District’s determination.

If the District learns of the occurrence of an event described in subsection (A)(1)j. of this Section, or determines that the occurrence of an event described in subsection (A)(2)h. of this Section would be material under applicable federal securities laws, the District shall promptly within five business days provide the Authority and the Dissemination Agent with a notice of such occurrence which the Dissemination Agent agrees to file with the Municipal Securities Rulemaking Board.

All documents provided to the Municipal Securities Rulemaking Board shall be provided in an electronic format, as prescribed by the Municipal Securities Rulemaking Board, and shall be accompanied by identifying information, as prescribed by the Municipal Securities Rulemaking Board.

(B) In the event of a failure of the District to comply with any provision of this Section, any owner or beneficial owner of the related Series of Authority Notes may take such actions as



may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section. A default under this Section shall not be deemed an Event of Default under Section 17 hereof, and the sole remedy under this Section in the event of any failure of the District to comply with this Section shall be an action to compel performance.

(C) For the purposes of this Section, a “beneficial owner” shall mean any person which has the power, directly or indirectly, to make investment decisions concerning ownership of any Authority Notes of the Series related to such Series of District Notes (including persons holding Authority Notes through nominees, depositories or other intermediaries).

(D) The District’s obligations under this Section shall terminate upon the legal defeasance, prior redemption or payment in full of its Note. If such termination occurs prior to the final maturity of the related Series of Authority Notes, the District shall give notice of such termination in the same manner as for a listed event under subsection (A)(1) of this Section.

(E) The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Section. In no event shall the Dissemination Agent be responsible for preparing any notice or report or for filing any notice or report which it has not received in a timely manner and in a format suitable for reporting. Nothing in this Section shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Section or any other means of communication, or including any other notice of occurrence of a listed event under subsection (A)(1) or (A)(2) of this Section (each, a “**Listed Event**”), in addition to that which is required by this Section. If the District chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Section, the District shall have no obligation under this Section to update such information or include it in any future notice of occurrence of a Listed Event.

(F) Notwithstanding any other provision of this Resolution, the District with the consent of the Dissemination Agent and notice to the Authority may amend this Section, and any provision of this Section may be waived, provided that the following conditions are satisfied:

(1) If the amendment or waiver relates to the provisions of subsection (A) of this Section, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the applicable Series of Notes and the related Series of Authority Notes, or the type of business conducted;

(2) The undertaking, as amended or taking into account such waiver, would in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the applicable Series of Notes and the related Series of Authority Notes, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(3) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the owners or beneficial owners of the

related Authority Notes. In the event of any amendment or waiver of a provision of this Section, notice of such change shall be given in the same manner as for an event listed under subsection (A)(1) of this Section, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver; provided, however, the District shall be responsible for preparing such narrative explanation.

(G) The Dissemination Agent shall have only such duties as are specifically set forth in this Section. The Dissemination Agent shall not be liable for the exercise of any of its rights hereunder or for the performance of any of its obligations hereunder or for anything whatsoever hereunder, except only for its own willful misconduct or gross negligence. Absent gross negligence or willful misconduct, the Dissemination Agent shall not be liable for an error of judgment. No provision hereof shall require the Dissemination Agent to expend or risk its own funds or otherwise incur any financial or other liability or risk in the performance of any of its obligations hereunder, or in the exercise of any of its rights hereunder, if such funds or adequate indemnity against such risk or liability is not reasonably assured to it. The District hereby agrees to compensate the Dissemination Agent for its reasonable fees in connection with its services hereunder, but only from the District's share of the costs of issuance deposited in the Costs of Issuance Fund held and invested by the Trustee under the Indenture.

(H) This Section shall inure solely to the benefit of the District, the Dissemination Agent, the Underwriters, and owners and beneficial owners from time to time of the Authority Notes, and shall create no rights in any other person or entity.

Section 22. Approval of Actions. The aforementioned officers of the County or the District, as applicable, are hereby authorized and directed to execute each Series of Notes and to cause the Trustee to authenticate and accept delivery of each Series of Notes pursuant to the terms and conditions of the applicable Note Purchase Agreement and Indenture. All actions heretofore taken by the officers and agents of the County, the District or this Board with respect to the sale and issuance of the Notes and participation in the CSFA Program are hereby approved, confirmed and ratified and the officers and agents of the County and the officers of the District are hereby authorized and directed, for and in the name and on behalf of the District, to do any and all things and take any and all actions and execute any and all certificates, requisitions, agreements, notices, consents, and other documents, including tax certificates, letters of representations to the securities depository, investment contracts (or side letters or agreements thereto), other or additional municipal insurance policies or credit enhancements or credit agreements (including mutual insurance agreements) or insurance commitment letters, if any, and closing certificates, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of each Series of Notes, execution or issuance and delivery of the corresponding Series of Authority Notes, and investment of the proceeds thereof, in accordance with, and related transactions contemplated by, this Resolution. The officers of the District referred to above in Section 4 hereof, and the officers of the County referred to above in Section 12 hereof, are hereby designated as "Authorized District Representatives" under the Indenture.

(A) If the name of the District indicated on page 1 hereof is not the correct legal name of the District that adopted this Resolution, then it shall nevertheless be deemed to refer to the District that adopted this Resolution, and the name of the District indicated on page 1 hereof shall

be treated as the correct legal name of said District for all purposes in connection with the CSFA Program.

(B) This Board hereby approves the execution and delivery of any and all agreements, documents, certificates and instruments referred to herein with electronic signatures under the California Uniform Electronic Transactions Act and digital signatures under Section 16.5 of the Government Code.

Section 23. Proceedings Constitute Contract. The provisions of each Series of Notes and of this Resolution shall constitute a contract between the District and the registered owner of such Series of Notes, the registered owners of the Series of Authority Notes to which such Series of Notes is related and such provisions shall be enforceable by mandamus or any other appropriate suit, action or proceeding at law or in equity in any court of competent jurisdiction, and shall be irrevocable.

Section 24. Limited Liability. Notwithstanding anything to the contrary contained herein or in any Series of Notes or in any other document mentioned herein or related to any Series of Notes or to any Series of Authority Notes to which such Series of Notes may be related, the District shall not have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby except to the extent payable from moneys available therefor as set forth in Section 11 hereof, District officers shall not be personally liable for the payment of any Note or any other obligation of the District hereunder and the County is not liable for payment of any Note or any other obligation of the District hereunder.

Section 25. Severability. In the event any provision of this Resolution shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 26. Submittal of Resolution to County. The Secretary or Clerk of the Board of the District is hereby directed to submit one certified copy each of this Resolution to the Clerk of the Board of Supervisors of the County, to the Treasurer of the County and to the County Superintendent of Schools.

[Remainder of page intentionally left blank.]

ADOPTED, SIGNED AND APPROVED this 16th day of December, 2020, by the governing board of the Willits Unified School District at a regularly scheduled meeting held in Willits, California, at a location freely accessible to the public, or held remotely pursuant to Executive Order of the Governor, and in order to adhere as closely as possible to the orders of the health officials on behalf of the County, with remote access available to the public, by the following roll-call vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: \_\_\_\_\_

**WILLITS UNIFIED SCHOOL DISTRICT**

By: \_\_\_\_\_

President of the Board

Attest:

By: \_\_\_\_\_

Clerk of the Board

EXHIBIT A  
FORM OF NOTE

R-1

\$ \_\_\_\_\_

WILLITS UNIFIED SCHOOL DISTRICT

MENDOCINO COUNTY, CALIFORNIA

2020-2021 TAX AND REVENUE ANTICIPATION NOTE SERIES \_\_\_\_

Date of  
Original Issue

REGISTERED OWNER: U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE

SERIES PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

| Interest Rate                                    |                                                  | Maturity Date                                    |                                                  |                                                  |
|--------------------------------------------------|--------------------------------------------------|--------------------------------------------------|--------------------------------------------------|--------------------------------------------------|
| ____%                                            |                                                  | _____, 2021                                      |                                                  |                                                  |
| First Repayment Period                           | Second Repayment Period                          | Third Repayment Period                           | Fourth Repayment Period                          | Fifth Repayment Period                           |
| [__% of total] [\$____]<br>[principal][interest] | [__% of total] [\$____]<br>[principal][interest] | [__% of total] [\$____]<br>[principal][interest] | [__% of total] [\$____]<br>[principal][interest] | [__% of total] [\$____]<br>[principal][interest] |
| [principal and interest]<br>due at maturity      | [principal and interest] due<br>at maturity      | [principal and interest]<br>due at maturity      | [principal and interest]<br>due at maturity      | [principal and interest]<br>due at maturity      |

FOR VALUE RECEIVED, the District designated above (the "District"), located in the County designated above (the "County"), acknowledges itself indebted to and promises to pay on the maturity date specified above to the registered owner identified above, or registered assigns, the principal amount specified above, together with interest thereon from the date hereof until the principal amount shall have been paid, payable [on \_\_\_\_\_ 1, 20 and] on the maturity date specified above in lawful money of the United States of America, at the rate of interest specified above (the "Note Rate"). Principal of and interest on this Note are payable in such currency of the United States as at the time of payment is legal tender for payment of private and public debts, such principal and interest to be paid upon surrender hereof at the principal corporate trust office of U.S. Bank National Association in San Francisco, California, or its successor in trust (the "Trustee"). Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30-day months, in like lawful money from the date hereof until the maturity date specified above and, if funds are not provided for payment at the maturity, thereafter on the basis of a 360-day year for actual days elapsed until payment in full of said principal sum. Both the principal of and interest on this Note shall be payable only to the registered owner hereof upon surrender of this Note as the same shall fall due; provided, however, no interest shall be payable for any period after maturity during which the holder hereof fails to properly present this Note for payment. If the District fails to pay interest on this Note on any interest payment date or to pay the principal of or interest on this Note on the maturity date to pay all or a portion of the principal of and interest on this Note on the date of such payment, this Note shall become a Defaulted Note (as defined and with the consequences set forth in the Resolution).

[IF ISSUED BY DISTRICT] [It is hereby certified, recited and declared that this Note (the "Note") represents an authorized issue of the Note in the aggregate principal amount authorized, executed and delivered pursuant to and by authority of a resolution of the governing board of the District duly passed and adopted heretofore, under and by authority of Article 7.6 (commencing with Section 53850) of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code (the "Resolution"), to all of the provisions and limitations of which the owner of this Note, by acceptance hereof, assents and agrees. Pursuant to and as more particularly provided in the Resolution, Additional Series of District Notes may be issued by the District secured by a lien on a parity with the lien securing this Note.]

[IF ISSUED BY COUNTY] [It is hereby certified, recited and declared that this Note (the "Note") represents an authorized issue of the Note in the aggregate principal amount authorized, executed and delivered pursuant to and by authority of certain resolutions of the governing boards of the District and the County duly passed and adopted heretofore, under and by authority of Article 7.6 (commencing with Section 53850) of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code (collectively, the "Resolution"), to all of the provisions and limitations of which the owner of this Note, by acceptance hereof, assents and agrees. Pursuant to and as more particularly provided in the Resolution, Additional Series of District Notes may be issued by the District secured by a lien on a parity with the lien securing this Note.]

The term "Unrestricted Revenues" means the taxes, income, revenue, cash receipts and other moneys provided for Fiscal Year 2020-21 which will be received by or will accrue to the District during such fiscal year for the general fund, including Deferral Amounts (as defined in the Resolution) of the District and which are lawfully available for the payment of current expenses and other obligations of the District. As security for the payment of the principal of and interest on the Note, subject to the payment priority provisions contained in the Resolution, the District has pledged [Deferral Amounts from Funds Subject to Appropriation, and at its option,] the first Unrestricted Revenues of the District received in the Repayment Periods set forth on the face hereof in an amount equal to the corresponding percentages of principal of, and [in the final Repayment Period,] interest due on, the Note at maturity set forth on the face hereof (such pledged amounts being hereinafter called the "Pledged Revenues"). As provided in Section 53856 of the California Government Code, subject to the payment priority provisions contained in the Resolution, the Note and the interest thereon shall be a first lien and charge against, and shall be payable from the first moneys received by the District from, the Pledged Revenues[, on a parity with the lien and charge securing the District Parity Existing Indebtedness]. As provided in Section 53857 of the California Government Code, notwithstanding the provisions of Section 53856 of the California Government Code and the foregoing, the Note shall be a general obligation of the District and, in the event that on [the tenth business day of each such Repayment Period], the District has not received sufficient Unrestricted Revenues to permit the deposit into the payment account established for the Note of the full amount of Pledged Revenues to be deposited therein from said Unrestricted Revenues in such Repayment Period as provided in the Resolution, then the amount of any deficiency shall be satisfied and made up from any other moneys of the District lawfully available for the payment of the principal of the Note and the interest thereon, as and when such other moneys are received or are otherwise legally available, as set forth in the Resolution and subject to the payment priority provisions contained therein. The full faith and credit of the District is not pledged to the payment of the principal of or interest on this Note. The County is not liable for payment of this Note.

This Note is transferable, as provided by the Resolution, only upon the books of the District kept at the office of the Trustee, by the registered owner hereof in person or by its duly authorized attorney, upon surrender of this Note for transfer at the office of the Trustee, duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the registered owner hereof or its duly authorized attorney, and upon payment of any tax, fee or other governmental charge required to be paid with respect to such transfer, a fully registered Note will be issued to the designated transferee or transferees.

The [County, the] District and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and [the County,] the District and the Trustee shall not be affected by any notice to the contrary.

This Note shall not be valid or become obligatory for any purpose until the Certificate of Authentication and Registration hereon shall have been signed by the Trustee.

It is hereby certified that all of the conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of California and that the amount of this Note, together with all other indebtedness of the District, does not exceed any limit prescribed by the Constitution or statutes of the State of California.

[IF ISSUED BY COUNTY] [IN WITNESS WHEREOF, the Board of Supervisors of the County has caused this Note to be executed by the manual, electronic or facsimile signature of a duly authorized officer of the County and countersigned by the manual, electronic or facsimile signature of its duly authorized officer and caused its official seal to be affixed hereto either manually or by facsimile impression hereon as of the date of authentication set forth below.]



**EXHIBIT B**  
**FORM OF INTERCEPT NOTICE**

**Notice to the State Controller Pursuant to Education Code Section 17199.4**

\_\_\_\_\_, 2021

Re: California School Finance Authority State Aid Intercept Notes (Fiscal Year 2020-21 School and Community College District Deferrals), 2021 Series A (the "Notes")

WHEREAS, Willits Unified School District, a California school district (the "Participant"), has issued its Tax and Revenue Anticipation Notes, 2021 Series A (the "District Note"), pursuant to a resolution (the "Resolution"), adopted by its governing board on [December 16, 2020].

WHEREAS, the Participant has elected to have amounts due to be paid under its District Notes pledged to the repayment of the Notes, pursuant to the terms of that certain Indenture, dated as of March 1, 2021 (the "Indenture"), by and between the California School Finance Authority (the "Authority") and U.S. Bank National Association, as trustee (the "Trustee"); and

WHEREAS, the Authority has issued the Notes to fund its purchase of the District Notes and the 2020-21 tax and revenue anticipation notes of certain other California school and community college districts and county offices of education;

NOW THEREFORE, NOTICE IS HEREBY GIVEN PURSUANT TO SECTION 17199.4(c)(2) OF THE EDUCATION CODE OF THE STATE OF CALIFORNIA TO THE STATE CONTROLLER OF THE STATE OF CALIFORNIA (the "CONTROLLER"), that:

1. The governing board of the Participant has elected, pursuant to a resolution adopted on [December 16, 2020] and Section 17199.4(c)(1) of the Education Code of the State of California (the "Education Code"), to participate under Section 17199.4 of the Education Code, as described therein, and to direct the Controller to make transfers during the "Repayment Periods" and in the amounts (or such lesser amounts as are available to transfer) in the "Total Intercept" column set forth on Schedule I attached hereto, directly to the Trustee indicated in Section 3 hereto. If the amount available to the Controller to be transferred on any transfer date is less than the amount in the "Total Intercept" column set forth on Schedule I attached hereto, then the amount of such deficiency (each, a "Shortfall") shall be carried forward to the following Repayment Period, during which the amount set forth in the Total Intercept column shall be increased by the amount of the Shortfall and transferred to the Trustee. If in such subsequent Repayment Period, these actions result in an additional Shortfall for the next succeeding Repayment Period, such Shortfall shall be added to subsequent transfers until no Shortfall remains.

2. The Participant hereby authorizes the Authority to provide a revised Schedule I to the Controller in the event of any Change in State Law, as defined in the Memorandum of Understanding (the "MOU"), by and among the Authority, the Controller and the California Department of Education, dated as of March 1, 2021, that causes a change in the timing of receipt

or amount of the Participant's Deferral Amounts (as defined in the MOU) during any Repayment Period.

3. The Participant hereby represents and certifies that all of the payments described in Schedule I hereto, summarized as the Total Intercept, are being made in support of the Participant's working capital loan from the Authority, evidenced by its District Notes, in accordance with Section 17199.4(a) of the Education Code, that the amount stated as the Total Intercept is not in excess of the actual payment obligations due under the District Notes, and that it is not submitting this notice for the purpose of accelerating the Participant's receipt of apportionments under Section 42238.02 of the Education Code, as required under Section 17199.4(d) of the Education Code. These representations and certifications extend to the terms of any revised Schedule I provided to the Controller under Section 2 hereof.

4. Transfers pursuant to Section 1 above shall be paid by wire transfer of immediately available funds to:

Bank: U.S. Bank, N.A.  
ABA#: 091000022  
FBO: U.S. Bank Trust National Association  
Account #: 180121167365  
Reference: CSFA 2020-2021 TRANS

[Remainder of page intentionally left blank]

District: Willits Unified School District

Address: 1277 Blosser Lane  
Willits, CA 95490

County: Mendocino

Executed and entered into on the Date set forth on Page 1 of the District's "NOTICE TO THE STATE CONTROLLER PURSUANT TO EDUCATION CODE SECTION 17199.4" attached hereto and incorporated herein.

Willits Unified School District

By \_\_\_\_\_

Name: Nikki Agenbroad

Title: Director of Fiscal Services

[Signature Page to Intercept Notice]

[Notice to the State Controller Pursuant to Education Code Section 17199.4]

**Schedule I**

**Intercept Payment Amounts and Repayment Periods**

| <b><u>Repayment<br/>Periods</u></b> | <b><u>Payment<br/>Amounts</u></b> |
|-------------------------------------|-----------------------------------|
|-------------------------------------|-----------------------------------|

**Total**

**EXHIBIT B**

**(Continued)**

**EFT FORM**

STATE OF CALIFORNIA  
**STATE CONTROLLER'S OFFICE**  
 ELECTRONIC FUNDS TRANSFER AUTHORIZATION  
 FAM 34 (Rev. 11/19)

**SECTION A**

|                                                                                                                                                                                          |                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| 1. TYPE OF ENROLLMENT ACTION<br>1. <input type="checkbox"/> NEW<br>2. <input type="checkbox"/> CHANGE<br>3. <input type="checkbox"/> CERTIFICATION<br>4. <input type="checkbox"/> CANCEL | 2. ENTITY NAME |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|

**SECTION B**

|                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. TYPE OF ACCOUNT<br><input type="checkbox"/> C (Checking) <input type="checkbox"/> S (Savings)                                                                                                                                       |                                                                                                                                                                                                                                                  |
| 2. ROUTING NUMBER<br><input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> | 3. DEPOSITOR ACCOUNT NUMBER<br><input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> |
| 4. FINANCIAL INSTITUTION NAME<br><input type="text"/>                                                                                                                                                                                  |                                                                                                                                                                                                                                                  |
| 5. BRANCH NUMBER OR NAME<br><input type="text"/>                                                                                                                                                                                       | Telephone Number<br><input type="text"/>                                                                                                                                                                                                         |
| 6. FINANCIAL INSTITUTION ADDRESS<br><input type="text"/>                                                                                                                                                                               | Number and Street      City      State      Zip<br><input type="text"/>                                                                                                                                                                          |

**SECTION C**

|                                                                                                                                                                                                                                                                                                  |                                            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| 1. CHECK APPROPRIATE BOX<br><br><input type="checkbox"/> Authorize direct deposit of payments due the entity named in Section A into the designated account.<br><br><input type="checkbox"/> Cancel direct deposit for the entity named in Section A.                                            |                                            |
| 2. CERTIFICATION<br><input type="checkbox"/> I certify that the entire amounts authorized to be received by this account are not subject to be transferred to a foreign bank account. If this box is not checked, the State Controller's Office will issue all payments by <u>warrant only</u> . |                                            |
| AUTHORIZED SIGNATURE FOR THE ENTITY NAMED IN SECTION A<br><input type="text"/>                                                                                                                                                                                                                   | PRINT OR TYPE NAME<br><input type="text"/> |
| TELEPHONE NUMBER<br><input type="text"/>                                                                                                                                                                                                                                                         | DATE<br><input type="text"/>               |

**GENERAL INSTRUCTIONS**

- To enroll for direct deposit of payments by the State Controller's Office, complete Sections A, B, and C of this form.
- To change, certify, or cancel your existing direct deposit information, complete Sections A, B, and C of this form.
- Contact your financial institution for your routing number and depositor account number.
- Your direct deposit will continue to be deposited into your designated account at your financial institution until the State Controller's Office is notified that you wish to redesignate your account and/or your financial institution. To redesignate, complete and submit a new form with the new information. **DO NOT CLOSE YOUR OLD ACCOUNT UNTIL YOUR FIRST PAYMENT IS DEPOSITED INTO YOUR NEWLY DESIGNATED ACCOUNT AND/OR FINANCIAL INSTITUTION.**
- This authorization remains in full force and effect until the State Controller's Office receives written notification from the entity of its termination, or until the State Controller's Office terminates the agreement.

Return this completed form to:

State Controller's Office  
 Attn: Local Reimbursements Section  
 Local Government Programs and Services Division  
 3301 C Street, Suite 700  
 Sacramento, CA 95816  
 TEL (916) 322-8733, FAX (916) 323-6527

## EXHIBIT C

### DISTRICT INFORMATION TO BE PROVIDED FOR PRELIMINARY OFFICIAL STATEMENT

\*In the event the District is determined to be a Non State-Credit Issuer, or if the District has District Senior Existing Indebtedness, the District may be asked to provide the following information for inclusion with the form of Preliminary Official Statement:

- Name of District
- Location by city or cities and county
- Number and type of schools operated
- Current approximate ADA/FTES
- Chart of Second Period ADA or FTES during the current (estimated) and past four years
- Statement as to Positive, Qualified or Negative Certificate from County Office of Education (K-12s only)
- Names and numbers of members of each bargaining unit and status regarding term of current contract or negotiations
- General Fund balance sheets, with audited numbers for Fiscal Years 2018-19, unaudited (or audited, if available) for 2019-20 and budgeted numbers for Fiscal Year 2020-21
- Other Post-Employment Benefits (OPEB): describe premiums paid for retirees, eligibility for retirement among employee groups, and total number of retirees currently receiving OPEB.
- Chart of outstanding long-term debt as of June 30, 2020 (or most current available)
- Sources of alternate liquidity
- Cash Flows for 2019-20 and projections for 2020-21



RESOLUTION CERTIFICATE

I, \_\_\_\_\_, Clerk of the Governing Board of Willits Unified School District hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Governing Board of the Willits Unified School District duly and regularly held at the regular meeting place thereof on the 16th day of December, 2020, of which meeting all of the members of said Governing Board had due notice and at which a majority thereof were present; and at said meeting said resolution was adopted by the following vote:

|                |       |     |       |    |       |         |       |        |
|----------------|-------|-----|-------|----|-------|---------|-------|--------|
| Alex Bowlds:   | _____ | Aye | _____ | No | _____ | Abstain | _____ | Absent |
| Dianne McNeal: | _____ | Aye | _____ | No | _____ | Abstain | _____ | Absent |
| Robert Chavez: | _____ | Aye | _____ | No | _____ | Abstain | _____ | Absent |
| Jeanne King:   | _____ | Aye | _____ | No | _____ | Abstain | _____ | Absent |
| Paula Nunez:   | _____ | Aye | _____ | No | _____ | Abstain | _____ | Absent |

An agenda of said meeting was posted at least 72 hours before said meeting at 1277 Blosser Lane, Willits, California, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office; the foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect. The Maximum Amount of Borrowing specified in the foregoing resolution is \$3,000,000.

Dated: December 16, 2020

\_\_\_\_\_  
TBD  
Clerk of the Governing Board  
of Willits Unified School District

**IN WITNESS WHEREOF**, the governing board of the District has caused this Note to be executed by the manual, electronic or facsimile signature of a duly authorized officer of the District and countersigned by the manual, electronic or facsimile signature of its duly authorized officer as of the date of authentication set forth below.

Willits Unified School District

By \_\_\_\_\_  
Name:  
Title: Governing Board President

Countersigned

By \_\_\_\_\_  
Mark Westerburg  
Title: Superintendent

The following named persons are duly elected (or appointed), qualified and acting officers of the District presently holding the offices set forth opposite their respective names below and by execution hereof each certifies that the signatures of the other officers hereto are the genuine signatures of such officers (signatures of the officers executing the Note, the other Documents (as defined herein), and the Resolution Certificate attached to the Resolution must appear below):

| NAME            | OFFICE                      | SIGNATURE |
|-----------------|-----------------------------|-----------|
| _____           | Board President             | _____     |
| Mark Westerburg | Superintendent              | _____     |
| Nikki Agenbroad | Director of Fiscal Services | _____     |
| _____           | Board Clerk                 | _____     |
| _____           | _____                       | _____     |

District: Willits Unified School District

Address: 1277 Blosser Lane  
Willits, CA 95490

County: Mendocino

Executed and entered into on the Purchase Date set forth in Schedule I attached hereto and incorporated herein.

Willits Unified School District

By \_\_\_\_\_

Name: Nikki Agenbroad

Title: Director of Fiscal Services

District: Willits Unified School District

Address: 1277 Blosser Lane  
Willits, CA 95490

County: Mendocino

Executed and entered into on the Date set forth on Page 1 of the District's "NOTICE TO THE STATE CONTROLLER PURSUANT TO EDUCATION CODE SECTION 17199.4" attached hereto and incorporated herein.

Willits Unified School District

By \_\_\_\_\_  
Name: Nikki Agenbroad  
Title: Director of Fiscal Services

[Signature Page to Intercept Notice]

[Notice to the State Controller Pursuant to Education Code Section 17199.4]

**FORM OF REQUISITION FROM PROCEEDS ACCOUNT**

To: U.S. Bank National Association, as Trustee

From: Willits Unified School District

Dated: March \_\_\_, 2021

Re: California School Finance Authority State Aid Intercept Notes (Fiscal Year 2020-21 School and Community College District Deferrals), Series \_\_\_\_ (the "Program")

Requisition No. \_\_\_\_

The undersigned, on behalf of the Willits Unified School District (the "Participant"), hereby requests payment, from the Proceeds Account of the Participant established with respect to the Participant's 2020-21 Tax and Revenue Anticipation Notes, Series [\_\_\_\_], pursuant to the Program, the amount of \$ \_\_\_\_\_ [by wire/check (circle one)] for purposes for which the Participant is authorized to use and expend moneys loaned to it by the Authority under the CSFA Act. If the payment is by wire, please fill in the following information:

**[DISTRICT TO PROVIDE WIRING INSTRUCTIONS TO COUNTY TREASURY POOL WHERE DISTRICT WILL RECEIVE ITS NOTE PROCEEDS]:**

Name of Bank: \_\_\_\_\_

ABA#: \_\_\_\_\_

Account No. \_\_\_\_\_

Reference: \_\_\_\_\_

The undersigned hereby certifies as follows:

1. The amount requisitioned hereby from the Proceeds Account(s) of the Participant does not, as of the date hereof, exceed eighty-five percent (85%) of (a) the uncollected taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts, and other moneys intended as receipts for the general fund of the Participant and attributable to Fiscal Year 2020-21 and which are generally available for the payment of current expenses and other obligations of the Participant (collectively, "unrestricted revenues") less (b) projected uncollectible unrestricted revenues of the Participant attributable to such Fiscal Year.

2. The amount requisitioned hereby is for a purpose for which the Participant is authorized to use and expend funds loaned to it by the Authority under the CSFA Act.

3. The amount requisitioned hereby (if invested under the Investment Agreement) is not being requisitioned for reinvestment in other investments.

4. Other funds of the Participant are not readily available for expenditure for such purpose with respect to any operating draws.

5. The information contained herein is true and correct as of the date of this Requisition.

6. The representations of the Participant set forth in Section 15 of the Resolution of the Participant, providing for the borrowing of funds for Fiscal Year 2020-21 and the issuance and sale of one or more Series of 2020-21 Tax and Revenue Anticipation Notes therefor and authorizing participation in the Program (the "Participant Resolution") are true and correct in all material respects as though made on and as of this date except to the extent that such representations relate to an earlier date.

7. As of the date hereof, no event has occurred and is continuing which constitutes an Event of Default under the Participant Resolution or would constitute an Event of Default but for the requirement that notice be given, or time elapse, or both.

8. As of the date hereof, the Participant has not filed with the County Superintendent of Schools, the County Board of Education or the State Superintendent of Public Instruction, and has not received from the County Superintendent of Schools or the State Superintendent of Public Instruction, (a) a negative certification applicable to Fiscal Year 2019-20 or Fiscal Year 2020-21, or (b) a certification applicable to Fiscal Year 2019-20 or Fiscal Year 2020-21 that is lower than the certification held by the Participant on the date the above-captioned Series of Authority Notes were issued, except that, if such Participant provides a certification from the County Superintendent or State Superintendent of Public Instruction, as applicable, that repayment of such Participant's Note and any Additional Notes is probable is given, moneys may be disbursed if the downgrade is to a qualified certification.

[Remainder of page intentionally left blank.]



District: Willits Unified School District

Address: 1277 Blosser Lane  
Willits, CA 95490

County: Mendocino

Executed and entered into on the Date set forth on Page 1 of the District's "FORM OF REQUISITION FROM PROCEEDS ACCOUNT" attached hereto and incorporated herein.

Willits Unified School District

By \_\_\_\_\_  
Name: Nikki Agenbroad  
Title: Director of Fiscal Services

## **DISTRICT NOTE PURCHASE AGREEMENT**

This Note Purchase Agreement (the "Purchase Agreement"), dated as of the purchase date (the "Purchase Date") specified in Exhibit A attached hereto and made a part hereof (inclusive of Schedule I, "Exhibit A"), entered into by and between each respective signatory school district, community college district or county office of education designated in Exhibit A, a political subdivision (respectively, the "District") of the State of California (the "State"), severally and not jointly, and the California School Finance Authority (the "Authority"), for the sale and delivery of the District's 2020-21 Tax and Revenue Anticipation Notes with the series and priority designations specified in Exhibit A (the "Notes") in the principal amount specified in Exhibit A (the "Series Principal Amount") to be issued in conjunction with certain series of notes of other Issuers (as hereinafter defined) participating in the Program as determined in the Confirmation of Pricing (as hereinafter defined) and pooled with certain series of notes of other Issuers, with the Notes and series of notes of other Issuers assigned to secure one or more series (each a "Series") of notes of the Authority (the "Authority Notes") as designated in Exhibit A;

### **WITNESSETH:**

**WHEREAS**, school districts, community college districts and county boards of education are authorized by Sections 53850 to 53858, both inclusive, of the California Government Code (the "Act") (being Article 7.6, Chapter 4, Part 1, Division 2, Title 5 of the Government Code) to borrow money by the issuance of temporary notes;

**WHEREAS**, the governing board of the District (the "District Board") has heretofore adopted its resolution finding that the District needs to borrow funds in its fiscal year ending June 30, 2021 ("Fiscal Year 2020-21") in the principal amount not to exceed the principal amount set forth in Exhibit A (the "Principal Amount") and that it is desirable that a portion of said sum be borrowed at this time by the issuance of the Notes in the Series Principal Amount in anticipation of the receipt by or accrual to the District during Fiscal Year 2020-21 of taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts and other moneys provided for such fiscal year for the general fund of the District;

**WHEREAS**, on the applicable resolution date and applicable supplemental resolution date, if applicable, set forth in Exhibit A, the District Board and, because the District has not established fiscal accountability status, pursuant to Section 53853 of the Act, the Board of Supervisors of the County specified in Exhibit A, adopted/did not adopt (as specified in Exhibit A) a resolution and, if applicable, a supplemental resolution (collectively or singularly, as applicable, the "Resolution") authorizing the issuance and sale of the Note in the name and on behalf of the District;

**WHEREAS**, the District has determined that it is in the best interests of the District to participate in the California School Finance Authority State Aid Intercept Notes (Fiscal Year 2020-21 School and Community College District Deferrals Program (the "Program"), whereby participating school districts, community college districts and county offices of education (the "Issuers") will simultaneously issue tax and revenue anticipation promissory notes for purchase by the Authority;

**WHEREAS**, from time to time, under the Program, the Authority may form one or more pools of notes (the "Pooled Notes") each comprised of corresponding series of notes of a participating Issuer, and assign each such series of notes to a particular pool (the "Pool") and sell one or more Series of Authority Notes secured by each Pool pursuant to an Indenture and, if applicable, one or more supplements thereto (collectively, the "Indenture") between the Authority and U.S. Bank National Association (the "Trustee"), and sell each such Series of Authority Notes to RBC Capital Markets LLC and Citigroup Global Markets Inc., as co-managers, each as representatives of themselves and certain other underwriters of the Program (the "Underwriters");

**WHEREAS**, the District, by adopting the Resolution and executing this Purchase Agreement, has acknowledged and approved the assignment of its Series of Notes to the particular Pool under the Indenture in connection with the Series of Authority Notes identified in Exhibit A, which assignment has been determined by the Authority in its sole discretion, acting upon the advice of Montague DeRose & Associates, its municipal advisor (the "Municipal Advisor") and the Underwriters;

**WHEREAS**, as indicated in Exhibit A, the payment by the District of its Notes will/will not be secured in whole or in part (jointly, but not severally, with certain series of notes of the other participating Issuers assigned to the same Series of Authority Notes) by virtue or in form of such Series of Authority Notes being secured by a letter of credit, policy of insurance or other credit instrument (collectively, the "Credit Instrument") to be issued in the case of a letter of credit or policy of insurance by the entity or entities designated in Exhibit A as the credit provider (the "Credit Provider");

**WHEREAS**, in the case of a letter of credit or policy of insurance such Credit Instrument will be issued pursuant to a reimbursement or credit agreement or commitment letter (the "Credit Agreement") as identified in Exhibit A;

**WHEREAS**, in order to participate in the Program, the District has agreed to be responsible for its share of the fees and expenses of the Trustee, and, if applicable and upon the determination of the Underwriters, the Credit Provider and the costs of issuing the Series of the Authority Notes, and the costs, if applicable and upon the determination of the Underwriters, of issuing the Credit Instrument, which anticipated fees, expenses and costs of issuance will be deducted from the purchase price set forth in Exhibit A and which unanticipated fees, expenses and costs of issuance will be billed to the District as the same arise;

**WHEREAS**, the costs of issuance which will be deducted from the purchase price set forth in Exhibit A for the District shall not be more than the greater of (a) one percent (1%) of the Series Principal Amount of the Notes, or (b) five thousand dollars (\$5,000), and shall be confirmed in the Confirmation of Pricing applicable to such Notes; and

**WHEREAS**, pursuant to the Program, the Authority is submitting this offer to purchase the Notes pursuant to this Purchase Agreement;

**NOW, THEREFORE**, the parties hereto agree as follows:

**Section 1. Obligation to Purchase.** Upon the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Authority hereby agrees

to purchase from the District, and the District hereby agrees to sell to the Authority, the Notes (as indicated in Exhibit A), as described herein and in the Resolution.

**Section 2. Purchase Price.** The purchase price of the Notes shall be the purchase price set forth in a Confirmation of Pricing supplement to be delivered by the Underwriters on behalf of the Authority to the District on a date within 10 days after actual pricing of such Notes (or such later date as approved by the Underwriters) which, upon execution by the District, shall be attached hereto as Schedule I (the “Confirmation of Pricing”) and incorporated as part of Exhibit A. The Note shall bear interest at an interest rate per annum set forth in the Confirmation of Pricing, which is hereby agreed to by and between the Authority and the District by its duly authorized officer executing this Purchase Agreement on behalf of the District.

**Section 3. Delivery of and Payment for the Notes.** The delivery of the Notes (the “Closing”) shall take place at 8:00 a.m., California time, on the closing date set forth in the Confirmation of Pricing or at such other time or date as may be mutually agreeable to the District, the Authority and the Underwriters, at the Los Angeles offices of Norton Rose Fulbright US LLP or such other place as the District, the Authority and the Underwriters shall mutually agree upon. At the Closing, the District shall cause the Notes to be delivered to the Authority, duly executed and authenticated, together with the other documents hereinafter mentioned, and the proceeds of the purchase price of the Notes set forth in the Confirmation of Pricing shall be deposited (i) in an amount indicated in the Confirmation of Pricing as the Deposit to the Proceeds Account of the District (and attributed to the Notes) held by the Trustee under the Indenture, and (ii) the remainder in the account (attributed to the Notes) in the Costs of Issuance Fund attributed to the Series of Authority Notes held by the Trustee under the Indenture. The District’s Notes shall be made available to the Authority for inspection at least 24 hours prior to Closing.

[FOR NON STATE-CREDIT ISSUERS] If at any time prior to 25 days after the Closing Date, any event occurs as a result of which information relating to the District included in the official statement of the Authority relating to the Series of Authority Notes (the “Official Statement”) contains an untrue statement of a material fact or omits to state any material fact necessary to make the statements therein in light of the circumstances under which they were made, not misleading, the District shall promptly notify the Authority and the Underwriters thereof, and if, in the opinion of the Authority or the Underwriters, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the District will cooperate with the Authority and the Underwriters in the preparation of an amendment or supplement to the Official Statement in a form and in a manner approved by the Authority and the Underwriters, and all reasonable expenses incurred thereby will be paid by the Underwriters.

**Section 4. The Notes.** The Notes shall be issued in registered form, without coupons in the full Series Principal Amount set forth in Exhibit A.

**Section 5. Representations and Warranties of the District.** The District represents and warrants to the Authority, the Underwriters and the Credit Provider, if any, that:

(a) All representations and warranties set forth in the Resolution are true and correct on the date hereof and are made for the benefit of the Authority and the Underwriters as if set forth herein.

(b) A copy of the Resolution has been delivered to the Authority and the Underwriters, and the Resolution will not be amended or repealed without the consent of the Authority and the Underwriters, which consent will not be unreasonably withheld.

(c) The District does not have “fiscal accountability status” within the meaning of Section 42650 of the Education Code of the State of California.

(d) The District has not revised its investment policy to contravene the policy set forth in Section 11(H) of the Resolution.

(e) The District has previously issued the 2020-21 Tax and Revenue Anticipation Notes (the “Prior Notes”), if any, indicated on Schedule I of Exhibit A hereto. Such Prior Notes are outstanding on the date hereof and are senior to, on a parity with or subordinate to the Notes, as indicated on Schedule I. No event of default has occurred and is continuing under the Resolution pursuant to which the Prior Notes were issued. The District is in compliance with all agreements and covenants contained in the Resolution.

**Section 6. Conditions Precedent to the Closing.** Conditions precedent to the Closing are as follows:

(a) The execution and delivery of the Notes consistent with the Resolution.

(b) Delivery of a legal opinion addressed to the District (with a reliance letter addressed to the Authority and the Credit Provider, if any), dated the date of Closing, of Norton Rose Fulbright US LLP (“Bond Counsel”) with respect to the validity of the Notes in form and substance acceptable to the District and its counsel.

(c) [Delivery of a legal opinion addressed to the Authority, the Underwriters and the Credit Provider, if any, dated the date of the Closing, of \_\_\_\_\_, special counsel to the District, regarding due authorization, execution, delivery and validity of the Notes, in form and substance acceptable to the Authority, the Underwriters, the Credit Provider and Bond Counsel.]

(d) If applicable, approval by the Credit Provider of the credit of the District and inclusion of the District’s Note in the assignment, together with certain series of notes of other Issuers, to the Series of Authority Notes to secure such Series of Authority Notes.

(e) Delivery of each certificate, document, instrument and opinion required by the agreement between the Authority and the Underwriters for the sale by the Authority and purchase by the Underwriters of the Series of Authority Notes.

(f) Delivery of such other certificates, instruments or opinions as Bond Counsel may deem necessary or desirable to evidence the due authorization, execution and delivery of documents pertaining to the applicable transaction and the legal, valid and binding nature thereof or as may be required by the Credit Agreement, if any, as well as compliance of all parties with the terms and conditions thereof.

**Section 7. Events Permitting the Authority to Terminate.** The Authority may terminate its obligation to purchase the Notes at any time before the Closing if any of the following occurs:

(a) Any legislative, executive or regulatory action (including the introduction of legislation) or any court decision which, in the judgment of the Underwriter, casts sufficient doubt on the legality of or the tax-exempt status of interest on obligations such as the Series of Authority Notes, so as to materially impair the marketability or to materially reduce the market price of such obligations;

(b) Any action by the Securities and Exchange Commission or a court which would require registration of the Notes, the Series of Authority Notes, or any instrument securing the Note or the Series of Authority Notes under the Securities Act of 1933, as amended, in connection with the public offering thereof, or qualification of the Resolution or the Indenture under the Trust Indenture Act of 1939, as amended; or

(c) Any restriction on trading in securities, or any banking moratorium, or the inception or escalation of any war or major military hostilities which, in the judgment of the Underwriter, substantially impairs the ability of the Underwriters to market the Series of Authority Notes.

(d) The Underwriters terminate their obligation to purchase the Series of Authority Notes pursuant to their agreement with the Authority for the purchase of such Series of Authority Notes.

Neither the Underwriters nor the Authority shall be responsible for the payment of any fees, costs or expenses of the issuance, offering and sale of the District's Notes except the Underwriters shall be responsible for California Debt and Investment Advisory Commission fees and for their own internal costs. The fees, costs and expenses that are categorized in the "Costs of Issuance" definition in the Indenture shall be paid from the applicable account in the Costs of Issuance Fund applicable to the Series of Authority Notes corresponding to the Note. The District shall pay as set forth in the Resolution any additional costs attributable to it other than the fees, costs and expenses so payable from the applicable account in the Costs of Issuance Fund.

**Section 8. Limited Liability.** Notwithstanding anything to the contrary contained herein or in any series of notes or in any other document mentioned herein or related to the Notes or to any Series of Authority Notes to which the Notes are assigned, neither the County nor the District shall have any liability hereunder or by reason hereof or in connection herewith or with the transactions contemplated hereby except to the extent payable from moneys available therefor as set forth in Section 11 of the Resolution of the District.

**Section 9. Credit Agreement.** The District hereby agrees to comply with all lawful and proper requests of the Authority in order to enable the Authority to comply with all of the terms, conditions and covenants binding upon it, if any, under the Credit Agreement, if any, applicable to the Notes.

**Section 10. Default.** If any "Event of Default" under the Resolution shall occur, the District, the Trustee and the Credit Provider, if any, shall take the remedial steps as and to the extent provided in the Resolution, the Indenture and the Credit Agreement.

**Section 11. Notices.** Any notices to be given to the Authority or the Underwriters under the Purchase Agreement shall be given in writing at the addresses set forth in Exhibit A. Any notices to be given to the District shall be given in writing to the address specified in Exhibit A.

**Section 12. No Assignment.** The Purchase Agreement has been made by the District and the Authority, and no person other than the District named in Exhibit A and the Authority or their successors or assigns and the Underwriters shall acquire or have any right under or by virtue of the Purchase Agreement. All of the representations, warranties and agreements contained in the Purchase Agreement shall survive the delivery of and payment by the Authority for the Notes and any termination of the Purchase Agreement.

**Section 13. Applicable Law.** The Purchase Agreement shall be interpreted, governed and enforced in accordance with the laws of the State of California.

**Section 14. Effectiveness.** The Purchase Agreement shall become effective as to the Notes upon the execution hereof and execution of the Confirmation of Pricing applicable to such Notes by the District, and the Purchase Agreement, including the Confirmation of Pricing applicable to such Notes, shall be valid, binding and enforceable as to such Notes from and after the time of such effectiveness.

**Section 15. Severability.** In the event any provision of the Purchase 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.

**Section 16. Execution in Counterparts; Electronic Signatures and Electronic Records.** The Purchase Agreement may be executed and entered into in several counterparts, including counterparts that are manually executed and counterparts that are executed with an electronic signature, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument; provided, however, that each signatory District shall be bound severally and only by and to the extent of the terms of Exhibit A applicable to such District, as incorporated herein. The person associated with any such signature shall be deemed to have had the intent to sign this Purchase Agreement with an electronic signature and agrees that execution of this Purchase Agreement by electronic signature is attributable to such person. All parties executing this Purchase Agreement expressly agree under the California Uniform Electronic Transactions Act (“UETA”) (California Civil Code §1633.1 et seq.), that this Purchase Agreement and all other agreements, certificates, opinions and similar records (“documents”) relating to the Notes constitute a “transaction” under the UETA and expressly agree to allow all aspects of the transaction to which the UETA can apply to be conducted by electronic means. For these purposes, a signature by fax, e-mail, or other electronic technology on a document relating to the Notes shall constitute an “electronic signature” to an “electronic record” under the UETA with respect to this specific transaction.

An electronic signature means a signature that is executed by symbol attached to or logically associated with a record and includes facsimile signatures or signatures transmitted by electronic mail in so-called PDF format. All parties to this Purchase Agreement (a) agree that an electronic signature, whether digital or encrypted, of a party to this Purchase Agreement or any other electronic record associated with the Notes is intended to authenticate this writing and to



have the same force and effect as a manual signature; (b) intended to be bound by the signatures (whether original, faxed, or electronic) on any document relating to the Notes sent or delivered by facsimile or electronic mail or other electronic means; (c) are aware that the other party(ies) will rely on such signatures; and, (d) hereby waive any defenses to the enforcement of the terms of this Purchase Agreement or any other document related to the Notes based on the foregoing forms of signature.

[Remainder of page intentionally left blank.]

**CALIFORNIA SCHOOL FINANCE  
AUTHORITY**

By \_\_\_\_\_  
Executive Director

Accepted:

**U.S. BANK NATIONAL ASSOCIATION**

By \_\_\_\_\_  
Authorized Officer

## **EXHIBIT A**

Each following page shall be used by the District to execute and enter into the Purchase Agreement between the District (severally and not jointly with other school districts, community college districts and county boards of education) and the California School Finance Authority, and shall bind the District to all of the terms and conditions of this Purchase Agreement, subject to the additional terms of this Exhibit A, including Schedule I.

**District:** Willits Unified School District

**Address:** 1277 Blosser Lane  
Willits, CA 95490

**County:** Mendocino

Executed and entered into on the Purchase Date set forth in Schedule I attached hereto and incorporated herein.

Willits Unified School District

By \_\_\_\_\_  
Name: Nikki Agenbroad  
Title: Director of Fiscal Services

**Notices.** Any notices to be given to the Authority or the Underwriters under the Purchase Agreement shall be given in writing at the following addresses:

If to the Authority:

California School Finance Authority  
300 S Spring Street, Suite 8500  
Los Angeles, California 90013  
Attention: Executive Director  
[Katrina.johantgen@treasurer.ca.gov](mailto:Katrina.johantgen@treasurer.ca.gov)

California State Treasurer's Office  
Public Finance Division  
915 Capitol Mall, Room 261  
Sacramento, California 95814  
Attention: Director  
[bfowler@treasurer.ca.gov](mailto:bfowler@treasurer.ca.gov)

If to the Underwriters, to the Senior Managers:

RBC Capital Markets, LLC  
777 South Figueroa Street, Suite 850  
Los Angeles, California 90017  
Attention: Managing Director  
[Greg.dawley@rbccm.com](mailto:Greg.dawley@rbccm.com)

Citigroup Global Markets, Inc.  
300 South Grand Avenue, Suite 3110  
Los Angeles, California 90071  
Attention: Managing Director  
[Christopher.mukai@citi.com](mailto:Christopher.mukai@citi.com)

**SCHEDULE I**  
**CONFIRMATION OF PRICING**  
**APPLICABLE TO THE DISTRICT SERIES A NOTES**

**School District Information:**

|                        |                                                                |
|------------------------|----------------------------------------------------------------|
| School District:       | Willits Unified School District                                |
| Address:               | 1277 Blosser Lane, Willits, CA 95490                           |
| County:                | Mendocino                                                      |
| C-D Code (K-12 only):  | 23-65623                                                       |
| Joint Senior Managers: | RBC Capital Markets, LLC and Citigroup<br>Global Markets, Inc. |
| Trustee:               | U.S. Bank National Association                                 |

**Terms of the Note:**

Priority of Note:

|                                      |          |
|--------------------------------------|----------|
| Note Series                          | Senior   |
| Series Principal Amount of the Note: | Series A |

Priced to Yield: \$ \_\_\_\_\_

Interest Rate (Note Rate): \_\_\_\_\_%

Default Rate: \_\_\_\_\_%

Maturity Date: As specified in the Indenture.  
\_\_\_\_\_, 20\_\_

Interest Payment Date(s): \_\_\_\_\_, 20\_\_

Premium: \$ \_\_\_\_\_

Underwriters' Discount \$ \_\_\_\_\_

Purchase Price  
(Principal + Premium - UW Discount): \$ \_\_\_\_\_

Costs of Issuance \$ \_\_\_\_\_

Deposit to Proceeds Account (Series A): (net  
of costs of issuance) \$ \_\_\_\_\_

Amount due at Maturity (Principal Amount  
plus interest) \$ \_\_\_\_\_

Series of Authority Notes to which Note will be assigned: California School Finance Authority State Aid Intercept Notes (Fiscal Year 2020-21 School and Community College District Deferrals), Series \_\_\_\_]

Purchase Date: \_\_\_\_\_, 2021

Closing Date: \_\_\_\_\_, 2021

**Approval Information:**

Date of School District’s Resolution: [December 16, 2020]

Date of School District’s Supplemental Resolution N/A

Maximum Borrowing Amount approved by District (“Principal Amount”) [\$3,000,000]

District has Fiscal Accountability Status: [No]

County adopted Resolution: [ \_\_\_ yes \_\_\_ no]

**Repayment Period:**

First Repayment Period: \_\_\_\_\_, 20\_\_\_\_ through and including \_\_\_\_\_, 20\_\_\_\_ [Percentage of total Series] [\_\_%] Principal Amount [and interest thereon due at maturity]: \$\_\_\_\_\_

Second Repayment Period: \_\_\_\_\_, 20\_\_\_\_ through and including \_\_\_\_\_, 20\_\_\_\_ [Percentage of total Series] [\_\_%] Principal Amount [and interest thereon due at maturity]: \$\_\_\_\_\_

Third Repayment Period: \_\_\_\_\_, 20\_\_\_\_ through and including \_\_\_\_\_, 20\_\_\_\_ [Percentage of total Series] [\_\_%] Principal Amount [and interest thereon due at maturity]: \$\_\_\_\_\_



Fourth Repayment Period:

\_\_\_\_\_, 20\_\_\_\_  
through and including  
\_\_\_\_\_, 20\_\_\_\_

interest thereon due at  
maturity]:

[Percentage of total Series] [\_\_%]  
Principal Amount [and  
interest thereon due at  
maturity]:

\$\_\_\_\_

Fifth Repayment Period:

\_\_\_\_\_, 20\_\_\_\_  
through and including  
\_\_\_\_\_, 20\_\_\_\_

[Percentage of total Series]  
Principal Amount and  
interest thereon due at  
maturity:

[\_\_%]  
\$\_\_\_\_

### **Alternative Provisions Permitted by Resolution:**

The following alternative provisions permitted by the Resolution shall apply with respect to the Series A Notes (capitalized undefined terms shall have the meanings ascribed thereto in the Resolution):

1. [TO BE UPDATED BASED ON STATE CREDIT ISSUER STATUS] [The Trustee shall transfer to the District's Payment Account relating to its Series A Notes from Deferral Amounts of the District received and attributed to such Series of Notes on the first day of each Repayment Period, amounts which, taking into consideration anticipated earnings thereon to be received by the Maturity Date, are equal to the percentages of the principal and interest due with respect to such Series of Notes at maturity for the corresponding Repayment Period set forth in the applicable Confirmation of Pricing; provided, however, that on the first day of the last Repayment Period designated in such Confirmation of Pricing, or, if only one Repayment Period is applicable to the Series A Notes, on the first day of the Repayment Period designated in such Confirmation of Pricing, the Trustee shall transfer all Deferral Amounts of the District received and attributed to such Series of Notes to the related Payment Account all as and to the extent provided in the Indenture; provided, however, that with respect to the transfer in any such Repayment Period (or single Repayment Period), if said Deferral Amount attributed to such Series of Notes is less than the corresponding percentage set forth in the Confirmation of Pricing applicable to such Series of Notes of the principal and interest due with respect to such Series of Notes at maturity, the Trustee shall transfer to the related Payment Account attributed to such Series of Notes of the District all Deferral Amounts attributed to such Series of Notes on the day designated for such Repayment Period.]

2. [TO BE UPDATED BASED ON STATE CREDIT ISSUER STATUS] As provided in Section 53857 of the Act, notwithstanding the provisions of Section 53856 of the Act and of subsection (C) of Section 11 of the Resolution, all Series of Notes issued under the Resolution shall be general obligations of the District and, in the event that on the tenth Business Day (as defined in the Indenture) prior to the end of a Repayment Period the [Trustee for State Credit Issuer][District] has not received sufficient [Deferral Amounts][Unrestricted Revenues] of the District to permit the deposit into each Payment Account of the full amount of Pledged Revenues to be deposited therein from said [Deferral Amounts][Unrestricted Revenues] in such Repayment Period, then the amount of any deficiency shall be satisfied and made up from any other moneys of the District lawfully available for the payment of the principal of all Series of Notes and the interest thereon, as and when such other moneys are received or are otherwise legally available, in the following order of priority: first, to satisfy pro-rata any deficiencies attributable to any Series of Senior Notes; second, to satisfy pro-rata any deficiencies attributable to any Series of Subordinate Notes (except for any Series of Subordinate Notes described in the next clause); and thereafter, to satisfy any deficiencies attributable to any other Series of Subordinate Notes that shall have been further subordinated to previously issued Series of Subordinate Notes in the applicable Confirmation of Pricing, in such order of priority.]

**Prior Notes:**

Prior tax and revenue anticipation notes for 2020-21 fiscal year: [None]

Seniority Status of Prior Notes: N/A

**Certifications:**

The undersigned District officer (the “Authorized Officer”) hereby certifies that he/she has reviewed the Purchase Agreement dated the Purchase Date set forth on the first page of this Confirmation of Pricing Supplement (the “Purchase Agreement”), by and between the District and the California School Finance Authority, attached hereto and that:

(1) The undersigned has been duly authorized by the Governing Board of the District to execute this Confirmation of Pricing Supplement and take the other actions contemplated herein.

(2) The sale of the District’s Notes as contemplated in the Purchase Agreement, on the terms and conditions set forth in this Confirmation of Pricing Supplement, is hereby approved.

(3) The representations, warranties and covenants set forth in Section 5 of the Purchase Agreement and Section 15 of the District’s Resolution authorizing the Note are true and correct on and as of the date hereof.

(4) [As of the date hereof, the District has not filed or received a qualified or negative certification in Fiscal Year 2019-20 or Fiscal Year 2020-21 within the meaning of Section 42133 of the Education Code of the State of California. The District covenants that it will immediately deliver a written notice to the Authority, Underwriters, the Credit Provider (if applicable) and Bond Counsel (Norton Rose Fulbright US LLP) if it (or, in the case of County Offices of Education, the County Superintendent of Schools) files with the County Superintendent of Schools, the County Offices of Education or the State Superintendent of Public Instruction or receives from the County Superintendent of Schools or the State Superintendent of Public Instruction a qualified or negative certification applicable to Fiscal Year 2019-20 or Fiscal Year 2020-21 prior to the Maturity Date or the Closing Date of the Notes set forth above.]

[ALTERNATIVE PARAGRAPH IF DISTRICT FILED/RECEIVED A QUALIFIED CERTIFICATION]

[(4) As of the date hereof, the District has filed or received a qualified certification [or negative certification] in Fiscal Year 2019-20 or Fiscal Year 2020-21 within the meaning of Section 42133 of the Education Code of the State of California. The District covenants that it will immediately deliver a written finding that payment of the Note is probable by the County Superintendent of Schools (in the case of a school district) or the Superintendent of Public Instruction (in the case of a county office of education) to the Trustee, the Underwriters, the Credit Provider (if applicable), and Bond Counsel (Norton Rose Fulbright US LLP). The District also covenants that it will immediately deliver a written notice to the Trustee, the Underwriters, the Credit Provider (if applicable) and Bond Counsel if it (or, in the case of County Offices of Education, the County Superintendent of Schools) files with the County Superintendent of

Schools, the County Office of Education or the State Superintendent of Public Instruction, or receives from the County Superintendent of Schools or the State Superintendent of Public Instruction, a negative certification applicable to Fiscal Year 2019-2020 or a qualified or negative certification applicable to Fiscal Year 2020-21 prior to the Maturity Date or the Closing Date of the Notes set forth above.]

(5) As of the date hereof, (A) the aggregate amount of all tax-exempt obligations (including any tax-exempt leases, but excluding private activity bonds), issued and to be issued by the District (and all subordinate entities of the District) during calendar year 2021, including the Series Principal Amount of the Notes, is not reasonably expected to exceed \$15,000,000 and (B) the Series Principal Amount of the Notes, together with the aggregate amount of all tax-exempt obligations not used to finance school construction (including any tax-exempt leases, but excluding private activity bonds) issued and reasonably expected to be issued by the District (and all subordinate entities of the District) during calendar year 2021, is not reasonably expected to exceed \$5,000,000. The District has not and will not undertake any actions with the primary purpose of increasing the size of the District's Notes.

[ALTERNATIVE PARAGRAPH IF DISTRICT WILL BE SAFE HARBOR ISSUER]

[(5) The District covenants that it shall make all calculations in a reasonable and prudent fashion relating to any rebate of excess investment earnings on the proceeds of the Notes due to the United States Treasury, shall segregate and set aside from lawfully available sources the amount such calculations may indicate may be required to be paid to the United States Treasury, and shall otherwise at all times do and perform all acts and things necessary and within its power and authority, including complying with the instructions of Norton Rose Fulbright US LLP, Bond Counsel referred to in Section 16 of the Resolution, to assure compliance with the rebate requirement (the "Rebate Requirement") contained in Section 148(f) of the Code. If the balance in the Proceeds Account treated for federal tax purposes as proceeds of the Notes attributable to cash flow borrowing is not low enough to qualify amounts held in the Proceeds Account for an exception from the Rebate Requirement on at least one date within the six month period following the date of issuance of the Notes (calculated in accordance with Section 16 of the Resolution and [Section III] of the District Certificate), the District will reasonably and prudently calculate the amount, if any, of investment profits which must be rebated to the United States and will immediately set aside, from revenues attributable to the Fiscal Year 2020-21 or, to the extent not available from such revenues, from any other moneys lawfully available, the amount of any such rebate referred to in Section 16 of the Resolution. [As set forth in greater detail in the District Tax Certificate, the District will certify as to its reasonably expected "maximum anticipated cumulative cash-flow deficit." To the extent, as set forth in the District Tax Certificate, less than 100% of the proceeds of the District Notes are treated as "spent" for purposes of Section 148 of the Internal Revenue Code of 1986 (the "Code") and the Treasury Regulations thereunder (the "Arbitrage Regulations"), the District shall be subject to the arbitrage rebate requirements (the "Rebate Requirement") of Section 148 of the Code. In such event, the District shall promptly notify the Authority in writing using a form of notification appended to the District Tax Certificate, that the District Notes do not qualify for an exception to arbitrage rebate and, therefore, proceeds of the District Note must be taken into account by the Authority's arbitrage rebate consultant in calculating the Authority's rebate liability, if any, with respect to the issue of Authority Notes to which the District Notes are allocable. The District agrees to pay to the Authority the District's

share of the Authority's rebate liability, if any, as determined by the Authority's arbitrage rebate consultant.]

(6) The District covenants that it will not issue any additional tax and revenue anticipation notes during Fiscal Year 2020-21 unless such additional notes are issued in compliance with Section 5 of such Note Resolution.

(7) The District covenants that it will promptly notify the Credit Provider, if any, the Underwriters and the Authority if (i) any State aid to the District is rescinded, (ii) the District voluntarily elects to have any such State aid deposited directly with the Trustee, (iii) the District changes any such direct deposit, or (iv) any event occurs which constitutes an Event of Default under the Resolution or would constitute an Event of Default but for the requirement that notice be given, or time elapse, or both.

(8) [FOR NON STATE-CREDIT ISSUERS] I have reviewed the Preliminary Official Statement accompanying this Confirmation of Pricing Supplement and, on behalf of the District, the information contained therein relating to the District does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(9) The Trustee is hereby authorized to fill in any blank spaces contained in the District's series of Notes, in conformity with Section 12 of the Resolution and this Confirmation of Pricing Supplement.

(10) I have read the Indenture accompanying this Confirmation of Pricing Supplement and approve all terms thereof and any changes made to the form approved pursuant to Section 6 of the Resolution. The District acknowledges that the Authority is authorized to execute the Indenture, to assign the Series of Notes to the Trustee under the Indenture and to issue the Series of Authority Notes pursuant to the Indenture.

(11) [FOR NON STATE-CREDIT ISSUERS] In order to assist the Authority in fulfilling its obligation to timely report the occurrence of certain enumerated events as set forth in Rule 15c2-12(b)(5) adopted by the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, the District hereby obligates itself to report (within 5 business days of the occurrence thereof) to the Authority and U.S. Bank National Association, as trustee, the occurrences of the following events: (i) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation (as defined below) of the District, any of which reflect financial difficulties, and (ii) the incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect security holders, if material.

"Financial Obligation" means (i) a debt obligation (i.e., short-term and long-term obligations under the terms of an indenture, loan agreement, lease or similar contract, regardless of the length of the debt obligation's repayment period), (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) a guarantee of a debt obligation or derivative instrument.

“Financial Obligation” does not include (i) ordinary financial and operating liabilities incurred in the normal course of business by an issuer, or (ii) municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system and for which the District has entered into a continuing disclosure agreement.

(12) If the Permitted Investment is the Investment Agreement, I have read the draft Investment Agreement (in substantially final form) accompanying this Confirmation of Pricing Supplement and, on behalf of the District, approve their terms and authorize and request the Trustee to enter into the Investment Agreement.

(13) The following officers of the District hold their respective offices as of this date and will hold their respective offices as of \_\_\_\_\_, 2021:

[List signatories to Resolution’s Secretary’s Certificate, Note (if applicable), Purchase Agreement, and District Closing Certificate]

Mark Westerburg – Superintendent

Nikki Agenbroad – Director of Fiscal Services

[\_\_\_\_\_ – Board President]

[\_\_\_\_\_ – Board Clerk]

(If any of the foregoing individuals no longer holds his/her respective office, please cross out the name of such person and print above it the name of the person succeeding to that office.)

Agreed and accepted to on the Purchase Date set forth above.

**WILLITS UNIFIED SCHOOL DISTRICT**

By: \_\_\_\_\_

Name: Nikki Agenbroad

Title: Director of Business Services

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**INDENTURE**

**by and between**

**U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE**

**and**

**CALIFORNIA SCHOOL FINANCE AUTHORITY**

**Dated as of March 1, 2021**

**\$ \_\_\_\_\_**

**California School Finance Authority**

**2020-21 State Aid Intercept Notes**

**(Fiscal Year 2020-21 School and Community College District Deferrals)**

**Series A**

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## INDENTURE

This Indenture (the “Indenture”), dated as of March 1, 2021, by and between the CALIFORNIA SCHOOL FINANCE AUTHORITY (the “**Authority**”), a public instrumentality of the State of California, created by the California School Finance Authority Act (constituting Chapter 18 (commencing with Section 17170) of Part 10 of Division 1 of Title 1 of the Education Code of the State of California) (the “**CSFA Act**”), and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as trustee (the “**Trustee**”);

### WITNESSETH:

WHEREAS, Section 53850 *et seq.* of the Government Code of the State of California (the “**Act**”) provides that tax and revenue anticipation notes (“**TRANS**”) may be issued by a school district, community college district, or county board of education pursuant to the terms of Section 53853(b) of the Act; and

WHEREAS, the Authority, acting pursuant to its powers under the constitution and laws of the State of California (the “**State**”), desires to provide assistance to one or more school districts, community college districts or county offices of education named in Schedule I hereto (with such other school districts, community college districts and county offices of education as may be identified in a Supplemental Indenture, each a “**Participant**” and collectively, the “**Participants**”) located within the State, in connection with their cash-flow borrowing needs; and

WHEREAS, the Participants, or any of them, may from time to time during the Fiscal Year (herein defined) need to borrow moneys at a tax-exempt [or taxable] rate of interest in order to meet their respective cash-flow needs, all pursuant to Section 53850 *et seq.* of the Act; and

WHEREAS, the Act provides that the respective California counties in which the Participants are located (each a “**County**” and collectively, the “**Counties**”) may issue tax and revenue anticipation notes or revenue anticipation notes on behalf of any requesting school district, community college district or county offices of education located in the respective County upon the satisfaction of certain conditions and subject to Section 53853 of the Act; and

WHEREAS, the Board of Supervisors of each of the Counties has either (i) failed or declined to authorize the issuance of the TRANS within the time period specified in said Section 53853 of the Act, or (ii) otherwise advised the respective Participant that one or more series of TRANS may be issued by the Participant on its own behalf in connection with the Program (defined below); and

WHEREAS, the Authority is authorized to issue bonds, notes, lease obligations, certificates of participation, commercial paper, and any other evidences of indebtedness to finance working capital (as defined in the CSFA Act) and capital improvements for school districts, community college districts, and county offices of education, including the Participants, pursuant to the CSFA Act; and

WHEREAS, the Authority has established a program (the “**Program**”) under which it will issue and sell one or more series of its notes and apply the proceeds from the sale of the notes to simultaneously purchase from the Participants TRANs to be issued by [or on behalf of] the Participants; and

WHEREAS, the Participants have determined to participate in the Program and to issue or cause to be issued and sell to the Authority one or more Series of Tax and Revenue Anticipation Notes, each series having the same maturity date and, with respect to the initial series, in the respective principal amounts set forth in Schedule I hereto (collectively, the “**Series A District Notes**,” and with such other Additional District Notes (as hereinafter defined) as may be identified in a Supplemental Indenture, individually, a “**District Note**” and, collectively, the “**District Notes**”); and

WHEREAS, each Participant has authorized the pooling of each Series of its District Notes with certain Series of District Notes issued by other Participants, and the assignment by the Authority of such District Notes to the Trustee to secure the payment of one or more series of notes issued under this Indenture, as supplemented by Supplemental Indentures (each, a “**Series of Authority Notes**”) corresponding to such Series of District Notes, in order to achieve a lower net interest cost and lower costs associated with issuing the District Notes; and

WHEREAS, with respect to the Series A District Notes issued on \_\_\_\_\_, 2021, the Authority will issue its California School Finance Authority, State Aid Intercept Notes (Fiscal Year 2020-21 School and Community College District Deferrals), Series A (the “**Series A Authority Notes**”), which may include taxable and tax-exempt tranches, under this Indenture; and

WHEREAS, in connection with the Program, the Authority and the Participants have appointed Montague DeRose and Associates, LLC, as “**Municipal Advisor**,” the law firm of Norton Rose Fulbright US LLP as “**Note Counsel**,” Nixon Peabody LLP as “**Disclosure Counsel**,” and U.S. Bank National Association as Trustee, and RBC Capital Markets LLC and Citigroup Global Markets Inc., as joint senior managers, each acting on behalf of itself and other underwriters to be appointed by the State Treasurer at a later date (collectively, the “**Underwriters**”) have been appointed to purchase all of the Series A Authority Notes from the Authority; and

WHEREAS, each Participant has entered into an initial purchase agreement (each a “**District Note Purchase Agreement**”) with the Authority pursuant to which the Authority has agreed to purchase such Participant’s Series A District Notes and in connection therewith to issue the Series A Authority Notes to finance the purchase of such Series A District Notes; and

WHEREAS, each Participant has authorized the pooling of each Series of its District Notes with certain Series of District Notes issued by other Participants, and has acknowledged that the Authority will enter into this Indenture and will issue the Series A Authority Notes secured pursuant to the terms hereof by its Series A District Notes; and

WHEREAS, certain Participants may issue additional Series of District Notes (the “**Additional District Notes**”) from time to time to be purchased by the Authority and assigned to the Trustee to secure the payment of additional series of notes (the “**Additional Authority Notes**”

and collectively with the Series A Authority Notes, the “**Authority Notes**”) issued pursuant to this Indenture and one or more supplemental indentures (each, a “**Supplemental Indenture**” and together with this Indenture, the “**Indenture**”); and

WHEREAS, pursuant to the Program and this Indenture, the Authority has assigned and will assign its interest in each Series of District Notes to the Trustee to secure the payment of the corresponding Series of Authority Notes; and

WHEREAS, the Trustee, pursuant hereto, accepts the assignment of the Series A District Notes and all duties, obligations and trusts of the Trustee established in this Indenture; and

WHEREAS, the Trustee, pursuant to Supplemental Indentures, will accept the assignment of each series of Additional District Notes, if any; and

WHEREAS, each Series of Authority Notes may be secured by any credit facility (each a “**Credit Instrument**”) identified by type and provided by the entity, if any (each a “**Credit Provider**”), designated in Schedule I hereto with regard to the Series A Authority Notes or in a Supplemental Indenture with regard to a Series of Additional Authority Notes; and

WHEREAS, the Authority has determined that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Indenture and delivery of the Series A Authority Notes do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Indenture;

**NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:**

## **ARTICLE I**

### **DEFINITIONS; EQUAL SECURITY**

**Section 1.01. Definitions.** Unless the context otherwise requires, the terms defined in this section shall, for all purposes hereof and of any amendment hereof or supplement hereto and of the Authority Notes and of any Certificate, opinion, Request or other document mentioned herein or therein, have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein (provided that the respective Credit Instrument(s) and/or Supplemental Credit Enhancement(s) and the respective Credit Agreement(s) and/or Supplemental Credit Enhancement Agreement(s) shall be governed by the definitions set forth therein):

“**Act**” means 53850 *et seq.* of the Government Code of the State of California.

**“Additional Authority Notes”** means all California School Finance Authority State Aid Intercept Notes (Fiscal Year 2020-21 School and Community College District Deferrals) (other than the Series A Authority Notes) authorized by and at any time Outstanding pursuant to this Indenture and a Supplemental Indenture, and executed, issued and delivered from time to time in connection with a Pool in accordance with Section 2.12 hereof.

**“Additional Credit Agreement”** means the agreement or commitment letter, if any, designated in a Supplemental Indenture as the credit agreement for the corresponding Series of Additional Authority Notes.

**“Additional Credit Instrument”** means the instrument, if any, designated in a Supplemental Indenture as the credit instrument for a corresponding Series of Additional Authority Notes.

**“Additional Credit Provider”** means the credit provider, if any, designated in a Supplemental Indenture as the credit provider for the corresponding Series of Additional Authority Notes.

**“Additional District Notes”** means, collectively, the tax and revenue anticipation notes issued by or on behalf of one or more Participants in the respective Series and aggregate principal amounts thereof (whether or not such District Notes are the first or a subsequent Series of District Notes issued by or on behalf of such Participant), as set forth in a Supplemental Indenture and assigned to an Additional Pool securing each corresponding Series of Additional Authority Notes.

**“Additional Interest Payment Date”** means each date on which interest on a Series of Additional Authority Notes and the corresponding Series of District Notes becomes due and payable, as specified in the applicable Supplemental Indenture.

**“Additional Investment Agreement”** means an investment agreement pursuant to which, initially, all or a portion of the proceeds of the corresponding Series of Additional Authority Notes are to be invested, executed and delivered by the Trustee on behalf of each of the Participants whose Series of Additional District Notes are assigned to such corresponding Series of Additional Authority Notes.

**“Additional Pool”** means each pool composed of Additional District Notes of a Series assigned to and securing the payment of a Series of Additional Authority Notes.

**“Additional Principal Payment Date”** means each date on which the principal of a Series of Additional Authority Notes and the corresponding Series of District Notes becomes due and payable, as specified in the applicable Supplemental Indenture.

**“Additional Series Pledged Accounts”** means, with respect to each Series of Additional Authority Notes, the Costs of Issuance Account relating to such Series of Additional Authority Notes, the Proceeds Accounts for each Series of Additional District Notes assigned to the Additional Pool relating to such Series of Additional Authority Notes, the Payment Accounts for each Series of Additional District Notes assigned to the Additional Pool relating to such Series of Additional Authority Notes, the Interest Account relating to such Series of Additional Authority



Notes, the Principal Account relating to such Series of Additional Authority Notes, and the Credit Account, if any, relating to such Series of Additional Authority Notes.

**“Additional Supplemental Credit Enhancement”** means the instrument, if any, designated in a Supplemental Indenture as the supplemental credit enhancement for the corresponding Series of Additional Authority Notes.

**“Additional Supplemental Credit Enhancement Agreement”** means the agreement, if any, designated in a Supplemental Indenture as the supplemental credit enhancement agreement for the corresponding Series of Additional Authority Notes.

**“Additional Supplemental Credit Enhancer”** means the entity designated in a Supplemental Indenture as the provider of the Additional Supplemental Credit Enhancement.

**“Authority”** means the California School Finance Authority, a public instrumentality of the State of California, created by the CSFA Act.

**“Authority Note Payment Fund”** means the fund by that name established in Section 3.02.

**“Authority Notes”** means, collectively, the Series A Authority Notes and all Additional Authority Notes.

**“Authority Resolution”** means that certain resolution adopted by the Authority Board on \_\_\_\_\_, 2021, pertaining to the issuance by the Authority of the Series A Authority Notes and the establishment of the Program for the Fiscal Year.

**“Authorized Participant Representative”** means the President or Chairperson, Secretary or Clerk of the governing board of a Participant, the Superintendent, the Superintendent/President, Chancellor, the Assistant Superintendent of Business, the Assistant Superintendent, the Vice President of Business and Administration, the Vice Chancellor of Administrative Services, the business manager, director of business or fiscal services or chief financial or business officer of the Participant, as the case may be, or the equivalent, or, in the absence of said officer, his or her duly appointed designee, or such other officers of a Participant designated in Section 4 of such Participant’s Resolution, or any other person at the time designated to act on behalf of such Participant by written certificate furnished to the Trustee, containing the specimen signature of such person and signed on behalf of such Participant by the Chair, the President, the Clerk or the Secretary of the governing board of such Participant, or the Superintendent, the Superintendent/President, or the Chancellor of such Participant.

**“Business Day”** means any day except (i) Saturday, (ii) Sunday, (iii) California State Holidays, or (iv) any day on which banks located in the city in which the designated trust office of the Trustee or the principal office of the applicable Credit Provider or Supplemental Credit Enhancer is located, or in San Francisco, California or Los Angeles, California, or New York, New York, are required or authorized to remain closed.

**“Certificate”** or **“Request”** means, with respect to a Participant, an instrument in writing signed on behalf of such Participant by an Authorized Participant Representative, and with respect

to the Authority, an instrument in writing signed on behalf of the Authority by its Chair, Secretary, Treasurer or Executive Director or other person at the time designated to act on behalf of the Authority by written certificate furnished to the Trustee.

**“Change in State Law”** means action by the State legislature following the issuance of a Series of Authority Notes in which the State advances or further defers the dates upon which the Deferral Amounts are to be paid.

**“Closing Date”** means [\_\_\_\_\_, 2021].

**“Code”** means the Internal Revenue Code of 1986 and the regulations issued or applicable thereunder.

**“Confirmation of Pricing”** means, collectively, those certain pricing confirmation supplements executed at the time of pricing each Series of District Notes and attached as Schedule I to the District Notes Purchase Agreements applicable to such Series of District Notes.

**“Continuing Disclosure Agreement”** means, collectively, each Continuing Disclosure Agreement between the Authority and the Dissemination Agent, dated the date of issuance and delivery of the corresponding Series of Authority Notes, as originally executed and as it may be amended or supplemented from time to time in accordance with the terms thereof.

**“Costs of Issuance”** means all items of expense directly or indirectly payable by or reimbursable to a Participant or the Authority and related to the authorization, execution and delivery of each Series of District Notes and the related sale of a Series of Authority Notes, which may include, but are not limited to, any fees, costs or premium for each Credit Provider’s Credit Instrument and each Supplemental Credit Enhancer’s Supplemental Credit Enhancement, costs of preparation, reproduction and delivery of documents, filing and recording fees, fees and charges of the Trustee, Trustee counsel fees, fees of the Authority and its Counsel, State Treasurer’s Office fees, Municipal Advisor fees, Note Counsel and Disclosure Counsel fees and charges, other legal fees and charges, fees and disbursements of consultants and professionals, fees and charges for preparation, execution, safekeeping and delivery of the applicable Series of Authority Notes and any other costs, charges or fees (including any supplemental credit enhancement on any individual District Note) in connection with the original issuance of a Series of District Notes and the applicable Series of Authority Notes.

**“Costs of Issuance Account”** means each Costs of Issuance Account created in the Costs of Issuance Fund under Section 3.02 relating to a Series of Authority Notes.

**“Costs of Issuance Fund”** means the fund by that name established in Section 3.02.

**“County”** or **“Counties”** means the California counties in which the Participants are located.

**“County Treasurer”** means the County Treasurer in any County in which a Participant is located.

**“County Treasury Pool”** means the local government money fund of the respective County Treasurer that invests the assets of the respective County’s school districts, community colleges and other public agencies in the region.

**“Credit Account”** means each account by that name established in Section 3.02.

**“Credit Agreement”** means, collectively, each Additional Credit Agreement.

**“Credit Fund”** means the fund of that name created by Section 3.02.

**“Credit Instrument”** means, collectively, each Additional Credit Instrument for the corresponding Series of Additional Authority Notes.

**“Credit Provider”** means, collectively, each Additional Credit Provider.

**“CSFA Act”** means Chapter 18 (commencing with Section 17170) of Part 10 of Division 1 of Title 1 of the Education Code of the State of California.

**“Debt Service Payments”** means the moneys paid by each Participant as and for payments of principal of and interest on its respective District Notes and Additional District Notes, if any, which moneys shall include the Pledged Revenues and amounts deposited in the related Participant’s Payment Account and any other moneys lawfully available therefor pursuant to the related District Resolution.

**“Default Rate”** means the rate of interest per annum payable with respect to the outstanding portion of each Defaulted District Note which (i) if the Defaulted District Notes are paid in whole or in part by an unreimbursed draw or claim or payment under or from a Credit Instrument and/or Supplemental Credit Enhancement applicable thereto, is the rate of interest per annum specified in, and calculated in accordance with, the corresponding Credit Agreement or Supplemental Credit Enhancement Agreement, as applicable, or (ii) if the Defaulted District Notes are unpaid and no Credit Instrument or Supplemental Credit Enhancement is applicable thereto, is the rate of interest per annum sufficient to produce a yield on the outstanding portion of such Defaulted District Notes equal to the rate or, in the case of a Series of Authority Notes, the rates of interest payable on the applicable Series of Authority Notes (or applicable portions thereof), computed on the basis of a 360-day year consisting of twelve thirty-day months.

**“Defaulted District Note”** means a District Note (i) the principal of and/or interest on which has been paid in whole or in part with the proceeds of a drawing, claim or payment under or from the applicable Credit Instrument and/or Supplemental Credit Enhancement which drawing, claim or payment remains not fully reimbursed on the applicable Interest Payment Date or Principal Payment Date, or (ii) any of the principal of or interest on which is not paid on the applicable Principal Payment Date.

**“Deferral Amounts”** means the principal apportionments designated by the State that would normally be distributed to Participants during the Deferral Months of the Fiscal Year but which instead have been deferred by State law to the Repayment Periods occurring during Fiscal Year 2021-22, subject to a Change in State Law.

**“Deferral Months”** means the months in which Deferral Amounts would normally be distributed but have instead been deferred by the State, and with respect to the Series A Authority Notes, means the months of February 2021 through and including June 2021.

**“Department”** means the California Department of Education.

**“Dissemination Agent”** means the State Treasurer, acting in its capacity as Dissemination Agent under the terms of any Continuing Disclosure Certificate applicable to the Authority Notes, or any successor dissemination agent designated in writing by the State Treasurer and which has filed with the State Treasurer a written acceptance of such designation.

**“District Note Purchase Agreement”** means each District Note Purchase Agreement by and between a Participant and the Authority relating to the purchase by the Authority of such Participant’s District Notes. **“District Note Purchase Agreements”** mean all such District Note Purchase Agreements, collectively.

**“District Notes”** means, collectively, the Series A District Notes and all Additional District Notes. **“District Note”** refers to the District Notes individually.

**“DTC”** or **“Depository Trust Company”** means The Depository Trust Company, New York, New York.

**“Electronic Means”** shall have the meaning set forth in Section 9.04 hereof.

**“Escrow Account”** means each Escrow Account created in the Escrow Fund under Section 3.03(d) relating to a Series of District Notes.

**“Escrow Fund”** means the fund by that name, established pursuant to Section 3.02.

**“Escrow Release Date”** means the date determined by the Authority following the computation by the Department of the Final June Deferral Amounts, and with respect to Series A Authority Notes, means [June \_\_, 2021], or as soon as possible, but not later than three (3) Business Days following the Authority’s notification to the Trustee under Section 3.03(d) hereof.

**“Estimated June Deferral Amounts”** means the estimated calculation by the Department of the Deferral Amounts for the June 2021 Deferral Month based on the first principal apportionment (P-1) information.

**“Event of Default”** shall have the meaning ascribed thereto in Section 8.01 hereof and in each Participant Resolution.

**“Federal Securities”** means any of the following which are noncallable and which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein:

(1) direct general obligations (including stripped obligations) of (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United

States of America), or obligations the payment of principal of and interest on which are directly or indirectly unconditionally guaranteed by, the United States of America;

(2) direct obligations (including stripped obligations) of any department, agency or instrumentality of the United States of America the timely payment of principal of and interest on which are fully guaranteed by the United States of America; and

(3) refunded municipal obligations rated AAA by S&P, AAA by Fitch, or Aaa by Moody's, the timely payment of principal of and interest on are fully guaranteed by the United States of America.

**"Final June Deferral Amounts"** means the final calculation by the Department of the Deferral Amounts for the June 2021 Deferral Month based on the second principal apportionment (P-2) information.

**"Fiscal Year"** means the period from July 1, 2020 through and including June 30, 2021.

**"Fitch"** means Fitch Ratings, Inc., and its successors and assigns.

**["Funds Subject to Intercept"** means the Pledged Revenues representing State Aid and Other State Aid Subject to Apportionment.]

**"Indenture"** means this Indenture, dated as of [March] 1, 2021, by and between the Trustee and the Authority, as originally executed and entered into and as it may from time to time be amended or supplemented in accordance herewith.

**"Interest Account"** means each account by that name established in Section 3.02.

**"Interest Payment Date"** means each Series A Interest Payment Date, and each Additional Interest Payment Date.

**"Investment Agreement"** means, collectively, the Series A Investment Agreement, if any, and each Additional Investment Agreement.

**"Maturity Date"** means the date on which the principal of and interest on a District Note become due and payable.

**"Moody's"** means Moody's Investors Service, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency selected by the Authority.

**"Municipal Advisor"** means Montague DeRose & Associates LLC and its successors and assigns or such other financial advisory firm appointed by the Authority.

**"Note Counsel"** means Norton Rose Fulbright US LLP or an attorney or firm of attorneys of nationally recognized standing in matters pertaining to the validity of, and tax-exempt nature of interest on, obligations issued by states and their political subdivisions, appointed by the Authority.

**“Opinion of Counsel”** means a written opinion of Note Counsel.

[**“Other State Aid Subject to Apportionment”** includes the categorical programs that are funded from the State School Fund designated for apportionment to a K-12 Participant or a Community College Participant.]

**“Outstanding,”** when used as of any particular time with reference to Authority Notes, means (subject to the provisions of Section 10.02) all Authority Notes except -

(1) Authority Notes cancelled by the Trustee or surrendered to the Trustee for cancellation;

(2) Authority Notes paid or deemed to have been paid within the meaning of Section 11.01; and

(3) Authority Notes in lieu of or in exchange or substitution for which other Authority Notes shall have been authenticated and delivered by the Trustee hereunder.

**“Owner”** means the registered owner of any Outstanding Authority Note.

**“Participant Resolutions”** means the respective resolutions adopted by the governing boards of the Participants and, where applicable (and if a respective County elected to do so), in the case of school districts, community college districts and county offices of education that are not fiscally accountable, the respective resolutions adopted by the county boards of supervisors, in each case authorizing the issuance of District Notes in one or more Series under Section 53853 of the Act and approving the execution and delivery by the Authority of this Indenture, any Supplemental Indenture and the Authority Notes, as originally adopted and as it may from time to time be amended or supplemented in accordance therewith.

**“Participants”** means the California school districts, community college districts and county offices of education listed in Schedule I hereto with regard to the Series A Authority Notes and in a Supplemental Indenture with regard to Additional Authority Notes, and, where applicable, the Counties electing to be the issuers of the District Notes for the school districts that are not fiscally accountable, and in each case their successors and assigns.

**“Payment Account”** means each account created pursuant to each Participant’s Resolution and maintained by the Trustee in the Authority Note Payment Fund under Section 3.02 relating to a Series of District Notes, for the collection and deposit of Pledged Revenues for the repayment of the related Participant’s District Notes, including amounts held in the Payment Account and invested in Permitted Investments.

**“Permitted Investments”** means any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein and approved by the applicable Credit Provider and Supplemental Credit Enhancer, if any:

(1) Federal Securities;

(2) Any direct or indirect obligations of an agency or department of the United States of America whose obligations represent the full faith and credit of the United States of America, or which are rated A or better by Fitch, S&P or Moody's (or whichever one of them is then rating the applicable Series of Authority Notes);

(3) Interest-bearing deposit accounts (including certificates of deposit) in federal or State chartered savings and loan associations or in federal or State of California banks (including the Trustee), provided that: (i) the unsecured obligations of such commercial bank or savings and loan association are rated A or better by Moody's or S&P (or whichever one of them is then rating the applicable Series of Authority Notes);

(4) Commercial paper rated in the highest short-term rating category by Moody's or S&P (or whichever one of them is then rating the applicable Series of Authority Notes);

(5) Federal funds or bankers acceptances with a maximum term of one year of any bank which an unsecured, uninsured and unguaranteed obligation rating in the highest rating category of Moody's or S&P (or whichever one of them is then rating the applicable Series of Authority Notes);

(6) Units of a money-market fund portfolio composed solely of obligations guaranteed by the full faith and credit of the United States of America rated in one of the two highest rating categories by Moody's and S&P (or whichever one of them is then rating the applicable Series of Authority Notes);

(7) Units of a money-market fund portfolio rated in the highest rating category by S&P and Moody's (or whichever one of them is then rating the applicable Series of Authority Notes);

(8) Any obligations which are then legal investments for moneys of the Participants under the laws of the State of California; provided, that if such investments are not fully insured by the Federal Deposit Insurance Corporation, such investments shall be, or shall be issued by entities the debt securities of which are, rated in the highest short-term (with regard to any modifiers) or one of the two highest long-term rating categories by Moody's and S&P (or whichever one of them is then rating the applicable Series of Authority Notes);

(9) The applicable Investment Agreement or any substitute therefor (with, if applicable, the consent of the applicable Credit Provider or Supplemental Credit Enhancer) which substitution results in a maintenance of the original rating on the applicable Series of Authority Notes; provided such agreement is with a financial entity (the "Provider"), or with a financial entity whose obligations are guaranteed or insured by a financial entity (the "Guarantor"), the Provider's or the Guarantor's senior debt or investment contracts or obligations under its investment contracts being rated in one of the two highest long-term rating categories by Moody's and S&P (or whichever one of them is then rating the applicable Series of Authority Notes) or whose commercial paper rating is in the highest rating category (with regard to any modifiers) of each such rating agencies (or whichever one of them is then rating the applicable Series of Authority Notes) or is fully collateralized by investments listed in subsection (1) hereof as required by S&P and Moody's (or whichever one of them is then rating the applicable Series of Authority Notes) to be rated in one of the two highest rating categories;

(10) Any other prudent investment rated in one of the two highest rating categories by Moody's and S&P (or whichever one of them is then rating the applicable Series of Authority Notes) approved by the applicable Credit Provider or Supplemental Credit Enhancer, and the Authority;

(11) The Local Agency Investment Fund managed by the office of the Treasurer of the State of California; or

(12) [For non-State credit Participants, if applicable, any County Treasury of a County in which the Participant is situated, the proceeds of whose note are to be invested, provided that the investment of such proceeds by the applicable County Treasurer is made in compliance with California Government Code Section 53601.]

**"Person"** means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government or any entity whatsoever.

**"Pledge Date"** means the last Business Day of each Repayment Period.

**"Pledged Revenues"** means the revenues pledged by a Participant in its Participant Resolution for the payment of its District Notes and related Authority Notes.

**"Pool"** means, collectively, the Series A Pool and each Additional Pool.

**"Pool Interest Fund"** means the fund by that name established in Section 3.02.

**"Pool Principal Fund"** means the fund by that name established in Section 3.02.

**"Predefault Obligations"** means, with respect to any individual Series of Authority Notes, (i) the respective obligations owed to the applicable Supplemental Credit Enhancer and Credit Provider under the corresponding Supplemental Credit Enhancement Agreement and Credit Agreement, respectively and, as the case may be, by the respective Participants whose Series of District Notes have been assigned to the Pool securing such Series of Authority Notes, (ii) all indemnification to the applicable Supplemental Credit Enhancer and Credit Provider, as the case may be, by such respective Participants, (iii) all other amounts due to the applicable Supplemental Credit Enhancer and Credit Provider by such respective Participants under the corresponding Supplemental Credit Enhancement Agreement and Credit Agreement, as applicable (including interest on overdue Predefault Obligations to the extent permitted by law), and (iv) if applicable, all fees and expenses of the applicable Supplemental Credit Enhancer and Credit Provider under the corresponding Supplemental Credit Enhancement Agreement and Credit Agreement, as applicable, to the extent they are not Costs of Issuance, becoming due prior to an Event of Default under the respective Participant Resolutions.

**"Principal Account"** means each account by that name established in Section 3.02.

**"Principal Office of the Trustee"** means the principal corporate trust office of the Trustee, which, for the Trustee initially appointed hereunder, is located in San Francisco, California; provided that for transfer, exchanges, payment and registration of Authority Notes, "Principal



Office of the Trustee” shall mean the corporate trust office of U.S. Bank National Association in San Francisco, California, or such other office specified by the Trustee.

“**Principal Payment Date**” means the Series A Principal Payment Date, and each Additional Principal Payment Date.

“**Proceeds Fund**” means the fund by that name established in Section 3.02.

“**Proceeds Account**” means each Proceeds Account created in the Proceeds Fund under Section 3.03(b) relating to a Series of District Notes.

“**Program**” means the California School Finance Authority State Aid Intercept Notes (Fiscal year 2020-21 School and Community College District Deferrals) pursuant to which one or more Series of Authority Notes are issued by the Authority to assist Participants in financing cash flow deficits.

“**Purchase Agreement**” means each purchase agreement between the Authority and the Underwriters, relating to the purchase of the applicable Series of Authority Notes by the Underwriters thereof.

“**Rating Agency**” means Fitch, S&P and Moody’s, or whichever one of them is then rating the applicable Series of Authority Notes, if any.

“**Rebate Fund**” means the fund by that name established in Section 7.10.

“**Reimbursement Obligations**” means with respect to an individual Series of Authority Notes (i) the respective obligations of the respective Participants issuing a Series of Authority Notes that have been assigned to the Pool securing such Series of Authority Notes under the corresponding Supplemental Credit Enhancement Agreement and Credit Agreement, as applicable, including, without limitation, obligations evidenced by Defaulted District Notes, (ii) all indemnification to the corresponding Supplemental Credit Enhancer and Credit Provider, as applicable, by such respective Participants, (iii) all other amounts at any time due to the corresponding Supplemental Credit Enhancer and Credit Provider, as applicable, by such respective Participants under the Supplemental Credit Enhancement Agreement and Credit Agreement, as applicable, (including any Predefault Obligations and interest on any overdue Reimbursement Obligations to the extent permitted by law), and, (iv) if applicable, all fees and expenses of the corresponding Supplemental Credit Enhancer and Credit Provider, as applicable, under the Supplemental Credit Enhancement Agreement and Credit Agreement, as applicable, exclusive of Costs of Issuance, becoming due as a result of or after an Event of Default under the respective Participant Resolutions.

“**Released Escrow Amounts**” mean the amount on deposit in each Escrow Account which is the lesser of the Estimated June Deferral Amount then on deposit in the Escrow Account or the Final June Deferral Amount for a Participant.

“**Repayment Period**” shall have the meaning ascribed to such term in the District Participant Resolutions.

**“Representation Letter”** means that certain blanket letter of representations addressed to DTC, and pertaining to the issuance of Authority Notes in book-entry form.

**“Representative”** means RBC Capital Markets, LLC and Citigroup Global Markets, Inc., each as Representative of itself and the Underwriters named in the Series A Purchase Agreement, and such other underwriters as may be approved by the Authority, collectively, as underwriters and purchasers of each Series of Authority Notes under and pursuant to the respective series Purchase Agreement.

**“Requisition”** means, depending on the context, either a request from the Authority or Municipal Advisor for payment by the Trustee of Costs of Issuance, in the form set forth in Exhibit B for a Costs of Issuance Requisition, or a request from a Participant for payment by the Trustee of Proceeds Account funds, in the form set forth in Exhibit C for a Proceeds Account Requisition.

**“S&P”** means S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “S&P” shall be deemed to refer to any other nationally recognized securities rating agency selected by the Authority.

**“SEC”** means the Securities and Exchange Commission.

**“Securities Depository”** means The Depository Trust Company, 570 Washington Blvd, 4th Floor, Jersey City, New Jersey 07310 Attn: Call Notification Department, or, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depository as the Authority may designate to the Trustee in writing.

**“Series”** means any individual series of Authority Notes or District Notes, as designated in this Indenture, a Supplemental Indenture or a Participant Resolution, as applicable.

**“Series A Authority Notes”** means the \$\_\_\_\_\_ California School Finance Authority State Aid Intercept Notes (Fiscal Year 2020-21 School and Community College District Deferrals), Series A, authorized by, and at any time Outstanding pursuant to, this Indenture.

**“Series A Costs of Issuance Account”** means the account by that name established in Section 3.02.

**“Series A District Notes”** means the tax and revenue anticipation notes issued by the Participants in the respective Series and aggregate principal amounts, as described in Schedule I hereto and assigned to the Series A Pool securing the Series A Authority Notes.

**“Series A Interest Account”** means the account by that name established in Section 3.02.

**“Series A Interest Payment Date”** means each date on which interest on the Series A Authority Notes and the corresponding Series A District Notes becomes due and payable, being \_\_\_\_\_, 2021.

**“Series A Investment Agreement”** means that certain Investment Agreement, if any, identified in the Confirmation of Pricings relating to the Series A District Notes assigned to the Series A Pool securing the Series A Authority Notes pursuant to which net proceeds of a portion of the Series A Authority Notes are to be invested, as executed and delivered by the Trustee on behalf of each of the applicable Participants.

**“Series A Pledged Accounts”** means, with respect to the Series A Authority Notes, the Series A Costs of Issuance Account, the Proceeds Accounts for each Series of District Notes assigned to the Series A Pool, the Payment Accounts for each Series of District Notes assigned to the Series A Pool, the Series A Interest Account and the Series A Principal Account.

**“Series A Pool”** means the Pool composed of Series A District Notes assigned to and securing the payment of the Series A Authority Notes.

**“Series A Principal Account”** means the account by that name established in Section 3.02.

**“Series A Principal Payment Date”** means the date on which the principal of the Series A Authority Notes and the corresponding Series A District Notes becomes due and payable, being \_\_\_\_\_, 2021.

**“Series A Purchase Agreement”** means the Purchase Agreement by and between the Authority and the Representative related to the Series A Authority Notes.

**“Series of Authority Notes”** and **“Authority Notes of a Series”** means each Series of Authority Notes.

[**“State Aid”** means the State apportionment comprised of: (a) for K-12 Participants and county offices of education, revenues and funding included in the local control funding formula (LCFF), special education and funding for several other programs, or (b) for Community College Participants, revenues and funding for the student centered funding formula (“SCFF”) that are calculated using a base allocation tied to enrollment, a supplemental allocation primarily based on enrollment of low-income students and a student success allocation based on various performance metrics, pursuant to Section 84750.4 of the California Education Code.]

**“State Controller”** means the California State Controller.

**“Supplemental Credit Enhancement”** means, collectively, each Additional Supplemental Credit Enhancement.

**“Supplemental Credit Enhancement Agreement”** means, collectively, each Additional Supplemental Credit Enhancement Agreement.

**“Supplemental Credit Enhancer”** means, collectively, each Additional Supplemental Credit Enhancer.

**“Supplemental Indenture”** means any indenture approved by the Authority in accordance with Article X of this Indenture amending or supplementing this Indenture or any Supplemental Indenture, or providing for the issuance of Additional Authority Notes.

**“Tax Certificate”** has the meaning ascribed thereto in Section 7.04(a) hereof.

**“Tax-Exempt Notes”** means [Authority Notes, the interest on which is intended to be excluded from the gross income of the holders thereof for federal income tax purposes.]

**“Taxable Notes”** means [Authority Notes not issued as Tax-Exempt Notes].

**“Trustee”** means U.S. Bank National Association, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, at its principal corporate trust office in San Francisco, California, or any other bank or trust company at its principal corporate trust office which may at any time be substituted in its place, as trustee under this Indenture.

**Section 1.02. Indenture Constitutes a Contract; Obligation of Indenture and Authority Notes.** In consideration of the purchase and acceptance of any and all of each Series of the Authority Notes authorized to be issued under this Indenture by those who shall hold the same from time to time:

(a) this Indenture shall be deemed to be and shall constitute a contract among the Authority, the Trustee, each Supplemental Credit Enhancer, each Credit Provider, and the Owners from time to time of the corresponding Series of Authority Notes;

(b) subject to the provisions of Section 5.01(c) hereof, the pledge of the Series A Pledged Accounts and the other moneys, rights and interests made in this Indenture in Section 1.03(a) and 5.01 hereof and the related covenants and agreements set forth in this Indenture to be performed by and on behalf of the Authority shall be for the equal and ratable benefit, protection and security of the Owners of any and all of the Series A Authority Notes and each Supplemental Credit Enhancer, and each Credit Provider relating to the Series A Authority Notes, all of which regardless of the time or times of their issue or maturity shall be of equal rank without preference, priority or distinction of any of such Series A Authority Notes over any other thereof; and each Series A Authority Note shall be a special obligation of the Authority payable solely from the moneys, rights and interest pledged for payment of the Series A Authority Notes in Section 1.03(a) and 5.01 hereof; and

(c) subject to the provisions of Section 5.01(c) hereof, the pledge of the Additional Series Pledged Accounts and the other moneys, rights and interests made in this Indenture in Section 1.03(b) and Section 5.01 hereof and the related covenants and agreements set forth in this Indenture to be performed by and on behalf of the Authority shall be on a Series by Series basis, for the equal and ratable benefit, protection and security of the Owners of any and all Additional Authority Notes of such Series and each Additional Supplemental Credit Enhancer, and each Additional Credit Provider relating to such Series of Additional Authority Notes, all of which regardless of the time or times of their issue or maturity/maturities shall be of equal rank without preference, priority or distinction of any Additional Authority Note of such Series over any other Additional Authority Notes of the same Series; and each Additional Authority Note of a Series shall be a special obligation of the Authority payable solely from the moneys, rights and interest pledged for payment of the Additional Authority Notes of such Series in Section 1.03(b) and 5.01 hereof.

**Section 1.03. Pledge Effected by Indenture.**

(a) Series A Authority Notes: Subject to the provisions of this Indenture permitting the application thereof for or to the purposes and on the terms and conditions set forth in this Indenture, including the provisions of Section 5.01(c) hereof, there are hereby pledged for the payment of the principal of and interest on the Series A Authority Notes in accordance with their terms and the provisions of this Indenture, and the Trustee, as trustee on behalf of the Owners, is hereby granted an express lien on, the proceeds of such Series A Authority Notes, all moneys on deposit in the Series A Pledged Accounts (other than in the Rebate Fund) credited by or pursuant to this Indenture, including the investments thereof (if any) other than investments which are to be deposited into the Rebate Fund, the rights and interest of the Authority in and to the Debt Service Payments on the respective Series A District Notes assigned to the Series A Pool, the documents evidencing and securing the same, the District Participant Resolutions to the extent relating to the Series A District Notes and the collections received therefrom by the Authority or the Trustee on its behalf, and any and all other property of any kind from time to time hereafter pledged as additional security for the Series A Authority Notes under this Indenture by a Supplemental Indenture, by delivery or by writing of any kind of the Authority or by any person on its behalf. The pledge and lien of this Section 1.03(a) is created and established to secure the payment of the principal of and interest on the Series A Authority Notes in accordance with the terms and the provisions of this Indenture.

(b) Each Series of Additional Authority Notes: Subject to the provisions of this Indenture permitting the application thereof for or to the purposes and on the terms and conditions set forth in this Indenture, including the provisions of Section 5.01(c) hereof, there are hereby pledged for the payment of the principal of and interest on each Series of Additional Authority Notes in accordance with their terms and the provisions of this Indenture and the applicable Supplemental Indenture, and the Trustee, as trustee on behalf of the Owners, is hereby granted an express lien on, the proceeds of such Series of Additional Authority Notes, all moneys on deposit in the Additional Series Pledged Accounts (other than in the Rebate Fund) relating to such Series of Additional Authority Notes credited by or pursuant to this Indenture, including the investments thereof (if any) other than investments which are to be deposited into the Rebate Fund, the rights and interest of the Authority in and to the Debt Service Payments on the corresponding Series of Additional District Notes assigned to the Additional Pool securing such Series of Additional Authority Notes, the documents evidencing and securing the same, the Participant Resolutions to the extent relating to such Series of Additional District Notes and the collections received therefrom by the Authority or the Trustee on its behalf, and any and all other property of any kind from time to time hereafter pledged as additional security for such Series of Additional Authority Notes under this Indenture by a Supplemental Indenture, by delivery or by writing of any kind of the Authority or by any person on its behalf. The pledge and lien of this Section 1.03(b) is created and established to secure the payment of the principal of and interest on such Series of Additional Authority Notes (including reimbursement of the corresponding Supplemental Credit Enhancer or Credit Provider, as applicable) in accordance with the terms and the provisions of this Indenture and the applicable Supplemental Indenture; provided, however, that all amounts in the Credit Account, if any, of the Credit Fund attributable to each such Series of Authority Notes are pledged and shall be applied solely to payment of the principal of and interest on the corresponding Series of Authority Notes.

## ARTICLE II

### CONDITIONS AND TERMS OF AUTHORITY NOTES

**Section 2.01. Initial Issuance of Authority Notes.** The Authority Notes to be issued under this Indenture are hereby created initially in one Series consisting of the Series A Authority Notes. The Authority may at any time issue Additional Authority Notes pursuant to a Supplemental Indenture upon satisfaction of the conditions precedent set forth in Section 2.12 hereof.

The Series A Authority Notes are designated as the "California School Finance Authority State Aid Intercept Notes (Fiscal Year 2020-21 School and Community College District Deferrals), Series A." The aggregate principal amount of Series A Authority Notes which may be issued and Outstanding under this Indenture shall be \_\_\_\_\_ dollars (\$ \_\_\_\_\_), exclusive of Authority Notes executed and authenticated as provided in Section 2.09. The Trustee is hereby authorized and directed to authenticate the Series A Authority Notes in the aggregate principal amount of \_\_\_\_\_ dollars (\$ \_\_\_\_\_). The Series A Authority Notes shall be initially delivered in the form of one Series A Authority Note for the full principal amount thereof and shall be registered in the name of "Cede & Co.," as nominee of DTC.

Any Additional Authority Notes shall be designated as provided in the Supplemental Indenture pursuant to which such Additional Authority Notes are to be issued. The aggregate principal amount of Additional Authority Notes which may be issued under this Indenture shall be limited as provided in such Supplemental Indenture.

**Section 2.02. Denominations, Medium and Method and Place of Payment and Dating of Authority Notes.** The Authority Notes shall be prepared in the form of fully registered notes in denominations of [one hundred thousand dollars (\$100,000)] or any integral multiple thereof. The interest on and principal of the Authority Notes shall be payable in lawful money of the United States of America. The interest on the Authority Notes shall be payable on the applicable Interest Payment Dates, and the principal of the Authority Notes shall be payable on the applicable Principal Payment Date thereof upon surrender thereof by the respective Owners thereof at the Principal Office of the Trustee. The Trustee may treat the Owner of any Authority Note as the absolute owner of such Authority Note for all purposes, whether or not such Authority Note shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the interest on and principal of such Authority Note shall be made only to such Owner as above provided, which payments shall be valid and effectual to satisfy and discharge the liability on such Authority Note to the extent of the sum or sums so paid. All Authority Notes paid pursuant to the provisions of this section shall be cancelled and destroyed by the Trustee and shall not be redelivered and a certificate of destruction shall be delivered to the Authority and the applicable Credit Provider.

Each Authority Note shall be dated the date of its initial issuance.

**Section 2.03. Terms of the Authority Notes.** (a) Terms of the Series A Authority Notes. Each Series A Authority Note shall mature on the Series A Principal Payment Date, shall

bear interest at the rate of \_\_\_\_\_ percent (\_\_\_\_%), payable on each Series A Interest Payment Date, and shall have the principal thereof payable on the Series A Principal Payment Date, upon surrender of the Series A Authority Note by the Owner thereof, at the Principal Office of the Trustee.

The interest payable on the Series A Authority Notes shall be computed on the basis of a 360- day year of twelve 30-day months.

The Series A Authority Notes shall not be subject to prepayment or redemption prior to the Series A Principal Payment Date.

(b) **Terms of Additional Authority Notes.** The maturity date or dates, interest rate or rates, interest payment date or dates, computation of interest, and redemption or prepayment provisions applicable to any Series of Additional Authority Notes shall be determined by the Authority at the time of issuance thereof pursuant to the Supplemental Indenture under which such Series of Additional Authority Notes are issued. Principal of and interest on such Series of Additional Authority Notes shall be payable in such manner as may be specified in such Supplemental Indenture.

**Section 2.04. Form of Authority Notes.** The Authority Notes and the form of assignment to appear thereon shall be in substantially the forms in Exhibit A hereto, with appropriate or necessary insertions, omissions and variations as permitted or required thereby or hereby. The Authority Notes may be prepared in typewritten, lithographed or printed form.

**Section 2.05. Execution of Authority Notes.** The Authority Notes shall be executed by the Chairperson of the Authority, or by such other persons as shall have been authorized by resolution of the Authority to execute and attest the Authority Notes, by manual or facsimile signature and shall be authenticated by the Trustee by the manual signature of an authorized officer of the Trustee. The Authority Notes may, but need not bear the seal of the Authority, if any.

**Section 2.06. Transfer and Exchange of Authority Notes.** All Authority Notes are transferable or exchangeable by the Owner thereof, in person or by his attorney duly authorized in writing, at the Principal Office of the Trustee in the books required to be kept by the Trustee pursuant to the provisions of Section 2.07, upon surrender of such Authority Notes accompanied by delivery of a duly executed written instrument of transfer or exchange in a form acceptable to the Trustee. Whenever any Authority Note or Authority Notes shall be surrendered for transfer or exchange, the Trustee shall execute and deliver a new Authority Note or Authority Notes of the same Series and of authorized denominations representing the same aggregate principal amount, except that the Trustee shall require the payment by any Owner requesting such transfer or exchange of any tax or other governmental charge required to be paid with respect to such transfer or exchange. All Authority Notes surrendered pursuant to the provisions of this section shall be cancelled by the Trustee and shall not be redelivered.

**Section 2.07. Registration Books.** The Trustee will keep at its Principal Office sufficient books for the registration of the ownership, transfer or exchange of the Authority Notes, which books shall be available for inspection by the Authority, each Supplemental Credit Enhancer

or each Credit Provider, as applicable, the Participants or any Owner or his agent duly authorized in writing at reasonable hours and under reasonable conditions during regular business hours upon reasonable prior notice; and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register the ownership, transfer or exchange of the Authority Notes in such books as hereinabove provided. The ownership of any Authority Notes may be proved by the books required to be kept by the Trustee pursuant to the provisions of this section.

**Section 2.08. Temporary Authority Notes.** The Authority Notes may be initially delivered in temporary form exchangeable for definitive Authority Notes of like Series when ready for delivery, which temporary Authority Notes shall be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Authority, shall be in fully registered form and shall contain such reference to any of the provisions hereof as may be appropriate. Every temporary Authority Note shall be executed and delivered by the Authority and authenticated by the Trustee upon the same conditions and terms and in substantially the same manner as definitive Authority Notes. If the Authority executes and delivers and the Trustee authenticates temporary Authority Notes, it will prepare and authenticate definitive Authority Notes without delay, and in that case, upon demand of the Owner of any temporary Authority Notes, such definitive Authority Notes shall be exchanged without cost to such Owner for temporary Authority Notes at the Principal Office of the Trustee upon surrender of such temporary Authority Notes, and until so exchanged such temporary Authority Notes shall be entitled to the same benefit, protection and security hereunder as the definitive Authority Notes executed and delivered hereunder. All temporary Authority Notes surrendered pursuant to the provisions of this section shall be cancelled by the Trustee and shall not be redelivered.

**Section 2.09. Authority Notes Mutilated, Destroyed, Lost or Stolen.** If any Authority Note shall become mutilated, the Authority shall execute and deliver and the Trustee shall authenticate a new Authority Note of like tenor and Series in exchange and substitution for the Authority Note so mutilated, but only upon surrender to the Trustee of the Authority Note so mutilated, and every mutilated Authority Note so surrendered to the Trustee shall be cancelled by it. If any Authority Note shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee, and if such evidence is satisfactory to the Trustee and indemnity satisfactory to the Trustee shall be given, the Trustee shall authenticate and deliver a new Authority Note of like tenor and Series and principal amount in lieu of and in substitution for the destroyed, lost or stolen Authority Note. The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Authority Note authenticated and delivered by it under this section and of the expenses which may be incurred by it under this section. Any replacement Authority Note executed and delivered under the provisions of this section in lieu of and in substitution for any mutilated, destroyed, lost or stolen Authority Note shall be equally and proportionately entitled to the benefit, protection and security hereof with all other Authority Notes of the same Series executed and delivered hereunder; and the Trustee shall not be required to treat both the original Authority Note and any replacement Authority Note as being Outstanding for the purpose of determining the principal amount of Authority Notes which may be executed and delivered hereunder or for the purpose of determining any percentage of Authority Notes Outstanding hereunder, but both the original and the replacement Authority Note shall be treated as one and the same. Notwithstanding any other provisions of this section, rather than executing and delivering a new Authority Note for a mutilated, destroyed, lost or stolen Authority Note the



corresponding Principal Payment Date of which has occurred or is about to occur, the Trustee may make payment of the principal evidenced and represented by such mutilated, destroyed, lost or stolen Authority Note directly to the Owner thereof under such regulations as the Trustee may prescribe.

**Section 2.10. Special Covenants as to Book-Entry Only System.**

(a) Except as otherwise provided in subsections (b) and (c) of this Section 2.10, and except with respect to any Series of Authority Notes wholly owned by the applicable Supplemental Credit Enhancer or Credit Provider, which shall be registered in the name of the applicable Supplemental Credit Enhancer, or Credit Provider (or applicable nominee), as the case may be, each Series of Authority Notes initially executed and delivered hereunder shall be registered in the name of Cede & Co., as nominee for DTC, or such other nominee as DTC may request. Payment of the principal of and interest on each Authority Note registered in the name of Cede & Co. shall be made to the account, in the manner and at the address indicated in or pursuant to the Representation Letter delivered to DTC by the Authority.

(b) Each Series of Authority Notes issued hereunder shall be initially in the form of a single authenticated fully registered note for the full principal amount of such Series of Authority Notes. Upon initial execution of the respective Series of Authority Notes, the ownership of all such Authority Notes shall be registered in the registration records maintained by the Trustee pursuant to Section 2.07 in the name of Cede & Co., as nominee of DTC, or such other nominee as DTC may request. The Trustee, the Authority and the Participants may treat DTC (or its nominee) as the sole and exclusive Owner of the Authority Notes registered in its name for the purposes of payment of the principal of and interest on such Authority Notes, selecting any Authority Notes or portions thereof to be prepaid, giving any notice permitted or required to be given to an Owner under this Indenture, registering the transfer of Authority Notes, obtaining any consent or other action to be taken by the Owners and for all other purposes whatsoever; and neither the Trustee, the Authority nor the Participants shall be affected by any notice to the contrary. Neither the Trustee, the Authority nor the Participants shall have any responsibility or obligation to any Participant (which shall mean, for purposes of this Section 2.10, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the Authority Notes under or through DTC or any Participant, or any other person which is not shown on the registration records as being an Owner, with respect to (i) the accuracy of any records maintained by DTC or any Participant, (ii) the payment by DTC or any Participant of any amount in respect of the principal or interest represented by such Authority Notes, (iii) any notice which is permitted or required to be given to the Owners under this Indenture, (iv) the selection by DTC or any Participant of any person to receive payment in the event, if any, of a partial redemption of the Authority Notes, or (v) any consent given or other action taken by DTC as Owner. The Trustee shall pay all principal of and premium, if any, and interest on the applicable Series of Authority Notes only at the times, to the accounts, at the addresses and otherwise in accordance with the Representation Letter. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of its then existing nominee, the applicable Series of Authority Notes will be transferable to such new nominee in accordance with subsection (f) of this Section 2.10.

(c) In the event that the Authority determines that it is in the best interests of the beneficial owners of the Authority Notes of any Series that they be able to obtain certificates, the Trustee shall, upon the written instruction of the Authority, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of Authority Notes of such Series. In such event, the Authority Notes of such Series will be transferable in accordance with subsection (f) of this Section 2.10. DTC may determine to discontinue providing its services with respect to the Authority Notes of any Series at any time by giving written notice of such discontinuance to the Authority or the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, the Authority Notes of such Series will be transferable in accordance with subsection (f) of this Section 2.10. Whenever DTC requests the Authority or the Trustee to do so, and the Authority will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all certificates evidencing the Authority Notes of such Series then Outstanding. In such event, the Authority Notes of such Series will be transferable to such securities depository in accordance with subsection (f) of this Section 2.10, and thereafter, all reference in this Indenture to DTC or its nominee shall be deemed to refer to such successor securities depository and its nominee, as appropriate.

(d) Notwithstanding any other provision of this Indenture to the contrary, so long as all Authority Notes of a Series Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal and interest represented by each such Series of Authority Notes and all notices with respect to each such Series of Authority Notes shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) The Authority shall have executed and delivered the Representation Letter and, in connection with any successor nominee for DTC and any successor depository, enter into comparable arrangements, and shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this Indenture.

(f) In the event that any transfer or exchange of any Series of Authority Notes is authorized under subsection (b) or (c) of this Section 2.10 or required because a Series of Authority Notes are held wholly in the name of the corresponding Supplemental Credit Enhancer or Credit Provider, as applicable, such transfer or exchange shall be accomplished upon receipt by the Trustee from the Owner thereof of the Authority Notes of the Series to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of Section 2.06. In the event any Series of Authority Notes are issued to Owners other than Cede & Co., its successor as nominee for DTC as Owner of all such Series of Authority Notes, another securities depository as Owner of all such Series of Authority Notes, or the nominee of such successor securities depository, the provisions of Section 2.02, 2.03 and 2.06 shall also apply to, among other things, the registration, exchange and transfer of such Series of Authority Notes and the method of payment of principal of, premium, if any, and interest on such Series of Authority Notes.

**Section 2.11. Registration of Authority Notes Held Wholly in the Name of a Supplemental Credit Enhancer or Credit Provider.** (a) Each Series of Authority Notes held wholly in the name of the corresponding Supplemental Credit Enhancer or Credit Provider shall be transferred to, and registered in the name of, such Supplemental Credit Enhancer or Credit Provider, as the case may be, or to such person as such Supplemental Credit Enhancer or Credit

Provider may direct, unless such Supplemental Credit Enhancer or Credit Provider otherwise consents in writing. All such Series of Authority Notes shall be labeled by the Trustee as not transferable to any person other than the Authority, the Participants or such Supplemental Credit Enhancer or Credit Provider, as applicable.

(b) In the event a Supplemental Credit Enhancer or a Credit Provider sells or transfers the corresponding Series of Authority Notes described in this Section 2.11, such Supplemental Credit Enhancer or Credit Provider will be responsible for complying with all securities laws in connection with such sale or transfer and the Trustee shall not have any liability therefor.

**Section 2.12. Issuance of Additional Authority Notes.** The Authority may at any time issue a Series of Additional Authority Notes pursuant to a Supplemental Indenture, secured by and payable from an Additional Pool separate and distinct from all other Pools constituted hereunder and consisting of a Series of Additional District Notes that have not been assigned to any other Pool, secured by a pledge of and charge and lien upon such Additional Pool and the other security provided by Section 1.03(b) herein, which pledge, charge and lien shall be separate and distinct from any previously granted pledge, charge and lien securing any other Series of Outstanding Authority Notes theretofore issued hereunder, and subject to the following specific conditions, which are hereby made conditions precedent to the issuance of any such Series of Additional Authority Notes:

(a) The Authority shall be in compliance with all agreements and covenants contained herein.

(b) Each Participant that is seeking to issue a Series of Additional District Notes in connection with such Series of Additional Authority Notes and that has previously adopted a Participant Resolution and issued District Notes in connection with one or more prior Series of Outstanding Authority Notes, shall be in compliance with all agreements and covenants contained in each such Participant Resolution, shall not issue Additional District Notes unless such Additional District Notes are issued in compliance with Section 2(B) of such Participant Resolution, and shall not have issued any tax and revenue anticipation notes relating to the 2020-2021 fiscal year except (i) in connection with the Program under such Participant Resolution, or (ii) notes secured by a pledge of its unrestricted revenues that is subordinate in all respects to the pledge of unrestricted revenues under such Participant Resolution, and no Event of Default shall have occurred and be continuing with respect to any such outstanding previously issued notes or Series of District Notes.

(c) The aggregate principal amount of Authority Notes issued and at any time Outstanding hereunder shall not exceed any limit imposed by law, by this Indenture or by any Supplemental Indenture.

(d) Whenever the Authority shall determine to execute and deliver any Series of Additional Authority Notes pursuant to this Section 2.12, the Authority and the Trustee shall enter into a Supplemental Indenture providing for the issuance of such Series of Additional Authority Notes, specifying the maximum principal amount thereof and prescribing the terms and conditions thereof. The Supplemental Indenture shall prescribe the form or forms of such Series of Additional Authority Notes and shall provide for the distinctive designation, denominations, method of

numbering, dates, interest rates and places of payment of principal and interest. The Supplemental Indenture may contain any other provision authorized or not prohibited by this Indenture relating to such Series of Additional Authority Notes.

(e) Before such Series of Additional Authority Notes shall be issued, the Authority shall file or cause to be filed the following documents with the Trustee:

(1) An Opinion of Counsel to the effect that (A) such Additional Authority Notes constitute the valid and binding obligations of the Authority, (B) such Additional Authority Notes are special obligations of the Authority and are payable from interest and principal payments made by the applicable Participants on their respective corresponding District Notes, and (C) the applicable Supplemental Indenture has been duly executed and delivered by, and constitutes the valid and binding special obligation of, the Authority.

(2) A Certificate of the Authority and each Participant whose District Notes will secure such Series of Additional Authority Notes certifying as to the incumbency of its officers and stating that the requirements of this Section 2.12 have been met.

(3) A certified copy of the Participant Resolution and any supplemental Participant Resolution, if applicable, of each Participant that is seeking to issue a Series of Additional District Notes authorizing the issuance thereof.

(4) A certified copy of a resolution of the Authority authorizing the execution and delivery of the applicable Purchase Agreements with the participating Participants, the Supplemental Indenture, and any Additional Supplemental Credit Enhancement Agreement, Additional Credit Agreement, or Additional Investment Agreement, and authorizing the issuance of the Additional Authority Notes.

(5) An executed counterpart or duly authenticated copy of the applicable Purchase Agreement with each participating Participant, the Supplemental Indenture, and any Additional Supplemental Credit Enhancement Agreement, Additional Credit Agreement, or Additional Investment Agreement.

(6) A Confirmation of Pricing relating to such Series of Additional Authority Notes from each participating Participant.

(7) The executed Series of Additional District Notes and Additional Authority Notes from the issuers thereof.

Upon the delivery to the Trustee of the foregoing instruments and upon the Trustee's receipt of Certificates of each Participant and of the Authority stating that all applicable provisions of this Indenture have been complied with (so as to permit the issuance of the Series of Additional Authority Notes in accordance with the Supplemental Indenture then delivered to the Trustee), the Trustee shall authenticate and deliver said Additional Authority Notes, in the aggregate principal amount specified in such Supplemental Indenture, to, or upon the Request of, the Authority. Upon execution and delivery by the Authority and authentication by the Trustee, said Additional Authority Notes shall be valid and binding notwithstanding any defects in satisfying any of the foregoing requirements.

## ARTICLE III

### PROCEEDS OF AUTHORITY NOTES

**Section 3.01. Delivery of Authority Notes.** The Trustee is hereby authorized to authenticate and deliver the Series A Authority Notes to the Representative thereof pursuant to the Purchase Contract applicable to the Series A Authority Notes, upon receipt of a written Request of the Authority, the Series of District Notes comprising the Pool securing the Series A Authority Notes and the proceeds of sale of the Series A Authority Notes.

**Section 3.02. Establishment of Funds and Accounts; Deposit of Authority Note Proceeds.**

(a) The Trustee hereby agrees to establish and maintain hereunder, in trust, the following funds and accounts:

(1) the Costs of Issuance Fund, and therein:

(A) the Series A Costs of Issuance Account, and

(B) a separate Costs of Issuance Account for each Series of Additional Authority Notes,

(2) the Proceeds Fund, and therein:

(A) a separate Proceeds Account for each Series A District Note assigned to the Series A Pool, and

(B) a separate Proceeds Account for each Additional District Note assigned to each Additional Pool,

(3) the Authority Note Payment Fund, and therein:

(A) a separate Payment Account for each Series A District Note assigned to the Series A Pool, and

(B) a separate Payment Account for each Additional District Note assigned to each Additional Pool,

(4) the Pool Interest Fund, and therein:

(A) the Series A Interest Account, and

(B) a separate Interest Account for each Series of Additional Authority Notes,

(5) the Pool Principal Fund, and therein:

(A) the Series A Principal Account, and

(B) a separate Principal Account for each Series of Additional Authority Notes,  
and

(6) the Escrow Fund, and therein:

(A) a separate Escrow Account for each Series A District Note assigned to the Series A Pool with an Estimated June Deferral Amount, and

(B) a separate Escrow Account for each Additional District Note assigned to each Additional Pool,

and

(7) if applicable, the Credit Fund, and therein:

(A) a separate Credit Account for each Series of Additional Authority Notes.

(b) The proceeds received from the sale of the Series A Authority Notes are to be deposited in the following funds in the following amounts:

Costs of Issuance Fund (Series A Costs of Issuance Account) \$ \_\_\_\_\_

Proceeds Fund (with deposits to Proceeds Accounts attributable to the Series A District Notes assigned to secure the Series A Authority Notes in the amounts set forth in Schedule II hereto) \$ \_\_\_\_\_

Escrow Fund (with deposits to Escrow Accounts attributable to the Series A District Notes assigned to secure the Series A Authority Notes in the amounts set forth in Schedule III hereto) \$ \_\_\_\_\_

**Section 3.03. Use of Money in the Costs of Issuance Fund, Proceeds Fund, Payment Fund and Escrow Fund.**

(a) (1) Costs of Issuance Fund. The moneys in each Cost of Issuance Account in the Costs of Issuance Fund shall be used and withdrawn by the Trustee, to pay the Costs of Issuance of the related Series of Authority Notes upon receipt of a Requisition in substantially the form attached hereto as Exhibit B submitted by the Authority or the Municipal Advisor. In the event the total of any Requisition exceeds the amount then on deposit in the Costs of Issuance Fund, the Trustee shall promptly notify the Authority of the shortfall, and await further instructions from the Authority

(2) On the earliest of [September 1, 2021], or on such earlier date upon Request of the Authority, amounts, if any, remaining in the Series A Costs of Issuance Account and not required

to pay identified Costs of Issuance for the Series A Authority Notes specified in writing by the Municipal Advisor to the Trustee, including any initial or additional fees or expenses of the Trustee, or any identified Predefault Obligations and Reimbursement Obligations attributable to the Series A Authority Notes, shall be transferred to the Authority Note Payment Fund and credited to the Payment Accounts therein attributable to the Series A District Notes assigned to secure the Series A Authority Notes, in proportion to the amounts initially deposited in the Series A Costs of Issuance Account from proceeds of the Series A Authority Notes attributable to each Participant, as set forth in a certificate of the Municipal Advisor submitted to the Trustee.

(3) On the date set forth in the applicable Supplemental Indenture relating to a Series of Additional Authority Notes, amounts, if any, remaining in the Costs of Issuance Account relating to such Series of Additional Authority Notes and not required to pay identified Costs of Issuance for such Series of Additional Authority Notes specified in writing by the Municipal Advisor to the Trustee, including any initial or additional fees or expenses of the applicable Additional Credit Provider or Additional Supplemental Credit Enhancer, or the Trustee, or any identified Predefault Obligations and Reimbursement Obligations attributable to such Series of Additional Authority Notes, shall be transferred to the Authority Note Payment Fund and credited to the Payment Accounts therein attributable to the corresponding Series of Additional District Notes assigned to secure such Series of Additional Authority Notes, in proportion to the amounts initially deposited in such Costs of Issuance Account from the proceeds of such Series of Additional Authority Notes attributable to each Participant, as set forth in a certificate of the Municipal Advisor submitted to the Trustee.

(b)(1) Proceeds Fund. All money in the Proceeds Fund shall be transferred by the Trustee at Closing as directed by the Authority. The Trustee shall establish an account in the Proceeds Fund for each Series of District Notes of each Participant assigned to a Pool (each a "Proceeds Account"). Funds in the Proceeds Fund shall be credited to the Proceeds Account attributable to the applicable Series of District Notes in amounts set forth in Schedule II hereto with respect to each of the Series A District Notes, and as subsequently set forth in the applicable Supplemental Indenture with respect to each Series of Additional District Notes.

(2) Moneys in each Proceeds Account shall be disbursed by the Trustee in the name of the Participant to the County Treasury Pool of the Participant that issued the related Series of District Notes at Closing or as soon as practical, pursuant to a Certificate of the Authority, and shall be used by the Participant for any purpose for which the Participant is authorized to use and expend moneys loaned to it by the Authority under the CSFA Act.

(c) Authority Note Payment Fund. The Trustee shall transfer from each Payment Account attributable to a Series of District Notes of a Participant to the corresponding Authority Note Payment Fund attributable to such Series of District Notes of such Participant, taking into consideration investment earnings (as set forth in a Certificate from the Municipal Advisor to the Trustee) anticipated to be received by the principal and/or interest payment date applicable to such respective Series of District Notes:

(1) on the tenth Business Day of each Repayment Period designated on the face of such Series of District Notes of such Participant (or, with respect to a Series of Additional District Notes, such other day as set forth in the Supplemental Indenture applicable to the corresponding

Series of Additional Authority Notes), up to, but excluding, the last Repayment Period, amounts which are equal to the percentages of the principal and interest due to be paid in each such Repayment Period with respect to such Participant's respective Series of District Notes as designated on the face of such respective Series of District Notes, and

(2) on the tenth Business Day of the last Repayment Period applicable to such Series of District Notes of such Participant (or, with respect to a Series of Additional District Notes, such other day as set forth in the Supplemental Indenture applicable to the corresponding Series of Additional Authority Notes), or, if only one Repayment Period is applicable to such Series of District Notes, on the tenth Business Day of such Repayment Period (or, with respect to a Series of Additional District Notes, such other day as set forth in the Supplemental Indenture applicable to the corresponding Series of Additional Authority Notes), an amount equal to the lesser of (i) the principal of and interest on such Series of District Notes, less any amounts transferred to such Payment Account from excess amounts in the Costs of Issuance Account of the related Series of Authority Notes pursuant to Section 3.03(a) hereof, and less (without duplication) any amounts then on deposit in such Payment Account for payment of such Series of District Notes, and (ii) the total amount, if any, remaining in the corresponding Escrow Account attributable to such Series of District Notes of such Participant.

If on the tenth Business Day of the first (or single) Repayment Period applicable to such Series of District Notes of such Participant (or, with respect to a Series of Additional District Notes, such other day as set forth in the Supplemental Indenture applicable to the corresponding Series of Additional Authority Notes), the amount in the related Payment Account is less than the aggregate amount required to be transferred pursuant to clause (1) above, the Trustee shall transfer the amount [next received from the State Controller on behalf of the Participant] equal to the shortfall to the corresponding Payment Account in the Authority Note Payment Fund on such day of receipt.]

(3) Payments made by or on behalf of each Participant with respect to a Series of its District Notes prior to the tenth Business Day of any Repayment Period (as defined in such Participant's Resolution and indicated on the face of each such Participant's Series of District Notes) for such Series of District Notes shall be credited to the Payment Account related to such Series of District Notes, provided, however, with respect to a Participant that has issued more than one Series of District Notes, that payments made with respect to a Series of District Notes prior to the last day of the first Repayment Period of such Series of District Notes, shall, to the extent of any deficiency with respect to payments due on any other Series of District Notes of such Participant in any Repayment Period applicable to such other Series of District Notes, be applied to such deficiency and deposited in the Payment Account(s) attributable to such other Series of District Notes of such Participant in accordance with the priority provisions set forth in subsection 11(B) or 11(G), as applicable, of such Participant's Resolution. Amounts deposited in the Payment Account shall not be available for disbursement to such Participant, except as provided in Section 5.01 (k).

Except as expressly provided herein, neither the Authority nor the Trustee shall have any obligation or liability to the Beneficial Owners of the Authority Notes with respect to payment of principal of or interest on the District Notes or the observance or performance by any Participant



of any obligations or agreements or the exercise of any rights under the respective Participant Resolutions.

(d) **Escrow Fund.** All moneys in the Escrow Fund shall be deposited by the Trustee at Closing as directed by the Authority. The Trustee shall establish an account in the Escrow Fund for each Series of District Notes of each Participant assigned to a Pool with an Estimated June Deferral Amount (each an “Escrow Account”). The portion of District Note Proceeds reflecting the Estimated June Deferral Amounts for such Participant will be sequestered into an Escrow Account held by the Trustee in the name of each Participant. Funds in the Escrow Fund shall be credited to the Escrow Accounts attributable to the applicable Series of District Notes in amounts set forth in Schedule III hereto reflecting the Estimated June Deferral Amounts with respect to each such Series A District Note, and as subsequently set forth in the applicable Supplemental Indenture with respect to each Series of Additional District Notes.

The amounts on deposit in the Escrow Fund shall be [invested by the Trustee in Permitted Investments] until the Escrow Release Date. Prior to the Escrow Release Date, the Authority will provide the Trustee with instructions indicating the Released Escrow Amounts for each Escrow Account. On the Escrow Release Date, the Trustee shall transfer in the name of the Participant for deposit in its County Treasury Pool the applicable Released Escrow Amount. The amount remaining in each Escrow Account following the Escrow Release Date, if any, shall be transferred by the Trustee to that Participant’s Payment Account first, as a credit towards the payment on each Series of District Notes and, second, for payment of corresponding Predefault Obligations and Reimbursement Obligations of or allocable to such Participant, and, third, shall be returned to such Participant after the last day of the last Repayment Period applicable to such Series of District Notes.

In addition, with respect to a Participant that has issued several Series of District Notes, the Trustee shall not disburse any moneys from any Escrow Accounts related to such Participant if it has received written notice or actual knowledge that an Event of Default has occurred and is continuing under any Participant Resolution or supplemental Participant Resolution, if any, of such Participant.

## ARTICLE IV

### TRUSTEE’S DUTIES REGARDING DISTRICT NOTES

**Section 4.01. Authenticating Agent.** The Trustee shall be the authenticating agent for the Participants in connection with the issuance of each Series of District Notes under each Participant Resolution.

**Section 4.02. Registrar and Paying Agent.** The Trustee shall be the registrar and paying agent for each Series of the District Notes. As long as any Series of District Notes is outstanding under the applicable Participant Resolution, the issuing Participant shall maintain and keep an office or agency at the Principal Office of the Trustee for making Debt Service Payments on the corresponding Series of District Notes and for the registration and transfer of such Series of District Notes.

**Section 4.03. Cancellation of Paid District Notes.** Each Series of District Notes, when paid in full (including by reimbursement to the applicable Supplemental Credit Enhancer or Credit Provider, as applicable, as provided in Section 6.01), shall be cancelled by the Trustee; provided, however, that each Series of District Notes shall be deemed outstanding and shall not be cancelled by the Trustee until (i) the Owners of the corresponding Series of Authority Notes have been paid in full with respect to such Series of District Notes, and (ii) the Supplemental Credit Enhancer or Credit Provider, as applicable, has been reimbursed for the drawings or payments made under the Supplemental Credit Enhancement or Credit Instrument, as applicable, related to such Series of District Notes and all Predefault Obligations and Reimbursement Obligations due and owing such Supplemental Credit Enhancer or Credit Provider, as applicable, related to such Series of District Notes have been paid.

## ARTICLE V

### DISTRICT NOTE PAYMENTS AND INTERCEPT

**Section 5.01. Assignment of District Notes and Intercept.** (a) Each Series of District Notes, when issued, shall be identified with a Pool, and, subject to the provisions of this Indenture permitting the application thereof for or to the purposes and on the terms and conditions set forth in this Indenture, including the provisions of Section 5.01(c) hereof, (i) all right, title and interest of the Authority therein and to all payments thereon, are hereby irrevocably assigned and pledged and transferred to the Trustee for the benefit of the Owners of the corresponding Series of Authority Notes and the corresponding Supplemental Credit Enhancer or Credit Provider, as applicable, (ii) the payments on each such Series of District Notes shall be used for the punctual payment of the interest on and principal of the corresponding Series of Authority Notes or the reimbursement of drawings under or payments made pursuant to or from the corresponding Supplemental Credit Enhancement or, Credit Instrument, as applicable, and (iii) each such Series of District Notes shall not be used for any other purpose (including the payment of Authority Notes of a different Series or reimbursements to the Supplemental Credit Enhancer or Credit Provider, as applicable, relating to a different Series of Authority Notes) so long as any of the corresponding Series of Authority Notes remain Outstanding.

(b) Subject to Section 5.01(c) hereof, all payments on a Series of District Notes assigned to a particular Pool shall be applied to payment of the interest on and principal of the corresponding Series of Authority Notes (including reimbursement of the corresponding Supplemental Credit Enhancer or Credit Provider, as applicable).

(c) Notwithstanding any other provisions of this Indenture, with regard to a Participant that has issued more than one Series of District Notes, to the extent, on any Interest Payment Date or Principal Payment Date, there is a deficiency with respect to any Series of District Notes of such Participant and to the extent any payment on any Series of District Notes of such Participant is being made from moneys other than the proceeds of a Series of District Notes, the Trustee shall apportion all such payments received from such Participant relating to all of its District Notes in accordance with the priority provisions set forth in Section 11(G) of such Participant's Resolution, and the Trustee shall apply such apportioned payments according to the preceding paragraph with respect to each such Series of District Notes. Moneys in the Payment Account attributed to a Series of District Notes of one Participant shall not be used in any manner (directly or indirectly) to make

up any deficiency in the Payment Account attributed to a Series of District Notes of another Participant.

(d) As security for the payment of the principal of and interest on all Series of District Notes issued under the applicable Participant Resolution, subject to the payment priority provisions set forth therein, each Participant has pledged the Pledged Revenues in an amount equal to the percentages of the principal and interest due with respect to its Series of District Notes at maturity for the corresponding Repayment Periods specified in its Confirmation of Pricing. Subject to Section 5.01(c) hereof, and to the extent permitted by law, the assignment, transfer and pledge effected by this section shall constitute a lien on and security interest in the Debt Service Payments of and all other rights under the District Notes of each Series, including the Pledged Revenues and any other amounts deposited in the respective Payment Accounts as provided in the related Participant Resolutions, for the foregoing purpose in accordance with Section 1.03 and the terms hereof and shall attach, be perfected and be valid and binding from and after delivery to the Authority of the District Notes of each Series and as applicable, without any physical delivery thereof, notice, filing or further act. Each Participant has approved, and the Trustee hereby accepts, such assignment of the District Notes of each Series, as and when issued.

(e) In order to effect, in part, the pledge provided for in subsection (d) of this Section, each Participant pursuant to its Participant Resolution has agreed to the establishment and maintenance of its Payment Account for each Series of District Notes issued thereunder, and the Trustee was appointed as the responsible agent to maintain such fund until the payment of the principal of the corresponding Series of District Notes and the interest thereon. Pursuant to its Participant Resolution, each Participant has covenanted and agreed to cause to be deposited directly in its applicable Payment Account in each Repayment Period from (i) the [Pledged Revenues]/[Funds Subject to Intercept], as further described in clause (f) below and (ii) at the Participant's option, Unrestricted Revenues (as defined in the Participant Resolution) during any Repayment Period, taking into consideration anticipated investment earnings thereon to be received by the Maturity Date applicable to the respective Series of District Notes [(as set forth in a certificate from the Municipal Advisor to the Trustee)], an amount equal to the percentages of the principal of and interest due with respect to such Series of District Notes at maturity specified in the Confirmation of Pricing applicable to such Series of District Notes. Any moneys placed in the Payment Account attributed to a Series of District Notes shall be for the benefit of the owners of the corresponding Series of Authority Notes. The moneys in the Payment Account attributed to the Series of District Notes shall be applied only for the purposes for which the Payment Account was created until the principal of such Series of District Notes and all interest thereon are paid or until provision has been made for the payment of the principal of such Series of District Notes at maturity of such Series of District Notes with interest to maturity (in accordance with the requirements for defeasance of the corresponding Series of Authority Notes, as set forth in Article XI of this Indenture). If any Participant fails to make the required deposits (or the State Controller deposits are not made on any Participant's behalf), the Trustee shall as soon as practical (but in any event within three Business Days) notify the Authority, such Participant and the applicable Credit Provider and Supplemental Credit Enhancer, as applicable, of such failure.

(f) Pursuant to its Participant Resolution, each Participant has elected to participate in the intercept by the State Controller of moneys designated for apportionment to the Participant attributable to Fiscal Year 2020-21 to pay the Participant's Series of District Notes. In accordance

with the requirements set forth in Section 17199.4 of the California Education Code and to effect the pledge contained in its Participant Resolution, each Participant has authorized and instructed the State Controller to intercept Pledged Revenues from moneys designated for apportionment to the Participant for Fiscal Year 2020-21, and to transfer such amounts to the Trustee for deposit into its Payment Account with a designation to the Trustee of the amounts to be credited for that Participant. Upon such deposit, such funds will be invested by the Trustee in such Permitted Investments as directed by the Authority and will not be available to the Participants.

(g) The Trustee shall transmit or cause to be transmitted a monthly statement on a per-Participant basis of all transactions and investments made by or through the Authority and all amounts on deposit with the Authority hereunder, including, in the event that sufficient Pledged Revenues have not been timely deposited in a Participant's Payment Account in accordance with its Participant Note Resolution, written confirmation of such event, to the Authority.

(h) All Pledged Revenues, including Debt Service Payments, with respect to each Series of District Notes received by the Trustee shall be held in trust by the Trustee under the terms hereof and shall be deposited by it, as and when received, in the applicable Payment Account attributed to the corresponding Series of District Notes in the Authority Note Payment Fund (except as otherwise provided in Section 5.01(c)), which fund the Trustee hereby agrees to maintain so long as any Authority Notes are Outstanding, and all money in such account shall be held in trust by the Trustee for the benefit and security of the Owners of the related Series of Authority Notes and each related Supplemental Credit Enhancer or Credit Provider, as applicable, to the extent provided in Section 1.03 and generally herein.

(i) In the event that there have been insufficient Pledged Revenues received by or attributed to a Participant by the [tenth Business Day] prior to any Interest Payment Date (if different from the Maturity Date) and on the Maturity Date of a Series of District Notes to permit the deposit into such Participant's Payment Account of the full amount of the Pledged Revenues required to be deposited with respect to such date, the Participant has authorized the Authority, on its behalf, to direct the State Controller [or for non-State credit Participants, the County Treasurer] to collect the amount of any deficiency and deposit such amount in its Payment Account in such amount as may be directed by the Participant or the Authority on behalf of the Participant, [from any other unrestricted moneys of the Participant accruing from the fiscal year 2020-21 and lawfully available for the payment of the principal of the Series of District Notes and the interest thereon on such Interest Payment Date (if different from the Maturity Date) and on the Maturity Date of a Series of District Notes or thereafter on a daily basis, when and as such Pledged Revenues [and unrestricted moneys] are received by or on behalf of the Participant and will deposit said moneys with the Trustee for deposit directly in its Payment Account.

(j) Notwithstanding anything contained herein to the contrary, if the amount on deposit in a Participant's Payment Account attributable to a Series of its District Notes is in excess of the amounts required to pay the principal of and interest due with respect to such Participant's Series of District Notes on the Principal Payment Date applicable to such Series of District Notes, such excess amounts shall remain in such Payment Account and shall be transferred to such Participant following (i) payment of the principal of and interest on the Series of Authority Notes corresponding to such Series of District Notes, (ii) reimbursement of the corresponding Supplemental Credit Enhancer or Credit Provider as applicable, for drawings, payments or claims,

if any, pursuant to such Supplemental Credit Enhancement or Credit Instrument of any Reimbursement Obligations and Predefault Obligations corresponding to such Series of District Notes applicable to such Participant, and (iii) to the extent that such excess amounts do not constitute proceeds of such Series of District Notes, payment of any amounts due with respect to any other Series of District Notes of the Participant (including any reimbursement obligations to any corresponding Supplemental Credit Enhancer or Credit Provider, as applicable) in accordance with the priority provisions set forth in Sections 11(D), 11(G) and 20 of such Participant's Resolution, and as otherwise set forth therein.

**Section 5.02. Transfer of Money from the Authority Note Payment Fund.** The Trustee shall, after the Trustee has made any required apportionments required by Section 5.01(c) hereof, transfer amounts from the money contained in the applicable Payment Accounts in the Authority Note Payment Fund and attributed to all Series of District Notes assigned to the related Series of Authority Notes at the following respective times to the following respective funds and accounts in the manner hereinafter provided, and the money in each of such funds and accounts shall be disbursed only for the purposes and uses hereinafter authorized (subject to Article VI):

(a) Interest Accounts in the Pool Interest Fund Relating to Series of Authority Notes. The Trustee, on each Interest Payment Date, shall transfer from the applicable Payment Accounts to the applicable Interest Account, that amount of money representing the interest becoming due and payable on the related Series of Authority Notes on such Interest Payment Date. All money in each Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the related Series of Authority Notes on their respective Interest Payment Dates.

(b) Pool Principal Accounts in the Pool Principal Fund Relating to Series of Authority Notes. The Trustee, on each Principal Payment Date, shall, after having made any transfers required to be made pursuant to subsection (a) above, transfer from the applicable Payment Accounts to the applicable Principal Account, that amount of money representing the principal becoming due and payable on the related Series of Authority Notes on such Principal Payment Date. All moneys in each Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the related Series of Authority Notes on their respective Principal Payment Dates.

**Section 5.03. Investments.** Any money held by the Trustee in each Payment Account attributable to the Series A Authority Notes and each Proceeds Account attributable to the Series A Authority Notes shall, to the fullest extent practicable, be invested under the Series A Investment Agreement, if any, and otherwise may be invested (and, upon the Request or Requisition of any Participant, shall be invested with respect to its corresponding Payment Account or Proceeds Account, as directed by such Participant) by the Trustee in Permitted Investments which will mature on or before the dates on which such money is anticipated to be needed for disbursement hereunder. To the extent the Trustee has not received any instruction with respect to the investment of funds in a Payment Account attributable to the Series A Authority Notes or a Proceeds Account attributable to the Series A Authority Notes, such amounts shall be invested by the Trustee in a money market fund offered by the Trustee or any of its affiliates meeting the requirements set forth in clause (4) of the definition of Permitted Investments herein. The amounts held in the several Payment Accounts and Proceeds Accounts will be accounted for separately for the respective Participants. Any money held by the Trustee in the Authority Note

Payment Fund attributable to a Series of Additional Authority Notes and in Proceeds Accounts attributable to a Series of Additional Authority Notes shall be invested as directed in the Supplemental Indenture pursuant to which such Series of Additional Authority Notes is issued. The Trustee may act as principal or agent in the acquisition or disposition of any such deposit or investment and may at its sole discretion, for the purpose of any such deposit or investment, commingle any of the money held by it hereunder except with respect to the accounts in the Authority Note Payment Fund and Proceeds Fund attributable to a Series of Additional Authority Notes (which may be commingled with respect to each other, but not with respect to the accounts in such funds attributable to other Series of Authority Notes), the Credit Fund or the Rebate Fund (and any accounts therein, established pursuant to Section 7.10 hereof). The Trustee shall not be liable or responsible for any loss suffered in connection with any such deposit or investment made by it under the terms of and in accordance with this section. The Trustee may present for redemption or sell any such deposit or investment whenever it shall be necessary in order to provide money to meet any payment of the money so deposited or invested, and the Trustee shall not be liable or responsible for any losses resulting from any such deposit or investment presented for redemption or sold. Any interest or profits on such deposits and investments received by the Trustee shall be credited to the fund or account from which such investment was made.

Moneys held by the Trustee in the Costs of Issuance Fund, Pool Interest Fund and Pool Principal Fund, and in the respective accounts therein, shall be invested in Permitted Investments as directed by the Authority. The Trustee shall have no duty to determine whether any investment made hereunder is a lawful investment under the laws of the State of California.

Moneys in the Credit Fund shall be invested as specified in Section 6.01.

Moneys in the Rebate Fund shall be invested as specified in Section 7.10.

The Authority acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Authority the right to receive brokerage confirmations of security transactions as they occur, the Authority specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Authority periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder as requested by the Authority.

The Trustee or any of its affiliates may act as agent, sponsor or advisor in connection with any investment made by the Trustee hereunder.

## ARTICLE VI

### CREDIT INSTRUMENTS AND SUPPLEMENTAL CREDIT ENHANCEMENTS

#### **Section 6.01. Provisions Applicable to a Letter of Credit or Policy of Insurance as Supplemental Credit Enhancement or Credit Instrument.**

(a) The other provisions of this Article VI notwithstanding, the Trustee shall draw upon or request payment under each Credit Instrument and/or Supplemental Credit Enhancement by the times required therein and in any Supplemental Indenture and in accordance with the terms thereof and any Supplemental Indenture, and in sufficient amounts, to make timely payment of the

interest on and principal of the corresponding Series of Authority Notes on each Interest Payment Date and the Principal Payment Date applicable to such Series of Authority Notes. Moneys drawn under or paid pursuant to a Credit Instrument and/or Supplemental Credit Enhancement shall be deposited in the Credit Account attributable to the corresponding Series of Authority Notes in the Credit Fund.

(b) Except as otherwise explicitly provided in the corresponding Supplemental Credit Enhancement or Credit Instrument (and subject to paragraph (e) of this section), each Authority Note of the corresponding Series shall be paid (i) on any Interest Payment Date that is not the Principal Payment Date, first from all available moneys to be deposited in the related Interest Account in the Pool Interest Fund corresponding to such Series of Authority Notes and, to the extent of any deficiency therein, second, from moneys drawn under or paid pursuant to the corresponding Credit Instrument and/or Supplemental Credit Enhancement up to the respective maximum amounts thereof, and (ii) on the Principal Payment Date, first from all available moneys to be deposited in the related Interest Account in the Pool Interest Fund and the related Principal Account in the Pool Principal Fund and, to the extent of any deficiency therein, second, from moneys drawn under or paid pursuant to the applicable Credit Instrument and/or Supplemental Credit Enhancement up to the respective maximum amounts thereof.

(c) To the extent the maximum amount of the corresponding Supplemental Credit Enhancement and/or, if applicable, the corresponding Credit Instrument is insufficient therefor, moneys drawn thereunder and/or paid therefrom shall be used to pay the corresponding Series of Authority Notes pro rata, and shall be allocated to each Series of District Notes assigned to the Pool securing such Series of Authority Notes pro rata in accordance with the unpaid principal thereof and interest thereon, and shall be applied to pay, and allocated first to interest and then to principal.

(d) Pending application, moneys drawn under or paid pursuant to Supplemental Credit Enhancement and/or a Credit Instrument shall be deposited in the Credit Account for such Series of Authority Notes in a special fund designated the "Credit Fund," which shall be maintained by the Trustee and held in trust apart from all other moneys and securities held under this Indenture or otherwise, and over which the Trustee shall have the exclusive and sole right of withdrawal for the exclusive benefit of the Owners of the corresponding Series of Authority Notes. Moneys in each Credit Account of the Credit Fund shall be held in cash or invested in Permitted Investments described in clause (1) of the definition thereof in Section 1.01 hereof which mature not later than the date on which it is estimated that such moneys will be required to pay the corresponding Series of Authority Notes (but in any event maturing in not more than thirty (30) days) and shall not be applied to satisfy any costs, expenses or liabilities of the Trustee.

(e) Notwithstanding anything to the contrary contained in this section or this article, if (i) the amount available under a Supplemental Credit Enhancement or Credit Instrument is equal to 100% of the principal of and all interest on the related Series of Authority Notes, (ii) the Supplemental Credit Enhancer or Credit Provider honors a drawing or payment request made pursuant to this section on such Supplemental Credit Enhancement or Credit Instrument to pay such principal and interest on the Business Day prior to an Interest Payment Date or resulting from a deficiency in the payment of principal and/or interest on a District Note or District Notes assigned to the Pool securing the corresponding Series of Authority Notes in order to pay principal of and/or

interest due on such Series of Authority Notes on such date, and (ii) the corresponding Supplemental Credit Enhancement or Credit Instrument expressly so provides, then moneys so drawn or paid on such Supplemental Credit Enhancement or Credit Instrument shall be credited to the Credit Account for the corresponding Series of Authority Notes in the Credit Fund and applied to the payment of principal of and/or interest on such Series of Authority Notes as provided in this section, except that, moneys, if any, on deposit in the related Payment Accounts in the Authority Note Payment Fund corresponding to such Series of Authority Notes that would have been applied to pay such principal and/or interest absent this section and such drawing or payment on such Credit Instrument or Supplemental Credit Enhancement shall be applied by the Trustee to reimburse such Supplemental Credit Enhancer or Credit Provider by wire transfer as soon as possible and, in any such case, prior to 1:00 p.m., California time, on the day such drawing or payment request is honored, in the amount of such payment or disbursement by the Supplemental Credit Enhancer or Credit Provider honoring such drawing or payment request. Subject to the provisions of Section 7.10 hereof, any moneys at any time on deposit in a Participant's applicable Payment Account in the Authority Note Payment Fund in excess of the amounts required to be deposited therein on the Interest Payment Date pursuant to Section 5.02 shall be applied by the Trustee to the payment of any of such Participant's Predefault Obligations specified by such Supplemental Credit Enhancer or Credit Provider in writing to the Trustee. Any amounts on deposit in the applicable Credit Account in the Credit Fund derived from a draw under or payment pursuant to a Credit Instrument or Supplemental Credit Enhancement and remaining following the Maturity Date applicable to the related Series of District Notes shall be promptly remitted by the Trustee to the applicable Credit Provider or Supplemental Credit Enhancer, as the case may be.

(f) In the event of default by any Participant in the payment of any of the principal of and/or interest on a Series of District Notes of such Participant on any Interest Payment Date or Principal Payment Date, upon payment by the corresponding Supplemental Credit Enhancer or Credit Provider of a drawing or payment request under the corresponding Supplemental Credit Enhancement or Credit Instrument with respect to the payment of such principal and/or interest, such Supplemental Credit Enhancer or Credit Provider, as applicable, shall succeed and be subrogated to the rights of the Owners of the Series of Authority Notes (or the portions thereof) paid with the proceeds of such drawing or payment under such Supplemental Credit Enhancement or Credit Instrument. Any Series of District Notes described in the preceding sentence shall, on such Interest Payment Date or Principal Payment Date, be a Defaulted District Note and the unpaid portion thereof shall be deemed outstanding and shall not be deemed paid until the conditions for cancellation of such Series of District Notes, as set forth in Section 4.03, are satisfied.

(g) The interest on the unpaid portion of a Defaulted District Note shall be payable at the Default Rate; provided that, no interest shall accrue on a Defaulted District Note or unpaid Series of District Notes which is paid with a drawing on or payment pursuant to a Supplemental Credit Enhancement or Credit Instrument, as applicable, to the extent such Defaulted District Notes or unpaid Series of District Notes is paid (and reimbursement is made to the Supplemental Credit Enhancer or Credit Provider, as applicable, with respect to the drawing on or payment pursuant to such Supplemental Credit Enhancement or Credit Instrument, as applicable), by 1:00 p.m., California time, on the date of such draw or payment.

(h) In the event the Supplemental Credit Enhancer does not honor a draw under the corresponding Supplemental Credit Enhancement in whole or in part, the corresponding Credit



Provider shall succeed and be subrogated to the rights of such Supplemental Credit Enhancer with respect to and to the extent that the Credit Provider has made payment under the corresponding Credit Instrument due to such deficiency and all references to the Supplemental Credit Enhancer in the preceding paragraphs, and in Section 2.11, 4.03 and 5.01 shall be deemed to apply to such Credit Provider to the extent of the payment made under such Credit Instrument due to the deficiency in the payment of the draw under such Supplemental Credit Enhancement.

**Section 6.02. Credit Instrument and Supplemental Credit Enhancement.** The Trustee shall hold and maintain each such Credit Instrument and Supplemental Credit Enhancement, if any, for the benefit of the Owners of the respective Series of Authority Notes until each corresponding Credit Instrument and Supplemental Credit Enhancement terminates in accordance with its terms. The Trustee shall, subject to the provisions of this Indenture, diligently enforce all terms, covenants and conditions of each such Credit Instrument and corresponding Supplemental Credit Enhancement, if applicable, including payment when due of any draws on or claims under the applicable Credit Instrument and Supplemental Credit Enhancement, as applicable, and will not consent to or agree to or permit any amendments or modifications thereof which would materially adversely affect the rights or security of the Owners of the corresponding Series of Authority Notes.

In the event of a default by a Supplemental Credit Enhancer with respect to a draw or payment request under the corresponding Supplemental Credit Enhancement, the Authority's and the Trustee's rights to enforce any rights thereunder shall be assigned to the corresponding Credit Provider. If at any time during the term of any Credit Instrument or Supplemental Credit Enhancement, if applicable, a successor Trustee shall be appointed and qualified under this Indenture, the resigning or removed Trustee shall request that the applicable Credit Provider and Supplemental Credit Enhancer, if any, transfer each such applicable Credit Instrument and Supplemental Credit Enhancement, respectively, to the successor Trustee pursuant to the applicable provision set forth in the respective Credit Agreement or the respective Supplemental Credit Enhancement Agreement and Section 9.02 hereof. If the resigning or removed Trustee fails to make this request, the successor Trustee shall do so before accepting appointment.

## ARTICLE VII

### COVENANTS

**Section 7.01. Compliance with Indenture.** The Trustee will not authenticate or deliver any Authority Notes in any manner other than in accordance with the provisions hereof and, if applicable, a Supplemental Indenture; and the Authority will not suffer or permit any default to occur hereunder, but will faithfully observe and perform all the agreements, conditions, covenants and terms contained herein required to be observed and performed by it.

**Section 7.02. Amendment of District Notes.** The Authority and the Trustee will not amend or permit the amendment of any Series of the District Notes without the prior written consent of the corresponding Credit Provider, if any, or the corresponding Supplemental Credit Enhancer, if any, and without (a) (1) a determination that such amendment does not materially adversely affect the interest of the Owners of the corresponding Series of Authority Notes, or (2) the written consents of the Owners of a majority in aggregate principal amount of the

corresponding Series of Authority Notes then Outstanding, and (b) to the extent any Series of the District Notes will be allocated by the Authority to a Tax-Exempt Series of Authority Notes, an Opinion of Counsel to the effect that such amendment will not cause interest on the corresponding Series of Authority Notes to be includable in gross income for federal income tax purposes; provided that no such amendment shall reduce the rate of interest or amount of principal or extend the time of payment thereof with respect to any Series of District Notes.

In addition to the foregoing, (a) if such Series of District Notes is the second or subsequent Series of District Notes of a Participant and all obligations pertaining to all prior Series of District Notes have not been discharged, the Authority and the Trustee will not amend or permit the amendment of such subsequent Series of District Notes without the prior written consent of the Credit Provider(s), if any, and the Supplemental Credit Enhancer(s), if any, relating to such prior Series of District Notes, and without (i) (A) a determination that such amendment does not materially adversely affect the interest of the Authority Note Owners of the related prior Series of Authority Notes, or (B) the written consents of the Authority Note Owners of the related prior Series of Authority Notes of a majority in aggregate principal amount of each such prior Series of Authority Notes then Outstanding, and (ii) to the extent any Series of the District Notes will be allocated by the Authority to a Tax-Exempt Series of Authority Notes, an opinion of Counsel to the effect that such amendment will not cause interest on each such prior Series of Authority Notes to be includable in gross income for federal income tax purposes, and (b) if such Series of District Notes is the first Series issued by a Participant, and one or more subsequent Series of District Notes has been issued, the Authority and the Trustee will not amend or permit the amendment of the first Series of District Notes without the prior written consent of each Credit Provider (if applicable) or each Supplemental Credit Enhancer (if applicable) relating to such subsequent Series of District Notes, and without (i) (A) a determination that such amendment does not materially adversely affect the interests of the Authority Note Owners of each such subsequent Series of Authority Notes, or (B) the written consents of the Authority Note Owners of a majority in aggregate principal amount of each such related subsequent Series of Authority Notes then Outstanding, and (ii) to the extent any Series of the District Notes will be allocated by the Authority to a Tax-Exempt Series of Authority Notes, an Opinion of Counsel to the effect that such amendment will not cause interest on each such related subsequent Series of Authority Notes to be includable in gross income for federal income tax purposes.

**Section 7.03. Observance of Laws and Regulations.** The Authority will faithfully observe and perform all lawful and valid obligations or regulations now or hereafter imposed on it by contract, or prescribed by any, state or national law, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of each and every franchise, right or privilege now owned or hereafter acquired by it, including its right to exist and carry on its business, to the extent that such observance or performance is material to the transactions contemplated hereby.

**Section 7.04. Tax Covenants.** (a) The Authority covenants that it shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on the Authority Tax-Exempt Notes for federal income tax purposes. Without limiting the generality of the foregoing, the Authority covenants that it will comply with the requirements of each Tax Certificate prepared by Note Counsel and executed by the Authority with respect to each separate "issue" of Tax-Exempt Notes

(each, a "Tax Certificate"), each of which is incorporated herein as if fully set forth herein. This covenant shall survive payment in full or defeasance of each Series of Authority Notes.

(b) In the event that at any time the Authority is of the opinion that for purposes of this Section 7.04 it is necessary or helpful to restrict or limit the yield on the investment of any moneys held by the Trustee under this Indenture, the Authority shall so instruct the Trustee under this Indenture in writing, and the Trustee shall act in accordance with such instructions. In addition, the Authority shall pay arbitrage rebate owed to the United States pursuant to Section 7.10 hereof and the applicable Tax Certificate.

(c) Notwithstanding any provisions of this section, if the Authority shall provide to the Trustee an Opinion of Counsel of recognized standing in the field of law relating to municipal bonds that any specified action required under this section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on the Authority Tax-Exempt Notes or any Series of Authority Tax-Exempt Notes, the Trustee may conclusively rely on such opinion in complying with the requirements of this Section 7.04 and of the applicable Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent. The Trustee makes no covenant, representation or warranty concerning the current or future tax status of interest on the Authority Tax-Exempt Notes.

**Section 7.05. Liens.** So long as any Authority Notes are Outstanding, or any Pre-default Obligation or Reimbursement Obligation is outstanding, the Authority will not create or suffer to be created any pledge of or lien on the District Notes other than the pledge and lien hereof.

**Section 7.06. Accounting Records and Statements.** The Trustee shall keep proper books of record and account in accordance with corporate trust industry standards in which complete and correct entries shall be made of all transactions relating to the receipt, investment, disbursement, allocation and application of the District Notes repayments and the proceeds of the District Notes and the Authority Notes. Such records shall specify the account or fund to which each investment (or portion thereof) held by the Trustee is to be allocated and shall set forth, in the case of each investment: (a) its purchase price; (b) identifying information, including paramount, coupon rate, and payment dates; (c) the amount received at maturity or its sale price, as the case may be; (d) the amounts and dates of any payments made with respect thereto; and (e) such documentation as is required to be obtained as evidence to establish that all investments have been purchased in arms' length transactions with no amounts paid to reduce the yield on the investments.

Such records shall be open to inspection by each Credit Provider, each Supplemental Credit Enhancer, the Authority and any Participant at any reasonable time during regular business hours on reasonable notice. Not later than 45 Business Days after the final Principal Payment Date, and upon retirement of all Authority Notes, the Trustee will furnish to the Participants, each Credit Provider, each Supplemental Credit Enhancer, the Authority and any Owner who may so request (at the expense of such Owner) a statement (which may be its regular account statements) covering the receipts, deposits and disbursements of the funds hereunder.

**Section 7.07. Reserved.**

**Section 7.08. Further Assurances.** Whenever and so often as requested to do so by the Trustee, any Credit Provider, any Supplemental Credit Enhancer, or any Owner, the Authority will promptly execute and deliver, or cause to be executed and delivered, all such other and further assurances, documents or instruments and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Trustee, such Credit Provider, such Supplemental Credit Enhancer, and the Owners the benefit, protection and security conferred, or intended to be conferred, upon them hereby.

**Section 7.09. Satisfaction of Predefault Obligations.** In accordance with any applicable provisions of a Credit Agreement, and/or Supplemental Credit Enhancement Agreement, upon receipt of instructions from the Authority or any Participant, resulting from the Authority's or such Participant's receipt of notice and request for payment of Predefault Obligations from the applicable Credit Provider or Supplemental Credit Enhancer, pursuant to applicable provisions of the applicable Credit Agreement and/or Supplemental Credit Enhancement Agreement, as applicable, the Trustee shall remit to the applicable Credit Provider or Supplemental Credit Enhancer and/or Subordinate Credit Provider, moneys held by the Trustee and allocable to such liable Participant which moneys are available under this Indenture for payment of such amounts due to the applicable Credit Provider or Supplemental Credit Enhancer. However, the amount remitted from such moneys which are allocable to a specific Participant shall not exceed that Participant's allocable share of the total amount due to the applicable Credit Provider or Supplemental Credit Enhancer. If such moneys held by the Trustee are insufficient to pay the Participant's allocable share of such Predefault Obligations, the Participant shall pay the amount of the deficiency to the Trustee for remittance to the applicable Credit Provider or Supplemental Credit Enhancer. Moneys thus received by the Trustee from the Participants shall be deposited in the Authority Note Payment Fund and the applicable Payment Account attributable to the corresponding Participant and Series of Authority Notes and shall be paid to the applicable Credit Provider or Supplemental Credit Enhancer by the fifteenth (15<sup>th</sup>) day after delivery by the applicable Credit Provider or Supplemental Credit Enhancer to the Participant or Participants of notice that amounts are due to the applicable Credit Provider or Supplemental Credit Enhancer pursuant to the provisions of the applicable Credit Agreement or Supplemental Credit Enhancement Agreement.

**Section 7.10. Rebate Fund.** (a) The Trustee shall establish and maintain a fund separate from any other fund established and maintained hereunder designated as the Rebate Fund. The Authority shall cause to be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to each Tax Certificate. Subject to the transfer provisions provided in paragraph (E) below, all money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Amount (as defined in the applicable Tax Certificate), for payment to the federal government of the United States. The Authority, the Participants, each Credit Provider, each Supplemental Credit Enhancer, if any, the Owner of any Authority Notes shall have no rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this section and by the applicable Tax Certificate (which is incorporated herein by reference). The Trustee shall be deemed conclusively to have complied with such provisions if it follows the written directions of the Authority including supplying all necessary information in the manner provided in the applicable Tax Certificate, and

shall have no liability or responsibility to enforce compliance by the Participants or the Authority with the terms of the applicable Tax Certificate.

(b) Upon the Authority's written direction, an amount shall be deposited to the Rebate Fund and to a special account therein corresponding to the applicable Series of Authority Notes (the "Rebate Fund Subaccount") by the Trustee, if and to the extent required, so that the balance of such Rebate Fund Subaccount after such deposit shall equal the Rebate Amount for the Authority Note Year (as defined in the applicable Tax Certificate) calculated as of the most recent Calculation Date (as defined in the applicable Tax Certificate). Computations of the Rebate Amount shall be furnished by or on behalf of the Authority to the Trustee in accordance with the applicable Tax Certificate.

(c) The Trustee shall have no obligation to pay any amounts required to be paid as arbitrage rebate pursuant to this section, other than from moneys held in the funds and accounts created under this Indenture or from other moneys provided to it by the Participants or the Authority.

(d) The Trustee shall invest all amounts held in the Rebate Fund in Permitted Investments, according to written instructions of the Authority. The Trustee shall deposit all earnings (calculated by taking into account net gains or losses on sales or exchanges and taking into account amortized discount or premium as a gain or loss, respectively) on investments held in a particular Rebate Fund Subaccount into such Rebate Fund Subaccount. Money shall not be transferred from the Rebate Fund except as provided in (e) below.

(e) Upon receipt of the Authority's written directions, the Trustee shall pay the amount it is so directed to pay by the Authority to the United States. In addition, if on the first day of any Authority Note Year the amount credited to a Rebate Fund Subaccount exceeds the Rebate Requirements, if the Authority so directs, the Trustee will deposit moneys into or transfer moneys out of such Rebate Fund Subaccount to the extent of such excess from or into such accounts or funds as directed by the Authority's written directions. Any funds remaining in the Rebate Fund Subaccounts after redemption and payment of all of the Authority Notes and payment and satisfaction of all Rebate Amount, Predefault Obligations and Reimbursement Obligations pertaining to any Series of Authority Notes shall be withdrawn and remitted to the Authority [which shall, in turn, remit such amount to the Participants pro rata in accordance with the principal amount of the Participants' corresponding Series of District Notes or as otherwise instructed by Note Counsel.]

(f) Notwithstanding any other provision of this Indenture, including in particular Article XI hereof, the obligation to pay the Rebate Amounts to the United States and to comply with all other requirements of this section and the applicable Tax Certificate shall survive the defeasance or payment in full of the Authority Notes.

(g) Without limiting the generality of the foregoing, the Authority agrees that it will pay or cause to be paid from time to time all amounts required to be paid to the United States pursuant to Section 148(f) of the Code and any temporary, proposed or final Treasury Regulations as may be applicable to the Authority Notes from time to time. This covenant shall survive payment in full or defeasance of the Authority Notes. The Authority specifically covenants to pay

or cause to be paid to the United States at the times and in the amount determined above the Rebate Amounts, as described in the applicable Tax Certificate but only from amounts derived hereunder or from the Participants. The Trustee shall comply with all written instructions of the Authority given in accordance with the Authority's responsibilities under the applicable Tax Certificate. The Trustee shall have no responsibility to research, calculate, or verify any instructions received from the Authority pursuant to the applicable Tax Certificate.

(h) Notwithstanding any provision of this Section, if the Authority shall provide to the Trustee an Opinion of Counsel to the effect that any action required under this Section is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of the interest on the Authority Notes for federal income tax purposes, the Authority and the Trustee may rely conclusively on such opinion in complying with the provisions hereof and such opinion.

## ARTICLE VIII

### DEFAULT AND LIMITATIONS OF LIABILITY

**Section 8.01. Action on Default.** If any "Event of Default" as defined in a Participant Resolution shall occur and be continuing, then such default shall constitute an "Event of Default" hereunder, and in each and every such case during the continuance of such Event of Default the Trustee or, subject to Section 8.05, the Owners of not less than a majority in aggregate principal amount of the corresponding Series of Authority Notes at the time Outstanding shall be entitled, upon notice in writing to such Participant, to exercise the remedies provided to the Owner of the Series of District Notes then in default or under the Participant Resolution pursuant to which it was issued.

**Section 8.02. Other Remedies of the Trustee.** The Trustee shall have the right—

(a) by mandamus or other action or proceeding or suit at law or in equity to enforce its rights against any Participant or any trustee, member, officer or employee thereof, and to compel any such Participant or any such trustee, member, officer or employee thereof to observe or perform its or his duties under applicable law and the agreements, conditions, covenants and terms contained herein, or in the applicable Series of District Notes and Participant Resolution, required to be observed or performed by it or him;

(b) by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Trustee, the Owners of the corresponding Series of Authority Notes, or the corresponding Credit Provider or Supplemental Credit Enhancer; or

(c) by suit in equity upon the happening of any default hereunder to require any Participant and any trustee, member, officer and employee thereof to account as the trustee of any express trust.

**Section 8.03. Non-Waiver.** A waiver by the Trustee of any default hereunder or breach of any obligation hereunder shall not affect any subsequent default hereunder or any subsequent breach of an obligation hereunder or impair any rights or remedies on any such subsequent default hereunder or on any such subsequent breach of an obligation hereunder. No

delay or omission by the Trustee to exercise any right or remedy accruing upon any default hereunder shall impair any such right or remedy or shall be construed to be a waiver of any such default hereunder or an acquiescence therein, and every right or remedy conferred upon the Trustee by applicable law or by this article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee.

If any action, proceeding or suit to enforce any right or to exercise any remedy is abandoned or determined adversely to the Trustee, the corresponding Credit Provider, the corresponding Supplemental Credit Enhancer, the Authority or the Participants, then such parties shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

Notwithstanding anything to the contrary, no waiver by the Trustee of any default hereunder or breach of any obligation hereunder with respect to any Participant shall be effective without the prior written consent of the corresponding Credit Provider and Supplemental Credit Enhancer, as applicable.

**Section 8.04. Application of Funds.** All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article VIII shall be apportioned by the Trustee, after payment of all amounts due and payable under Section 9.03 hereof, in accordance with the priority provisions set forth in Section 8(F) of the applicable Participant's Resolution. Each such apportioned payment shall be deposited into the segregated Payment Accounts attributable to the corresponding Series of District Notes of the defaulting Participant in the Authority Note Payment Fund and shall be applied by the Trustee in the following order upon presentation of the several affected Series of Authority Notes, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, Costs and Expenses: to the payment of the costs and expenses of the Trustee and of the Owners in declaring such Event of Default, including reasonable compensation to its or their agents, attorneys and counsel;

Second, Interest: to the payment to the persons entitled thereto of all payments of interest on the applicable Series of Authority Notes then due in the order of the due date of such payments, and, if the amount available shall not be sufficient to pay in full any payment or payments coming due on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference;

Third, Principal: to the payment to the persons entitled thereto of the unpaid principal of the applicable Series of Authority Notes which shall have become due, in the order of their due dates, with interest on the overdue principal and interest on the applicable Series of Authority Notes at a rate equal to the applicable Default Rate and, if the amount available shall not be sufficient to pay in full all the amounts due with respect to the applicable Series of Authority Notes on any date, together with such interest, then to the payment thereof ratably, according to the amounts of principal due on such date to the persons entitled thereto, without any discrimination or preference; and

**Fourth, Predefault Obligations and Reimbursement Obligations:** to the payment of all Predefault Obligations and Reimbursement Obligations not paid applicable to such Participant which the Credit Provider(s) and/or Supplemental Credit Enhancer(s) will apply in accordance with the corresponding Credit Agreement(s) and/or Supplemental Credit Enhancement Agreement(s);

provided, however, that all amounts in the Credit Account of the Credit Fund attributable to each such Series shall be applied (without regard to Section 9.03 hereof) solely to payment of the principal of and interest on the corresponding Series of Authority Notes; and provided, further, that the Trustee shall follow the instructions contained in an Opinion of Counsel provided by the Authority and rebate or set aside for rebate from the specified funds held hereunder any amount pursuant to such instructions required to be paid to the United States of America under the Code.

**Section 8.05. Remedies Not Exclusive; Supplemental Credit Enhancer's or Credit Provider's Control of Remedies.** No remedy conferred herein upon or reserved herein to the Trustee is intended to be exclusive and all remedies shall be cumulative and each remedy shall be in addition to every other remedy given hereunder or now or hereafter existing under applicable law or equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by any other applicable law.

Notwithstanding anything to the contrary herein, each Supplemental Credit Enhancer or Credit Provider, if any, in such order, so long as it has not failed to comply with its payment obligations under the corresponding Supplemental Credit Enhancement or Credit Instrument, as applicable, shall have the right to direct the remedies upon any Event of Default hereunder relating to the corresponding Series of District Notes or Authority Notes but only so long as such action will not materially adversely affect the rights of any Owner, and such Supplemental Credit Enhancer's or Credit Provider's prior consent shall be required to any remedial action proposed to be taken by the Trustee hereunder. The Trustee shall immediately notify DTC (or any successor securities depository), the applicable Credit Provider and the Supplemental Credit Enhancer, if any, and the Authority of any Event of Default and of the curing of any Event of Default of which a responsible officer of the Trustee has actual knowledge.

**Section 8.06. Exercise of Remedies.** Upon the exercise by the requisite number of Owners, the Trustee, the Credit Provider or the Supplemental Credit Enhancer of its right of action to institute suit directly against a Participant to enforce payment of the corresponding Series of District Notes, any moneys recovered by such action shall be deposited with the Trustee and applied as provided in Section 8.04.

**Section 8.07. Limited Liability of the Authority.** Except as expressly provided herein, the Authority shall not have any obligation or liability to the Trustee, the Owners, any Credit Provider or any Supplemental Credit Enhancer with respect to the payment when due of the District Notes by the Participants, or with respect to the observance or performance by the Participants of the other agreements, conditions, covenants and terms contained in the District Notes and the Participant Resolutions (including but not limited to any rebate liability on the District Notes), or with respect to the performance by the Trustee of any obligation contained herein required to be performed by it. Notwithstanding anything to the contrary contained in the Authority Notes, this Indenture or any other document related thereto, the Authority shall not have



any liability hereunder or by reason hereof or in connection with any of the transactions contemplated hereby except to the extent payable from moneys received from or with respect to the District Notes and available thereof in accordance with this Indenture. The Authority may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents or attorneys, and the Authority shall not be responsible for any willful misconduct or negligence on the part of any agent (other than an employee) or attorney appointed with due care.

The Authority may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full authorization and protection with respect to any action taken, suffered or omitted by them hereunder in good faith and reliance thereon. The Authority agrees to cause the Participants to pay the fees and expenses of such counsel in connection herewith.

The Authority shall not be charged with notice or knowledge of any default hereunder unless and until a responsible officer of the Trustee or the Authority charged with the administration of this Indenture shall have actual knowledge thereof.

**Section 8.08. Limited Liability of the Participants.** Except as expressly provided in the respective District Notes and Participant Resolutions, the Participants shall not have any obligation or liability to the Authority, the Trustee, the Owners, any Credit Provider or any Supplemental Credit Enhancer with respect to this Indenture or the preparation, execution, delivery, transfer, exchange or cancellation of the Authority Notes or the receipt, deposit or disbursement of the principal of and interest on the District Notes by the Trustee, or with respect to the performance by the Trustee of any obligation contained herein required to be performed by it.

Notwithstanding anything to the contrary herein or in any District Notes or document referred to herein, no Participant shall incur any obligation under Article VIII, Section 3.03(b), Section 5.01, or Section 6.01 or otherwise hereunder, except to the extent payable from unencumbered revenues attributable to its 2020-21 fiscal year, nor shall any Participant incur any obligation on account of any default, action or omission of any other Participant.

**Section 8.09. Limited Liability of the Trustee.** Except as expressly provided herein, the Trustee shall not have any obligation or liability to the Owners, any Credit Provider or any Supplemental Credit Enhancer with respect to the payment when due of the District Notes by the Participants, or with respect to the observance or performance by the Participants of the other agreements, conditions, covenants and terms contained in the District Notes and the Participant Resolutions.

## ARTICLE IX

### THE TRUSTEE

**Section 9.01. Employment and Duties of the Trustee.** The Authority appoints and employs the Trustee to receive deposit and disburse the proceeds of and payments on the District Notes as provided herein, to register, authenticate, deliver, transfer, exchange and cancel the Authority Notes as provided herein, to pay the interest on and principal of the Authority Notes

to the Owners thereof as provided herein and to perform the other obligations of the Trustee, and to exercise the remedies contained herein, all in the manner provided herein and subject to the conditions and terms hereof. By executing and delivering this Indenture, the Trustee undertakes to perform such obligations.

Prior to an Event of Default, and after all Events of Default have been cured, the Trustee shall only perform the duties specifically set forth in this Indenture, and no implied duties, covenants or obligations shall be read into this Indenture. During the existence of an uncured Event of Default, the Trustee shall exercise such of the rights and powers vested in it herein and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of personal affairs; provided, however, with respect to any Event of Default caused by a Participant, the Trustee shall only exercise such rights and powers with respect to such Participant.

The Trustee shall bear no responsibility for the recitals contained in this Indenture. The Trustee makes no representation regarding the security for the Authority Notes or the tax status of the interest thereon.

**Section 9.02. Removal and Resignation of the Trustee.** The Authority, with the consent of the Series A Credit Provider, and the Series A Supplemental Credit Enhancer, if any, may at any time remove the Trustee by giving written notice of such removal by mail to the Trustee, all of the Participants, all Owners of Authority Notes, all Additional Supplemental Credit Enhancers and Additional Credit Providers, if any, and the Trustee may at any time resign by giving written notice by mail of resignation to all Credit Providers, the Authority, the Participants, all Supplemental Credit Enhancers and all Owners of Authority Notes. The Series A Credit Provider or the Series A Supplemental Credit Enhancer, may, at any time remove the Trustee if such Series A Credit Provider or Series A Supplemental Credit Enhancer, as applicable, is not in default on its payment obligations under the corresponding Series A Credit Instrument or Series A Supplemental Credit Enhancement, as applicable. The Series A Credit Provider or Series A Supplemental Credit Enhancer, as applicable, shall give written notice by mail of such removal to the Trustee, the Authority, all Supplemental Credit Enhancers, all of the Participants, any Additional Credit Provider, if any and as applicable, all of the Supplemental Credit Enhancers and all Owners of Authority Notes. If such removal is at the request of the Series A Credit Provider or Series A Supplemental Credit Enhancer, and the Trustee has not been removed due to its willful misconduct or negligence hereunder, such Series A Credit Provider or Series A Supplemental Credit Enhancer, shall reimburse the Authority and the Participants for any additional costs resulting from such removal. Upon giving any such notice of removal or upon receiving any such notice of removal or resignation, the Authority shall promptly appoint a successor Trustee acceptable to the Series A Credit Provider and Series A Supplemental Credit Enhancer, as applicable, by an instrument in writing; provided, that if the Authority does not appoint a successor Trustee within sixty (60) days following the giving of any such notice of removal or the receipt of any such notice of resignation, the removed or resigning Trustee may petition any appropriate court having jurisdiction to appoint a successor Trustee. Any successor Trustee shall be a commercial bank with trust powers or trust company doing business and having a principal corporate trust office either in Los Angeles or San Francisco, California, having a combined capital (exclusive of borrowed capital) and surplus of at least one hundred million dollars (\$100,000,000) and subject to supervision or examination by state or national authorities. If such bank or trust

company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

In the event the Series A Authority Notes are paid in full and all Predefault and Reimbursement Obligations due and owing with respect to such Series A Authority Notes have been satisfied, the provisions of the preceding paragraph will apply with the phrase “applicable Additional Credit Provider” substituted for the Series A Credit Provider.

Any removal or resignation of a Trustee and appointment of a successor Trustee shall become effective only when the successor Trustee has provided written acceptance of its appointment to the Authority and each Credit Instrument, if any, and Supplemental Credit Enhancement, if any, are transferred in accordance with their respective terms.

**Section 9.03. Compensation of the Trustee.** The Authority, solely from amounts held in the Costs of Issuance Fund or paid by the Participants specifically for such purpose, shall from time to time, subject to any agreement then in effect with the Trustee, pay the Trustee compensation for its services (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust) and reimburse the Trustee for all its advances and expenditures hereunder, including, but not limited to, advances to and fees and expenses of accountants, agents, appraisers, consultants, counsel (including the allocated costs and disbursements of in-house counsel, to the extent such services are not redundant with those provided by outside counsel) or other experts employed by it in the observance and performance of its rights and obligations hereunder; provided, that the Trustee shall not have any lien for such compensation or reimbursement against any money held by it in any of the funds established hereunder, although the Trustee may take whatever legal actions are available to it directly against the Participants to recover such compensation or reimbursement.

Each Participant has agreed in its Participant Resolution to be liable for and pay its *pro rata* portion of the fees and expenses of the Trustee provided for in this section relating to its District Notes and the corresponding Series of Authority Notes. Each Participant has further agreed in its Participant Resolution to jointly and severally indemnify the Trustee and its officers, directors, agents and employees for losses, costs, expenses (including legal fees and expenses) suits, damages, judgments and liabilities incurred by the Trustee hereunder not resulting from Trustee’s own negligence or willful misconduct.

**Section 9.04. Protection of the Trustee.** The Trustee shall be protected and shall incur no liability in acting or proceeding upon any affidavit, bond, Certificate, consent, notice, Request, Requisition, resolution, statement, telegram, voucher, waiver or other paper or document which it shall believe to be genuine and to have been adopted, executed or delivered by the proper party or pursuant to any of the provisions hereof, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Trustee may consult with counsel, who may be counsel to the Authority or the Participants, with regard to legal questions arising hereunder, and the opinion of such

counsel shall be full and complete authorization and protection in respect to any action taken or suffered by it hereunder in accordance therewith.

The Trustee shall not be responsible for the sufficiency of the payments on the District Notes, or of the assignment made to it of all rights to receive the payments on the District Notes and shall not be deemed to have knowledge of any Event of Default unless and until a responsible officer has actual knowledge thereof or has received written notice thereof at its principal corporate trust office in Los Angeles, California. The Trustee shall not be accountable for the use or application by the Participants, or any other party, of any funds which the Trustee properly releases to the Participants or which the Participants may otherwise receive from time to time. The Trustee makes no representation concerning, and has no responsibility for, the validity, genuineness, sufficiency, or performance by parties other than the Trustee of this Indenture, any Authority Note, any District Note, any Participant Resolution, any Credit Instrument, any Supplemental Credit Enhancement, any Credit Agreement, any Supplemental Credit Enhancement Agreement or of any other paper or document, or for taking any action on them (except as specifically and expressly stated for the Trustee in this Indenture).

Whenever in the observance or performance of its rights and obligations hereunder or under the Authority Notes the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate of the Authority, and such certificate shall be full warrant to the Trustee for any action taken or suffered under the provisions hereof upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

The Trustee and its officers and employees may buy, sell, own, hold and deal in any of the Authority Notes and may join in any action which any Owner may be entitled to take with like effect as if it were not a party hereto. The Trustee, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Participants, and may act as agent, depositary or trustee for any committee or body of Owners or of owners of obligations of the Participants as freely as if it were not the Trustee hereunder.

The Trustee shall not be liable for the exercise of any of its rights hereunder or for the performance of any of its obligations hereunder or for anything whatsoever in connection with the funds established hereunder, except only for its own willful misconduct or negligence. Absent negligence or willful misconduct, the Trustee shall not be liable for an error of judgment.

No provision hereof shall require the Trustee to expend or risk its own funds or otherwise incur any financial or other liability or risk in the performance of any of its obligations hereunder, or in the exercise of any of its rights hereunder, and before taking any remedial action hereunder (other than drawing on the applicable Credit Instrument or applicable Supplemental Credit Enhancement, as the case may be) the Trustee may require that indemnity satisfactory to it be furnished for all expenses to which it may be put and to protect it, its directors, officers, employees and agents from all liability thereunder. The Trustee may execute any of its trusts or other powers or perform its duties through attorneys, agents or receivers.

The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to any Series of the Authority Notes.

Anything in this Indenture to the contrary notwithstanding, in no event shall the Trustee be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action. The Trustee shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the Trustee and could not have been avoided by exercising due care. Force majeure shall include acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the Authority shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Authority, whenever a person is to be added or deleted from the listing. If the Authority elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The Authority understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Authority shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Authority and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Authority. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Authority agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Authority; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

**Section 9.05. Notices to Rating Agencies.** The Trustee shall notify S&P and Moody's (or whichever one is then rating any Series of the Authority Notes), in writing, upon occurrence of any of the following events: (i) any amendment, supplement or other change to this Indenture from the form originally executed and entered into; (ii) any amendment, supplement or other change to any Credit Agreement or Supplemental Credit Enhancement Agreement from the form originally executed and entered into; (iii) any amendment, supplement or other change to any Credit Instrument or Supplemental Credit Enhancement from the form originally executed and entered into; (iv) any amendment, supplement or other change to any Participant Resolution (that the Trustee is aware of); (v) the termination of any Credit Instrument or Supplemental Credit Enhancement or any Investment Agreement; (vi) the occurrence or curing of any Event of Default; (vii) defeasance of the Authority Notes or any Series or portion thereof; and (viii) the tax-exempt status of the Authority Notes has been adversely affected, and the Trustee has received specific notice thereof from the Authority; provided, however, that the Trustee shall incur no liability for failure to so notify.

## ARTICLE X

### AMENDMENT OF OR SUPPLEMENT TO THE INDENTURE

**Section 10.01. Amendment or Supplement of Indenture.** This Indenture and the rights and obligations of the Owners and the Trustee hereunder may be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding when the written consents of each Credit Provider, each Supplemental Credit Enhancer, and of the Owners of a majority in aggregate principal amount of the Authority Notes then Outstanding, exclusive of Authority Notes disqualified as provided in Section 10.02, are filed with the Trustee. No such amendment or supplement shall (1) reduce the rate of interest on any Authority Note or extend any Interest Payment Date applicable to any Series of Authority Notes or reduce the amount of principal of any Authority Note or extend the Principal Payment Date applicable to any Series of Authority Notes (it being understood, however, that any such extension shall have no effect on duration of the applicable Credit Instrument or the applicable Supplemental Credit Enhancement, as the case may be) or modify the payment priority for any Authority Note without the prior written consent of the Owner of the Authority Notes so affected, or (2) reduce the percentage of Owners whose consent is required by the terms of this Indenture for the execution of certain amendments hereof or supplements hereto, or (3) modify any of the rights or obligations of the Trustee without its prior written consent thereto.

This Indenture and the rights and obligations of the Owners and the Trustee hereunder may also be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding upon execution with the prior written consent of each Credit Provider and each Supplemental Credit Enhancer, but without the written consents of any Owners, in order to make any modifications or changes to Exhibits B, C or D hereto or to make any modifications or changes necessary or appropriate in the Opinion of Counsel to preserve or protect the exclusion from gross income of interest on any or all of the Authority Notes for federal income tax purposes, or, but only to the extent that such amendment shall not materially adversely affect the interests of the Owners, for any purpose including, without limitation, one or more of the following purposes—

(a) to add to the agreements, conditions, covenants and terms contained herein required to be observed or performed by the Authority, other agreements, conditions, covenants and terms thereafter to be observed or performed by the Authority, or to surrender any right reserved herein to or conferred herein on the Authority;

(b) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or in regard to questions arising hereunder which the Authority may deem desirable or necessary; or

(c) to modify, amend or supplement this Indenture or any supplement hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or to permit the qualification of the Authority Notes for sale under the securities laws of the United States of America or of any of the states of the United States of America and, if the Authority or Note Counsel so determine, to add to this Indenture or any supplement hereto such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute.

This Indenture and the rights and obligations of the Owners and the Trustee hereunder may also be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding upon execution without the prior written consent of any Credit Provider, any Series A Supplemental Credit Enhancer, or any Series A Authority Note Owners, for the purpose of issuing and securing one or more Series of Additional Authority Notes.

**Section 10.02. Disqualified Authority Notes.** Authority Notes held for the account of the Authority or the Participants (but excluding Authority Notes held in any pension or retirement fund of the Participants) shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Authority Notes provided herein, and shall not be entitled to consent to or take any other action provided herein, and the Trustee may adopt appropriate regulations to require each Owner, before his consent provided for herein shall be deemed effective, to reveal if the Authority Notes as to which such consent is given are disqualified as provided in this section.

**Section 10.03. Procedure for Amendment with Written Consent of the Owners Each Supplemental Credit Enhancer and/or Each Credit Provider.** This Indenture may be amended by supplemental agreement as provided in this Section 10.03 in the event the consent of the Owners and each Credit Provider and each Supplemental Credit Enhancer is required pursuant to Section 10.01 hereof. A description of the proposed amendment, together with a request to the Owners for their consent thereto, shall be mailed by the Trustee to each Owner of an Outstanding Authority Note and each Credit Provider and each Supplemental Credit Enhancer at their addresses as set forth in the Registration Books maintained pursuant to Section 2.07 hereof, but failure to receive copies of such description and request so mailed shall not affect the validity of the supplemental agreement when assented to as in this section provided. Nothing herein shall be deemed to require the mailing of the supplemental agreement itself to the Owners.

Such supplemental agreement shall not become effective unless there shall be filed with the Trustee the written consent of the Owners of at least a majority in aggregate principal amount of the Authority Notes then Outstanding (exclusive of Authority Notes disqualified as provided in

Section 10.02 hereof) and each Credit Provider and each Supplemental Credit Enhancer, and notices shall have been mailed as hereinafter in this section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Authority Notes for which such consent is given, which proof shall be acceptable to the Trustee. Any such consent shall be binding upon the Owner of the Authority Note giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the Trustee has received the required percentage of consents of the Owners of the Authority Notes and acknowledged the same to the Participants.

After the Owners of the required percentage of Authority Notes and each Credit Provider, each Supplemental Credit Enhancer shall have filed their consents to such supplemental agreement, the Trustee shall acknowledge to the Authority, each Credit Provider and each Supplemental Credit Enhancer the effectiveness of the agreement and shall mail a notice to the Participants, each Credit Provider, each Supplemental Credit Enhancer and the Owners of the Authority Notes in the manner hereinbefore provided in this section for the mailing of such description, stating in substance that such supplemental agreement has been consented to by the Owners of the required percentage of Authority Notes and is effective as provided in this section (but failure to mail copies of said notice shall not affect the validity of such supplemental agreement or consents thereto). A record, consisting of the papers required by this section to be filed with the Trustee, shall be proof of the matters therein stated until the contrary is proved.

**Section 10.04. Endorsement or Replacement of Authority Notes after Amendment or Supplement.** After the effective date of any action taken as hereinabove provided, the Trustee or the Authority may determine that the Authority Notes shall bear a notation by endorsement in form approved by the Trustee as to such action, and in that case upon demand of the Owner of any Outstanding Authority Note and presentation of the Authority Note for such purpose at the office of the Trustee a suitable notation as to such action shall be made on such Authority Note. If the Trustee or the Authority shall so determine, new Authority Notes so modified as in the opinion of the Trustee shall be necessary to conform to such action shall be prepared, and in that case upon demand of the Owner of any Outstanding Authority Notes, such new Authority Notes shall be exchanged without cost to each Owner for Authority Notes then Outstanding at the office of the Trustee upon surrender of such Outstanding Authority Notes. All Authority Notes surrendered to the Trustee pursuant to the provisions of this section shall be cancelled by the Trustee and shall not be redelivered.

**Section 10.05. Amendment or Supplement by Mutual Consent.** The provisions of this article shall not prevent any Owner from accepting any amendment or supplement as to the particular Authority Notes owned by him; provided, that due notation thereof is made on such Authority Notes. No amendment or supplement of a Authority Note shall be made without prior compliance with the provisions of this Article X pertaining to amendment or supplement of this Indenture.



## ARTICLE XI

### DEFEASANCE

#### **Section 11.01. Discharge of Authority Notes and Indenture.**

(a) If the Trustee shall pay or cause to be paid or there shall otherwise be paid to the Owners of all Outstanding Authority Notes the interest and principal thereof at the times and in the manner provided herein and therein, then such Owners shall cease to be entitled to the pledge of and lien on the District Notes and District Notes payments and any interest in the funds held hereunder as provided herein, and all agreements and covenants of the Authority to such Owners hereunder shall thereupon cease, terminate and become void and shall be discharged and satisfied.

(b) Any Outstanding Series of Authority Notes shall on their applicable Principal Payment Date be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this section if there shall be on deposit with the Trustee moneys which are sufficient to pay the interest on and principal of such Series of Authority Notes payable on and prior to their applicable Principal Payment Date.

(c) Any Outstanding Series of Authority Notes shall prior to their applicable Principal Payment Date be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this section if there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient or United States Treasury bills, notes, bonds or certificates of indebtedness, or obligations for which the full faith and credit of the United States of America are pledged for the payment of interest and principal, and which are purchased with moneys and are not subject to redemption except by the holder thereof prior to maturity (including any such securities issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), the interest on and principal of which when paid will provide money which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, in the opinion of an independent certified public accountant delivered to the Trustee and the corresponding Credit Provider and Supplemental Credit Enhancer, as the case may be, to pay when due the interest on such Series of Authority Notes and the principal of such Authority Notes on the applicable Principal Payment Date.

(d) After the payment of the interest on and principal of all Outstanding Authority Notes as provided in this section, at the Request of the Authority (if provided), the Trustee shall execute and deliver to the Authority and the Participants all such instruments as they may deem necessary or desirable to evidence the discharge and satisfaction of this Indenture, and the Trustee shall pay over or deliver to the Participants all money or deposits or investments held by it pursuant hereto (except for moneys held in the Rebate Fund) which are not required for the payment of the interest on and principal of such Authority Notes and the Trustee shall surrender all Credit Instruments and all Supplemental Credit Enhancements, to the applicable Credit Providers and Supplemental Credit Enhancers, respectively, for cancellation by the same.

(e) Notwithstanding anything to the contrary herein, this Indenture shall not be discharged without the prior written consent of the applicable Credit Providers and Supplemental Credit Enhancers until all Predefault Obligations and Reimbursement Obligations have been paid

or payment duly provided for by the Trustee's retention of sufficient funds to pay all Predefault Obligations and Reimbursement Obligations due or to become due as of the date of such discharge.

**Section 11.02. Unclaimed Money.** Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest on or principal of any Authority Notes which remains unclaimed for two (2) years after the date when the payments on such Authority Notes have become payable, if such money was held by the Trustee on such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest on and principal of such Authority Notes have become payable, shall be repaid by the Trustee to the Participants as their interests appear as their absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the Participants for the payment of the interest on and principal of such Authority Notes it being understood that all Credit Instruments and all Supplemental Credit Enhancements, as applicable, shall no longer be in effect at that time; provided, that before being required to make any such payment to the Participants, the Trustee shall, as a charge on such funds, give notice by mail to all Owners of Authority Notes that such money remains unclaimed and that after a date named in such notice, which date shall not be less than sixty (60) days after the date of giving such notice, the balance of such money then unclaimed will be returned to the Participants.

## ARTICLE XII

### MISCELLANEOUS

**Section 12.01. Benefits of the Indenture Limited to Parties.** Nothing contained herein, expressed or implied, is intended to give to any person other than the Participants, the Trustee, the Authority, the Owners, each Credit Provider, and each Supplemental Credit Enhancer, any claim, remedy or right under or pursuant hereto, and any agreement, condition, covenant or term contained herein required to be observed or performed by or on behalf of the Authority shall be for the sole and exclusive benefit of the Trustee, the Participants, each Credit Provider, each Supplemental Credit Enhancer, the Owners and their successors.

**Section 12.02. Successor Deemed Included in All References to Predecessor.** Whenever the Authority or the Trustee or any officer thereof is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the Authority or the Trustee or such officer, and all agreements, conditions, covenants and terms contained herein required to be observed or performed by or on behalf of the Authority or the Trustee or any officer thereof shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

**Section 12.03. Execution of Documents by Owners.** Any consent, declaration, request or other instrument which is permitted or required herein to be executed by Owners may be in one or more instruments of similar tenor and may be executed by Owners in person or by their attorneys appointed in writing. The fact and date of the execution by any Owner or such Owner's attorney of any consent, declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state or territory in which he

purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer, or by such other proof as the Trustee may accept which it may deem sufficient.

Any consent, declaration, request or other instrument in writing of the Owner of any Authority Note shall bind all future Owners of such Authority Note with respect to anything done or suffered to be done by the Authority, Participants or the Trustee in accordance therewith.

**Section 12.04. Waiver of Personal Liability; No Liability of Authority Members.** No trustee, member, officer or employee of the Participants or the Authority shall be individually or personally liable for the payment of the interest on or principal of the Authority Notes, but nothing contained herein shall relieve any trustee, member, officer or employee of the Participants or the Authority from the performance of any official duty provided by any applicable provisions of law or by the District Notes or the Participant Resolution or this Indenture.

Notwithstanding anything to the contrary herein or in any other document, no entity that is a member of the Authority, its officers, directors, employees, and agents, shall have any liability of any kind hereunder or by reason of or in connection with any of the transactions contemplated hereby, other than in its capacity (if any) as a Participant hereunder.

**Section 12.05. Content of Certificates; Post-Issuance Legal Opinions.** Every certificate of the Authority or the Participants with respect to compliance with any agreement, condition, covenant or term contained herein shall include: (a) a statement that the person or persons executing such certificate have read such agreement, condition, covenant or term and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements contained in such certificate are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such agreement, condition, covenant or term has been complied with; and (d) a statement as to whether, in the opinion of the signers, such agreement, condition, covenant or term has been complied with.

Any Certificate of the Authority or the Participants may be based, insofar as it relates to legal matters, upon an Opinion of Counsel unless the person or persons executing such certificate know that the Opinion of Counsel with respect to the matters upon which his or their certificate may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous. Any Opinion of Counsel may be based, insofar as it relates to factual matters and information with respect to which is in the possession of the Participants or the Authority, upon a representation by an officer or officers of the Participants or the Authority unless the counsel executing such Opinion of Counsel knows that the representation with respect to the matters upon which his opinion may be based; as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous.

**Section 12.06. Notice by Mail.** Any notice required to be given hereunder by mail to any Owners of Authority Notes shall be given by mailing a copy of such notice, first class postage prepaid, to the Owners of such Authority Notes at their addresses appearing in the books

required to be kept by the Trustee pursuant to the provisions of Section 2.07 and to all Credit Providers and all Supplemental Credit Enhancers not less than thirty (30) days nor more than sixty (60) days following the action or prior to the event concerning which notice thereof is required to be given; provided, that receipt of any such notice shall not be a condition precedent to the effectiveness of such notice, and failure to receive any such notice shall not affect the validity of the proceedings taken in connection with the action or the event concerning which such notice was given.

**Section 12.07. Funds.** Any fund or account required to be established and maintained herein by the Trustee may be established and maintained in the accounting records of the Trustee either as an account or a fund, and may, for the purpose of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund; but all such records with respect to all such funds shall at all times be maintained in accordance with industry practice and with due regard for the instructions, if any, delivered to the Trustee pursuant to Section 7.04(b) and for the protection of the security of the Authority Notes and the rights of the Owners and all Credit Providers and all Supplemental Credit Enhancers. All moneys held by the Trustee shall be held in trust, but need not be segregated from other funds unless specifically required by this Indenture.

**Section 12.08. Continuing Disclosure.** (a) The Authority together with the State Treasurer hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Indenture, failure of the Authority or the Dissemination Agent to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, at the written request of any Participating Underwriter (as defined in the Continuing Disclosure Agreement) or the Owner of at least 25% aggregate principal amount of Outstanding Series A Authority Notes or, if issued, the Owner of at least 25% aggregate principal amount of each Series of Outstanding Additional Authority Notes,) or any Series A Authority Note Owner, or, if Additional Authority Notes are issued, any Owner or any Beneficial Owner of an Additional Authority Note, the Trustee shall, but only to the extent indemnified to its satisfaction from any liability, cost, expense whatsoever, including, without limitation, fees and expenses of its attorneys and additional fees and expenses of the Trustee, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority to comply with its obligations under this section. For purposes of this section, “Beneficial Owner” means any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Series A Authority Notes or, if issued, Additional Authority Notes (including persons holding Series A Authority Notes or, if issued, Additional Authority Notes through nominees, depositories or other intermediaries).

(b) The Trustee shall notify the Authority, in writing, upon the occurrence of any of the Listed Events (as defined in the Continuing Disclosure Agreement), of which it has actual knowledge, provided, however, the Trustee shall not be liable to any party for any failure to so notify the Authority. The Trustee shall not be responsible to determine the materiality of any Listed Event. For purposes of this section, “actual knowledge” by the Trustee shall mean actual knowledge at its Principal Corporate Trust Office by the officer or officers of the Trustee for the administration of this Indenture.

**Section 12.09. Article and Section Headings, Gender and References.** The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof, and words of any gender shall be deemed and construed to include all genders. All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words “hereby,” “herein,” “hereof,” “hereto,” “herewith,” “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular article, section, subdivision or clause thereof.

**Section 12.10. Partial Invalidity.** If any one or more of the agreements, conditions, covenants or terms contained herein required to be observed or performed by or on the part of the Authority or the Trustee shall be contrary to law, then such agreement or agreements, such condition or conditions, such covenant or covenants or such term or terms shall be null and void and shall be deemed separable from the remaining agreements, conditions, covenants and terms hereof and shall in no way affect the validity hereof or of the Authority Notes, and the Owners and all Credit Providers and all Supplemental Credit Enhancers shall retain all the benefit, protection and security afforded to them hereunder and under all provisions of applicable law. The Authority and the Trustee hereby declare that they would have executed and entered into this Indenture and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the execution and delivery of the Authority Notes pursuant hereto irrespective of the fact that any one or more of the articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

**Section 12.11. California Law.** This Indenture and the Authority Notes shall be construed in accordance with and governed by the laws of the State of California applicable to contracts made and performed in the State of California. This Indenture shall be enforceable in the State of California, and any action arising hereunder shall (unless waived by the Authority in writing) be filed and maintained in the Superior Court of California, County of Sacramento, California.

**Section 12.12. Notices.** All written notices to be given hereunder shall be given by mail to the party entitled thereto at its address set forth below or in the Supplemental Indenture, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the Trustee:                    U.S. Bank National Association  
One California Street, Suite 1000  
San Francisco, California 94111  
Attention: Global Corporate Trust

If to the Authority:                California School Finance Authority  
300 S. Spring Street, Suite 8500  
Los Angeles, California 90013  
Attention: Katrina M. Johantgen, Executive Director

If to the Participants: To the individual addresses as set forth in Exhibit A to the Purchase Agreement.

If to the Underwriters: RBC Capital Markets, LLC  
777 South Figueroa Street, Suite 850  
Los Angeles, California 90017  
Attention: Managing Director

Citigroup Global Markets Inc.  
300 South Grand Avenue, Suite 3110  
Los Angeles, California 90071  
Attention: Managing Director

If to the Rating Agencies: [Fitch Ratings Inc.]  
33 Whitehall Street  
New York, NY 10004  
Telephone: (212) \_\_\_\_\_  
Telefax: (212) \_\_\_\_\_

[Standard and Poor's Ratings Group]  
Municipal Finance Department  
25 Broadway, 38<sup>th</sup> Floor  
New York, NY 10041  
Telephone: (212) 438-7973  
Telefax: (212) 438-2131

[Moody's Investors Service]  
99 Church Street  
New York, NY 10007  
Telephone: (212) 553-3747  
Telefax: (212) 964-6038

**Section 12.13. Effective Date.** This Indenture shall become effective upon its execution and delivery.

**Section 12.14. Execution in Counterparts.** The Indenture may be executed and entered into in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

[Remainder of page intentionally left blank.]

**IN WITNESS WHEREOF**, the Authority has caused this Indenture to be signed in its name by its Executive Director, or by such other person as has been designated by its governing board, and U.S. Bank National Association, as Trustee, to evidence its acceptance of the trust hereby created, has caused the Indenture to be signed in the name of the Trustee by an authorized officer of the Trustee, all as of the day and year first above written.

CALIFORNIA SCHOOL FINANCE  
AUTHORITY

By \_\_\_\_\_  
Title: [Executive Director][Deputy Treasurer for  
California State Treasurer, Fiona Ma]

U.S. BANK NATIONAL ASSOCIATION, as  
Trustee

By \_\_\_\_\_  
Title: Authorized Officer

SCHEDULE I

PARTICIPATING DISTRICTS AND COUNTY OFFICES OF EDUCATION  
SERIES A AUTHORITY NOTES

| Participant | Principal<br>Amount |  |  |
|-------------|---------------------|--|--|
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SCHEDULE II

INITIAL DEPOSITS TO PARTICIPANTS'  
SERIES A DISTRICT NOTES  
PROCEEDS ACCOUNTS

| <u>Participant</u> | <u>Series A<br/>Authority<br/>Note<br/>Proceeds<br/>Amount</u> | <u>Repayment<br/>Periods</u> | <u>Pledge<br/>Dates</u> | <u>Percentage</u> |
|--------------------|----------------------------------------------------------------|------------------------------|-------------------------|-------------------|
|--------------------|----------------------------------------------------------------|------------------------------|-------------------------|-------------------|

SCHEDULE III

INITIAL DEPOSITS TO PARTICIPANTS'  
SERIES A DISTRICT NOTES  
ESCROW ACCOUNTS

| Participant | Series A<br>Escrow Amount |
|-------------|---------------------------|
|             |                           |

**EXHIBIT A**

**[FORM OF AUTHORITY NOTE]**

**UNITED STATES OF AMERICA  
STATE OF CALIFORNIA**

No. R \_\_\_\_ \$ \_\_\_\_\_

**CALIFORNIA SCHOOL FINANCE AUTHORITY  
STATE AID INTERCEPT NOTE  
(FISCAL YEAR 2020-21 SCHOOL AND COMMUNITY COLLEGE  
DISTRICT DEFERRALS) SERIES \_\_\_\_**

| <b><u>Interest Rate</u></b> | <b><u>Principal Payment Date</u></b> | <b><u>Date of Initial Delivery</u></b> | <b><u>CUSIP</u></b> |
|-----------------------------|--------------------------------------|----------------------------------------|---------------------|
| ____%                       | _____, 2021                          | _____, 2021                            |                     |

**REGISTERED OWNER: CEDE & CO.**

**PRINCIPAL SUM: \_\_\_\_\_**

**THE CALIFORNIA SCHOOL FINANCE AUTHORITY** (the “Authority”) promises to pay the registered Owner set forth above of this California School Finance Authority State Aid Intercept Note (Fiscal Year 2020-21 School and Community College District Deferrals), Series \_\_\_\_ (the “Note”), on the Principal Payment Date (the “Principal Payment Date”) set forth above, upon surrender of this Note on such Principal Payment Date at the principal corporate trust office of U.S. Bank National Association, as trustee, in San Francisco, California (together with any successor thereto in accordance with the Indenture (as defined hereinafter), the “Trustee”), the principal sum set forth above, together with interest accruing from the date of initial issuance of this Note and becoming due and payable [on \_\_\_\_\_, 2021 and] on such Principal Payment Date. Such interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months. All such amounts are payable in lawful money of the United States of America.

This Note is one of the duly authorized notes entitled “California School Finance Authority State Aid Intercept Notes (Fiscal Year 2020-21 School and Community College District Deferrals), Series \_\_\_\_” aggregating \$ \_\_\_\_\_ (the “Series \_\_\_\_ Authority Notes”) which have been issued by the Authority under and by authority of Chapter 18 (commencing with Section 17170) of Part 10 of Division 1 of Title 1 of the Education Code of the State of California and pursuant to the terms of an Indenture, dated as of [February] 1, 2021 (together with any supplements or amendments thereto, the “Indenture”), by and between the Trustee and the Authority. Copies of the Indenture are on file at said principal corporate trust office of the Trustee, and reference is hereby made to the Indenture for a description of the agreements, conditions, covenants and terms securing the Series \_\_\_\_ Authority Notes, for the nature, extent and manner of enforcement of such agreements, conditions, covenants and terms, for the rights and remedies of the registered Owners of the Series \_\_\_\_ Authority Notes with respect thereto, for the terms under

which the Indenture can be amended, and for the other agreements, conditions, covenants and terms upon which the Series \_\_ Authority Notes are issued thereunder, to all of which the Owner hereof assents and agrees by acceptance hereof.

The Series \_\_ Authority Notes are authorized to be issued in the form of fully registered notes in denominations of five thousand dollars (\$5,000) or any integral multiple thereof.

This Note is transferable or exchangeable by the registered Owner hereof, in person or by his attorney duly authorized in writing, at said principal corporate trust office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender of this Note for cancellation accompanied by delivery of a duly executed written instrument of transfer or exchange, a new Series \_\_ Authority Note or Series \_\_ Authority Notes of authorized denominations equal to the principal amount hereof will be delivered by the Trustee to the registered Owner hereof in exchange or transfer herefor.

The Trustee may treat the registered Owner hereof as the absolute owner hereof for all purposes, whether or not this Note shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the interest on and principal of this Note shall be made only to such registered Owner as above provided, which payments shall be valid and effectual to satisfy and discharge the liability evidenced and represented by this Note to the extent of the sum or sums so paid.

The Series \_\_ Authority Notes are a special obligation of the Authority and are secured by a pledge and assignment of a pool of the Tax and Revenue Anticipation Notes, Series \_\_ (the "Series \_\_ District Notes") issued by certain California school districts, community college districts and county offices of education (as more particularly described in the Indenture) (the "Participants"), under and by authority of Section 53853 and of Article 7.6 (commencing with Section 53850) of Chapter 4, Part 1, Division 2, Title 5 of the Government Code of the State of California and pursuant to the terms of a resolution duly passed and adopted by the governing board of each Participant pertaining to its Series \_\_ District Notes (collectively, the "Participant Resolutions"), and payments with respect thereto, to the extent provided in the Indenture, subject to the provisions of the Indenture permitting the disbursement thereof for or to the purposes and on the conditions and terms set forth therein.

The Series \_\_ Authority Notes are not subject to prepayment or redemption prior to the Series \_\_ Principal Payment Date.

Upon satisfaction of certain provisions of the Indenture, the Authority may issue one or more additional series of California School Finance Authority State Aid Intercept Aid Notes (Fiscal Year 2020-21 School and Community College District Deferrals) (together with the Series \_\_ Authority Notes, the "Authority Notes"), payable from, and secured by a pledge and assignment of, a separate pool of tax and revenue anticipation notes issued by certain California school districts, community college districts and county offices of education (as more particularly described in the Indenture and any supplement thereto), some of which may also have issued Series \_\_ District Notes securing the Series \_\_ Authority Notes, which Series \_\_ District Notes may be payable on a parity with such tax and revenue anticipation notes.

*[The following language is applicable only to Additional Authority Notes:* Under the Indenture, the Authority has previously issued on \_\_\_\_\_, 20\_\_\_, its outstanding California School Finance Authority State Aid Intercept Notes (Fiscal Year 2020-21 School and Community College District Deferrals), Series A, aggregating \$ \_\_\_\_\_ (the "Series A Authority Notes"), which are payable from, and secured by a pledge and assignment of, a separate pool of tax and revenue anticipation notes issued by certain California school districts, community college districts and county offices of education (as more particularly described in the Indenture and any supplement thereto), some of which may also have issued District Notes securing the Authority Notes, which District Notes may be payable on a parity with or priority over such tax and revenue anticipation notes.]

Reference is hereby made to the Indenture as the same may be amended and supplemented from time to time, for a description of the rights, limitation of rights, obligations, duties and immunities of the Authority, the Trustee and the registered Owners of the Authority Notes issued thereunder, including particularly the nature and extent of the security and provisions for payment of the Authority Notes and the relative priority of a certain portion of the Authority Notes and of the District Notes. Copies of the Indenture are on file in the principal corporate trust office of the Trustee in Los Angeles, California.

*[The following paragraph is applicable to credit enhanced Authority Notes only:* The payment of [up to the first \$ \_\_\_\_\_ of] principal of and interest on the Authority Notes [attributable to the first \$ \_\_\_\_\_ of payment defaults by the Participants with respect to their District Notes] is also secured by a letter of credit/policy of insurance issued by \_\_\_\_\_ in the amount of \$ \_\_\_\_\_ which letter of credit/policy of insurance expires on \_\_\_\_\_, \_\_\_\_\_, 20\_\_\_ unless terminated earlier in accordance with its terms.]

The rights and obligations of the Authority, the Participants and of the holders and registered Owners of the Authority Notes may be modified or amended at any time in the manner, to the extent, and upon the terms provided in the Indenture, which provide, in certain circumstances, for modifications and amendments without the consent of or notice to the registered Owners of Authority Notes.

The Authority Notes are not a lien or charge upon any funds or property of the Authority (except to the extent of the aforementioned pledge and assignment) and are payable solely from Debt Service Payments of the District Notes by the Participants and from the funds and accounts established for such purpose by the Indenture. The Authority Notes are not a debt of any Participant or any member of the Authority, and no such Participant or member is liable in any manner for the payment thereof.

Each District Note constitutes the general obligation of the Participant issuing the same and shall be payable from taxes, income, revenue, cash receipts and other moneys which are received by the respective Participant during, or are attributable to, Fiscal Year 2020-21, and which are lawfully available therefor, all as set forth in the respective Participant Resolution. As security for the District Notes, each Participant has individually pledged certain of its unrestricted revenues received in the amounts and as of the dates provided in the respective Participant Resolution, plus in the month during which the final payment of Pledged Revenues is to occur, an amount sufficient to pay interest on such District Note.

Each Participant has certified that all acts, conditions and things required by the Constitution and laws of the State of California and the provisions of its Participant Resolution to exist, to have happened and to have been performed precedent to and in the issuance of its Series \_\_\_ District Notes do exist, have happened and have been performed in due time, form and manner as required by law and that its Series \_\_\_ District Note, together with all other indebtedness and obligations of such Participant, does not exceed any limit prescribed by the Constitution or laws of the State of California.

It is hereby certified and recited that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the issuing of this Note, do exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California, and that this Note is not in excess of the amount of Authority Notes permitted to be issued under the Indenture.

This Note shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been signed by the Trustee.

Unless this Note is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Trustee or its agent for the registration of transfer, exchange, or payment, and any Authority Note issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered Owner hereof, Cede & Co., has an interest herein.

**IN WITNESS WHEREOF**, this Note has been dated the date of initial delivery hereof, and has been executed by the manual or facsimile signature of the Chair of the Authority:

**CALIFORNIA SCHOOL FINANCE  
AUTHORITY**

By \_\_\_\_\_  
Chair



[FORM OF CERTIFICATE OF AUTHENTICATION AND REGISTRATION]

Authenticated by the manual signature of an authorized officer of the Trustee on the following date: \_\_\_\_\_

US. BANK NATIONAL ASSOCIATION, as  
Trustee

By \_\_\_\_\_  
Authorized Officer

[FORM OF ASSIGNMENT]

ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto \_\_\_\_\_ whose tax identification number is \_\_\_\_\_ the within Authority Note and do(es) hereby irrevocably constitute(s) and appoint(s) attorney to transfer such Authority Note on the register of the Trustee, with full power of substitution in the premises.

Dated:

SIGNATURE GUARANTEED BY:

\_\_\_\_\_

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within Authority Note in every particular, without alteration or enlargement or any change whatsoever, and the signature(s) must be guaranteed by an eligible guarantor institution.

**EXHIBIT B**

**FORM OF REQUISITION FROM COSTS OF ISSUANCE FUND**

U.S. Bank National Association  
One California Street, Suite 1000  
San Francisco, California 94111  
Attn: [Mary Wong]

Re: California School Finance Authority State Aid Intercept Notes (Fiscal Year 2020-21 School and Community College District Deferrals), Series [ ]

Requisition No.: \_\_\_\_\_

The undersigned authorized officer of the [California School Finance Authority] / [Municipal Advisor] hereby presents this Requisition for payment of Costs of Issuance, as that term is defined that certain Indenture dated as of [March 1, 2021] (the "Indenture"), by and between U.S. Bank National Association, as Trustee, and the California School Finance Authority (the "Authority"), in connection with the captioned financing (the "Series \_\_\_ Authority Notes").

Attached as Schedule I is a list of payees from whom invoices for Costs of Issuance have been received (copies of which are attached to said Schedule I). You are hereby directed to make payment by check or wire transfer (in accordance with the request of the respective payees) to said persons in the amounts invoiced but not in excess of the amounts identified in Schedule I. None of the items listed in Schedule I have been heretofore paid and each represents a proper charge against the Series \_\_\_ Costs of Issuance Account of the Costs of Issuance Fund.

Date: \_\_\_\_\_, 2021

By: \_\_\_\_\_  
Authorized Officer  
[California School Finance Authority] /  
[Municipal Advisor]

**SCHEDULE I**

**PAYEES FROM SERIES \_\_\_ COSTS OF ISSUANCE ACCOUNT**

The following costs are to be paid on behalf of the Authority and the Participants for the Costs of Issuance relating to the Series \_\_\_ Authority Notes and the Series \_\_\_ District Notes from amounts deposited in the Series \_\_\_ Costs of Issuance Account of the Costs of Issuance Fund for the Series \_\_\_ Authority Notes.

[See Attached]

**EXHIBIT C**

**FORM OF REQUISITION FROM PROCEEDS ACCOUNT**

To: U.S. Bank National Association, as Trustee

From: [Participant]

Re: California School Finance Authority State Aid Intercept Notes (Fiscal Year 2020-21 School and Community College District Deferrals), Series \_ (the "Program")

Requisition No. \_\_\_\_

The undersigned, on behalf of the \_\_\_\_\_ District (the "Participant"), hereby requests payment, from the Proceeds Account of the Participant established with respect to the Participant's 2020-21 Tax and Revenue Anticipation Notes, Series [\_\_\_\_], pursuant to the Program, the amount of \$ \_\_\_\_\_ [by wire/check (circle one)] for purposes for which the Participant is authorized to use and expend moneys loaned to it by the Authority under the CSFA Act. If the payment is by wire, please fill in the following information:

Name of Bank: \_\_\_\_\_  
ABA#: \_\_\_\_\_  
Account No. \_\_\_\_\_  
Reference: \_\_\_\_\_

The undersigned hereby certifies as follows:

1. The amount requisitioned hereby from the Proceeds Account(s) of the Participant does not, as of the date hereof, exceed eighty-five percent (85%) of (a) the uncollected taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts, and other moneys intended as receipts for the general fund of the Participant and attributable to Fiscal Year 2020-21 and which are generally available for the payment of current expenses and other obligations of the Participant (collectively, "unrestricted revenues") less (b) projected uncollectible unrestricted revenues of the Participant attributable to such Fiscal Year.
2. The amount requisitioned hereby is for a purpose for which the Participant is authorized to use and expend funds loaned to it by the Authority under the CSFA Act.
3. The amount requisitioned hereby (if invested under the Investment Agreement) is not being requisitioned for reinvestment in other investments.
4. Other funds of the Participant are not readily available for expenditure for such purpose with respect to any operating draws.
5. The information contained herein is true and correct as of the date of this Requisition.

6. The representations of the Participant set forth in Section 15 of the Resolution of the Participant, providing for the borrowing of funds for Fiscal Year 2020-21 and the issuance and sale of one or more Series of 2020-21 Tax and Revenue Anticipation Notes therefor and authorizing participation in the Program (the "Participant Resolution") are true and correct in all material respects as though made on and as of this date except to the extent that such representations relate to an earlier date.

7. As of the date hereof, no event has occurred and is continuing which constitutes an Event of Default under the Participant Resolution or would constitute an Event of Default but for the requirement that notice be given, or time elapse, or both.

8. [As of the date hereof, the Participant has not filed with the County Superintendent of Schools, the County Board of Education or the State Superintendent of Public Instruction, and has not received from the County Superintendent of Schools or the State Superintendent of Public Instruction, (a) a negative certification applicable to Fiscal Year 2019-20 or Fiscal Year 2020-21, or (b) a certification applicable to Fiscal Year 2019-20 or Fiscal Year 2020-21 that is lower than the certification held by the Participant on the date the above-captioned Series of Authority Notes were issued, except that, if such Participant provides a certification from the County Superintendent or State Superintendent of Public Instruction, as applicable, that repayment of such Participant's Note and any Additional Notes is probable is given, moneys may be disbursed if the downgrade is to a qualified certification.]

Dated: \_\_\_\_\_, 2021.

By: \_\_\_\_\_  
Authorized Officer of the District Participant

WILLITS UNIFIED SCHOOL DISTRICT  
SUPERINTENDENT'S OFFICE

TO: Board of Trustees  
FROM: Mark Westerburg, Superintendent  
DATE: December 16, 2020  
RE: Board Policy Revision- BP 2121 - Superintendent's Contract

**Priority:**

Communication

**Objective:**

To conduct a first read of the revised policy

**Background:**

(BP revised)

Policy updated to add professional development as an optional component that may be addressed in the superintendent's contract, consistent with CSBA's Superintendent Contract Template. Section on "Termination of Contract" deletes material related to maximum cash settlement requirements for contracts executed prior to January 1, 2016, since state law limits the term of the contract to a maximum of four years.

**Funding/Source:**

None

**Recommendation:**

Administration recommends the board conduct a first read of the revised policy

## Superintendent's Contract

The Governing Board of Trustees believes that the Superintendent's employment contract should outline the framework through which the Board and Superintendent are to work together as a governance team to achieve district goals and objectives. When approving the Superintendent's employment contract, the Board shall consider the need for stability in district administration, ~~and shall ensure~~ the best use of district resources, and the Board's duty to ensure accountability to the public for the performance of the district's schools.

(cf. [0200](#) - Goals for the School District)

(cf. [0460](#) – Local Control and Accountability Plan)

(cf. [2120](#) - Superintendent Recruitment and Selection)

(cf. [4312.1](#) - Contracts)

(cf. [9000](#) - Role of the Board)

The contract shall be reviewed by the district's legal counsel and may include the following:

1. Term of the contract, which shall be for no more than four years pursuant to Education Code [35031](#)
2. Length of the work year and hours of work
3. Salary, health and welfare benefits, and other compensation for the position, including a statement that any subsequent increase in the Superintendent's salary shall be at the sole discretion of the Board.

(cf. [4154/4254/4354](#) - Health and Welfare Benefits)

4. Reimbursement of work-related expenses, including mileage reimbursement, consistent with Board policies, regulations, and guidelines applicable to other professional administrative staff

(cf. [3350](#) - Travel Expenses)

The contract may also address payment for professional dues and activities, the district's provision of cell phones or other technological devices, and the Superintendent's use of ~~his/her~~ personal vehicle.

(cf. [4040](#) - Employee Use of Technology)

5. Vacation, illness and injury leave, and personal leaves

(cf. [4161/4261/4361](#) - Leaves)

(cf. [4161.1/4361.1](#) - Personal Illness/Injury Leave)

(cf. [4161.2/4261.2/4361.2](#) - Personal Leaves)



(cf. [4161.5/4261.5/4361.5](#) - Military Leave)

(cf. [4161.8/4261.8/4361.8](#) - Family Care and Medical Leave)

## 6. Professional Development

76. General duties and responsibilities of the position

(cf. [2110](#) - Superintendent Responsibilities and Duties)

87. Criteria, process, and procedure for annual evaluation of the Superintendent

(cf. [2140](#) - Evaluation of the Superintendent)

~~8. A statement that any subsequent increase in the Superintendent's salary shall be at the sole discretion of the Board~~

9. A statement that there shall be no automatic renewal or extension of the contract, although the Board can enter into a new contract with the Superintendent prior to the expiration of the existing contract

10. Timeline for providing written notice to the Superintendent if the Board does not wish to enter into a new contract, which shall be at least 45 calendar days in advance of the expiration of the term of the contract pursuant to Education Code [35031](#), and the responsibility of the Superintendent to remind the Board in writing and in a timely manner of the requirement to give notice

(cf. [4112.9/4212.9/4312.9](#) - Employee Notifications)

11. Conditions and process for termination of the contract, including the maximum cash settlement that the Superintendent may receive if the contract is terminated prior to its expiration date

12. Matters related to liability and indemnification against demands, claims, suits, actions, and legal proceedings brought against the Superintendent in the Superintendent's his/her official capacity in the performance of employment related duties. ~~related to his/her employment~~

The Board may deliberate about terms of the contract in closed session at a regular meeting. However, discussions regarding the salary, salary schedule, or other compensation may occur in the closed session of a regular meeting only between the Board and its designated representative(s), as permitted under Government Code [54957.6](#) (the "labor exception"), for the purpose of reviewing the Board's position and/or instructing the designated representative(s) prior to or during bona fide negotiations with the current or prospective Superintendent. Such deliberations shall not be held during a special meeting. (Government Code [54956](#), [54957](#), [54957.6](#))

The Board may consult with district legal counsel prior to holding a closed session with the designated representative(s) to discuss compensation to be paid to the current or prospective Superintendent.

(cf. [9320](#) - Meetings and Notices)

(cf. [9321](#) - Closed Session Purposes and Agendas)

(cf. [9321.1](#) - Closed Session Actions and Reports)

Terms of the contract shall remain confidential until the ratification process commences.

(cf. [9011](#) - Disclosure of Confidential/Privileged Information)

The Board shall take final action on the Superintendent's contract during an open session of a regularly scheduled Board meeting, and that action shall be reflected in the Board's minutes. At that meeting, prior to taking action, the Board shall orally report a summary of the recommendation for the final action on the Superintendent's salary or compensation in the form of fringe benefits. (Government Code [3511.1](#), [53262](#), [54953](#))

Copies of the contract and other public records created or received in the process of developing the recommendation related to the Superintendent's salary, benefits, and other compensation shall be available to the public upon request. (Government Code [53262](#), [54953](#), [54957.6](#))

(cf. [1340](#) - Access to District Records)

(cf. [3580](#) - District Records)

Termination of Contract

Prior to the expiration of the contract, the Board may terminate the Superintendent's employment contract in accordance with law and applicable contract provisions.

(cf. [4117.5/4217.5/4317.5](#) - Termination Agreements)

In such an event, ~~the maximum~~ any cash settlement that the Superintendent may receive upon termination of the contract shall not exceed ~~the Superintendent's his/her~~ monthly salary multiplied by the number of months left on the contract or, ~~if the unexpired term of the contract is more than 18 months and the contract was executed prior to January 1, 2016, no greater than the Superintendent's monthly salary multiplied by 18. For any contract executed on or after January 1, 2016, any cash settlement shall not exceed~~ the Superintendent's monthly salary multiplied by 12, whichever is less. (Government Code [53260](#))

The cash settlement shall not include any noncash items other than health benefits, which may be continued for the same duration of time as covered in the settlement or until the Superintendent finds other employment, whichever occurs first. (Government Code [53260](#), [53261](#))

However, when the termination of the Superintendent's contract is based upon the Board's belief and subsequent confirmation through an independent audit that the Superintendent has engaged in fraud, misappropriation of funds, or other illegal fiscal practices, no cash or noncash settlement of any amount shall be provided. (Government Code [53260](#))

In addition, if the Superintendent is convicted of a crime involving an abuse of ~~his/her~~ office or position, ~~the Superintendent he/she~~ shall reimburse the district for payments ~~he/she~~ receiveds as paid leave salary pending investigation or as cash settlement upon ~~his/her~~ termination, and for any funds expended by the district in ~~his/her defense defending the Superintendent~~ against a crime involving ~~the Superintendent's his/her~~ office or position. (Government Code [53243-53243.4](#), [53260](#))

Legal Reference:

EDUCATION CODE

35031 Term of employment

41325-413289.3 Conditions of emergency apportionment

GOVERNMENT CODE

3511.1-3511.2 Local agency executives

6250-6270 California Public Records Act

53243-53243.4 Abuse of office

53260-53264 Employment contracts

54953 Oral summary of recommended salary and benefits of superintendent

54954 Time and place of regular meetings

54956 Special meetings

54957 Closed session personnel matters

54957.1 Closed session, public report of action taken

54957.6 Closed sessions regarding employee matters

UNITED STATES CODE, TITLE 26

105 Self-insured medical reimbursement plan; definition of highly compensated individual

UNITED STATES CODE, TITLE 42

300gg-16 Group health plan; nondiscrimination in favor of highly compensated individuals

CODE OF FEDERAL REGULATIONS

1.105-11 Self-insured medical reimbursement plan

COURT DECISIONS

San Diego Union v. City Council, (1983) 146 Cal.App.3d 947

ATTORNEY GENERAL OPINIONS

57 Ops. Cal. Atty. Gen. 209 (1974)

Management Resources:

CSBA PUBLICATIONS

Superintendent Contract Template, ~~2015~~

ATTORNEY GENERAL PUBLICATIONS

The Brown Act: Open Meetings for Local Legislative Bodies, 2003

WEB SITES

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

Association of California School Administrators: <http://www.acsa.org>

California Office of the Attorney General: <https://oag.ca.gov>

Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: April 11, 2018 Willits, California

revised: January 2021

## **Superintendent's Contract**

The Governing Board believes that the Superintendent's employment contract should outline the framework through which the Board and Superintendent are to work together as a governance team to achieve district goals and objectives. When approving the Superintendent's employment contract, the Board shall consider the need for stability in district administration, the best use of district resources, and the Board's duty to ensure accountability to the public for the performance of the district's schools.

(cf. [0200](#) - Goals for the School District)

(cf. 0460 – Local Control and Accountability Plan)

(cf. [2120](#) - Superintendent Recruitment and Selection)

(cf. [4312.1](#) - Contracts)

(cf. [9000](#) - Role of the Board)

The contract shall be reviewed by the district's legal counsel and may include the following:

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2. Length of the work year and hours of work
3. Salary, health and welfare benefits, and other compensation for the position, including a statement that any subsequent increase in the Superintendent's salary shall be at the sole discretion of the Board.

(cf. [4154/4254/4354](#) - Health and Welfare Benefits)

4. Reimbursement of work-related expenses, including mileage reimbursement, consistent with Board policies, regulations, and guidelines applicable to other professional administrative staff

(cf. [3350](#) - Travel Expenses)

The contract may also address payment for professional dues and activities, the district's provision of cell phones or other technological devices, and the Superintendent's use of a personal vehicle.

(cf. [4040](#) - Employee Use of Technology)

5. Vacation, illness and injury leave, and personal leaves

(cf. [4161/4261/4361](#) - Leaves)

(cf. [4161.1/4361.1](#) - Personal Illness/Injury Leave)

(cf. [4161.2/4261.2/4361.2](#) - Personal Leaves)

(cf. [4161.5/4261.5/4361.5](#) - Military Leave)

(cf. [4161.8/4261.8/4361.8](#) - Family Care and Medical Leave)

6. Professional Development

7. General duties and responsibilities of the position

(cf. [2110](#) - Superintendent Responsibilities and Duties)

8. Criteria, process, and procedure for annual evaluation of the Superintendent

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9. A statement that there shall be no automatic renewal or extension of the contract, although the Board can enter into a new contract with the Superintendent prior to the expiration of the existing contract

10. Timeline for providing written notice to the Superintendent if the Board does not wish to enter into a new contract, which shall be at least 45 calendar days in advance of the expiration of the term of the contract pursuant to Education Code [35031](#), and the responsibility of the Superintendent to remind the Board in writing and in a timely manner of the requirement to give notice

(cf. [4112.9/4212.9/4312.9](#) - Employee Notifications)

11. Conditions and process for termination of the contract, including the maximum cash settlement that the Superintendent may receive if the contract is terminated prior to its expiration date

12. Matters related to liability and indemnification against demands, claims, suits, actions, and legal proceedings brought against the Superintendent in the Superintendent's official capacity in the performance of employment related duties.

The Board may deliberate about terms of the contract in closed session at a regular meeting. However, discussions regarding the salary, salary schedule, or other compensation may occur in the closed session of a regular meeting only between the Board and its designated representative(s), as permitted under Government Code [54957.6](#) (the "labor exception"), for the purpose of reviewing the Board's position and/or instructing the designated representative(s) prior to or during bona fide negotiations with the current or prospective Superintendent. Such deliberations shall not be held during a special meeting. (Government Code [54956](#), [54957](#), [54957.6](#))

The Board may consult with district legal counsel prior to holding a closed session with the designated representative(s) to discuss compensation to be paid to the current or prospective Superintendent.

(cf. [9320](#) - Meetings and Notices)

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Copies of the contract and other public records created or received in the process of developing the recommendation related to the Superintendent's salary, benefits, and other compensation shall be available to the public upon request. (Government Code [53262](#), [54953](#), [54957.6](#))

(cf. [1340](#) - Access to District Records)

(cf. [3580](#) - District Records)

#### Termination of Contract

Prior to the expiration of the contract, the Board may terminate the Superintendent's employment contract in accordance with law and applicable contract provisions.

(cf. [4117.5/4217.5/4317.5](#) - Termination Agreements)

In such an event, the maximum cash settlement that the Superintendent may receive upon termination of the contract shall not exceed the Superintendent's monthly salary multiplied by the number of months left on the contract or the Superintendent's monthly salary multiplied by 12, whichever is less. (Government Code [53260](#))

The cash settlement shall not include any noncash items other than health benefits, which may be continued for the same duration of time as covered in the settlement or until the Superintendent finds other employment, whichever occurs first. (Government Code [53260](#), [53261](#))

However, when the termination of the Superintendent's contract is based upon the Board's belief and subsequent confirmation through an independent audit that the Superintendent has engaged in fraud, misappropriation of funds, or other illegal fiscal practices, no cash or noncash settlement of any amount shall be provided. (Government Code [53260](#))

In addition, if the Superintendent is convicted of a crime involving an abuse of office or position, the Superintendent shall reimburse the district for payments received as paid leave salary pending investigation or as cash settlement upon termination, and for any funds expended by the district in defending the Superintendent against a crime involving the Superintendent's office or position. (Government Code [53243-53243.4](#), [53260](#))

Legal Reference:

#### EDUCATION CODE

35031 Term of employment

41325-41328 Conditions of emergency apportionment

GOVERNMENT CODE

3511.1-3511.2 Local agency executives

6250-6270 California Public Records Act

53243-53243.4 Abuse of office

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54953 Oral summary of recommended salary and benefits of superintendent

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UNITED STATES CODE, TITLE 26

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300gg-16 Group health plan; nondiscrimination in favor of highly compensated individuals

CODE OF FEDERAL REGULATIONS

1.105-11 Self-insured medical reimbursement plan

COURT DECISIONS

San Diego Union v. City Council, (1983) 146 Cal.App.3d 947

ATTORNEY GENERAL OPINIONS

57 Ops. Cal. Atty. Gen. 209 (1974)

Management Resources:

CSBA PUBLICATIONS



Superintendent Contract Template

ATTORNEY GENERAL PUBLICATIONS

The Brown Act: Open Meetings for Local Legislative Bodies, 2003

WEB SITES

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

Association of California School Administrators: <http://www.acsa.org>

California Office of the Attorney General: <https://oag.ca.gov>

Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: April 11, 2018 Willits, California

revised: January 2021

WILLITS UNIFIED SCHOOL DISTRICT  
SUPERINTENDENT'S OFFICE

TO: Board of Trustees  
FROM: Mark Westerburg, Superintendent  
DATE: December 16, 2020  
RE: Board Policy Revision- BP 3600 - Consultants

**Priority:**

Communication

**Objective:**

To conduct a first read of the revised policy

**Background:**

(BP revised)

Policy updated to reflect NEW LAW (AB 5) which codifies a three-part test, established in *Dynamex Operations West Inc. v. Superior Court of Los Angeles*, to determine whether a person providing services for remuneration should be classified as an employee or an independent contractor. Policy also updates the statement on nondiscrimination to include additional protected categories, and reflects law regarding harassment of or by an independent contractor.

**Funding/Source:**

None

**Recommendation:**

Administration recommends the board conduct a first read of the revised policy

## Consultants

The Governing Board of Trustees authorizes the use of consultants and other independent contractors to provide expert professional advice or specialized technical or training services which are not needed on a continuing basis and which cannot be provided by district staff because of limitations of time, experience or knowledge. Individuals, firms or organizations employed as independent contractors consultants may assist management with decisions and/or project development related to financial, economic, accounting, engineering, legal, administrative, instructional or other matters.

(cf. 3551 - Food Service Operations/Cafeteria Fund)

As part of the contract process, the Superintendent or designee shall determine, ~~in accordance with Internal Revenue Service guidelines,~~ that the individual firm, or organization consultant is properly classified as an independent contractor. ~~District employees who perform extra duty consultant services shall not be retained as independent contractors. A person, firm, or organization~~ They shall be considered an employees rather than an independent contractor unless the district is able to demonstrate that all of the following conditions have been met: (Labor Code 2750.3) for all purposes, even if the additional services are not related to their regular duties.

1. The person or entity is free from the control and direction of the district in connection with the performance of the work.
2. The person or entity is performing work that is outside the usual course of the district providing educational services.
3. The person or entity is customarily engaged in an independently established trade, occupation, or business of the same nature as the work to be performed.

Specific statutory exceptions to this analysis for the determination of whether a person, firm, or organization is an independent contractor may apply. (Labor Code 2750.3)

All consultant contracts shall be brought to the Board for approval.

(cf. 3312 - Contracts)

~~The district shall not contract for consulting services that can be performed without charge by a public agency or official unless these services are unavailable from the public source for reasons beyond the district's control.~~

~~All qualified firms or resource persons shall be accorded equal opportunity for consultant contracts regardless of race, creed, color, gender, national or ethnic origin, age or disability.~~

(cf. 3311 - Bids)

(cf. 3312 - Contracts)  
(cf. 4132/4232/4332 - Publication or Creation of Materials)

~~(cf. 3551 - Food Service Operations/Cafeteria Fund)~~

(cf. 4030 - Nondiscrimination in Employment)

All qualified independent contractors shall be accorded equal opportunity for contracts regardless of actual or perceived race, color, national origin, ancestry, age, religious creed, marital status, pregnancy, physical or mental disability, medical condition, genetic information, military and veteran status, sex, sexual orientation, gender, gender identity, gender expression, immigration status, or association with a person or group with one or more of these actual or perceived characteristics. (Education Code 220; Government Code 12940)

*(cf. 0410 - Nondiscrimination in District Programs and Activities)*

*(cf. 0415 - Equity)*

*(cf. 4030 - Nondiscrimination in Employment)*

Independent contractors ~~applying for a consultant contract~~ shall submit a written conflict of interest statement disclosing financial interests as determined necessary by the Superintendent or designee, depending on the range of duties to be performed by the consultant. The Superintendent or designee shall consider this statement when deciding whether to recommend the consultant's employment.

Any consultant hired by the district who is subject to the filing requirements in the district's conflict of interest code shall file a Statement of Economic Interests within the time period required by law. (Government Code 87302)

(cf. 9270 - Conflict of Interest)

When employees of a public university, county office of education or other public agency serve as consultants or independent contractors in other capacities resource persons for the district, they shall certify as part of the ~~consultant~~ agreement that they will not receive salary or remuneration other than vacation pay from any other public agency for the specific days when they work for ~~theis~~ district.

The Board prohibits the harassment of an independent contractor by any district employee or by any other person with whom the independent contractor comes in contact during the course of employment with the district. Additionally, the Board prohibits the harassment of a district employee by an independent contractor. Any complaint of harassment shall be investigated and resolved in accordance with applicable district complaint procedures. (Government Code 12940)

*(cf. 4119.11/4219.11/4319.11 - Sexual Harassment)*

Legal Reference:

EDUCATION CODE

220 Prohibition of discrimination

10400-10407 Cooperative improvement programs

17596 Limit on continuing contracts

35010 Control of districts; prescription and enforcement of rules

35172 Promotional activities

35204 Contract with attorney

44925 Part-time readers employed as independent contractors

45103 Classified service in districts not incorporating the merit system

45103.5 Contracts for food service consulting services

45134-45135 Employment of retired classified employee

45256 Merit system districts; classified service; positions established for professional experts on a temporary basis

#### GOVERNMENT CODE

12940 Unlawful employment practices

53060 Contract for special services and advice

#### Management Resources:

#### INTERNAL REVENUE SERVICE PUBLICATIONS

#### 15-A Employer's Supplemental Tax Guide

82019 Designated employee

87302 Conflict of interest code

#### LABOR CODE

2750.3 ABC three-part test: employees and independent contractors

#### UNEMPLOYMENT INSURANCE CODE

606.5 Determination of employment status

621 Employer and employee defined

#### CODE OF REGULATIONS, TITLE 2

18700.3 Consultant

#### COURT DECISIONS

Dynamex Operations West, Inc. v. Superior Court of Los Angeles (2018) 4 Cal. 5th 903

S.G. Borello & Sons, Inc. v. Department of Industrial Relations (1989) 48 Cal. 3d 341

#### Policy WILLITS UNIFIED SCHOOL DISTRICT

adopted: August 7, 2013 Willits, California

revised: January 2021

## **Consultants**

The Governing Board authorizes the use of consultants and other independent contractors to provide expert professional advice or specialized technical or training services which are not needed on a continuing basis and which cannot be provided by district staff because of limitations of time, experience or knowledge. Individuals, firms or organizations employed as independent contractors may assist management with decisions and/or project development related to financial, economic, accounting, engineering, legal, administrative, instructional or other matters.

(cf. 3551 - Food Service Operations/Cafeteria Fund)

As part of the contract process, the Superintendent or designee shall determine, that the individual firm, or organization is properly classified as an independent contractor. A person, firm, or organization shall be considered an employee rather than an independent contractor unless the district is able to demonstrate that all of the following conditions have been met: (Labor Code 2750.3)

1. The person or entity is free from the control and direction of the district in connection with the performance of the work.
2. The person or entity is performing work that is outside the usual course of the district providing educational services.
3. The person or entity is customarily engaged in an independently established trade, occupation, or business of the same nature as the work to be performed.

Specific statutory exceptions to this analysis for the determination of whether a person, firm, or organization is an independent contractor may apply. (Labor Code 2750.3)

All consultant contracts shall be brought to the Board for approval.

(cf. 3311 - Bids)

*(cf. 3312 - Contracts)*

*(cf. 4132/4232/4332 - Publication or Creation of Materials)*

All qualified independent contractors shall be accorded equal opportunity for contracts regardless of actual or perceived race, color, national origin, ancestry, age, religious creed, marital status, pregnancy, physical or mental disability, medical condition, genetic information, military and veteran status, sex, sexual orientation, gender, gender identity, gender expression, immigration status, or association with a person or group with one or more of these actual or perceived characteristics. (Education Code 220; Government Code 12940)

*(cf. 0410 - Nondiscrimination in District Programs and Activities)*

*(cf. 0415 - Equity)*

*(cf. 4030 - Nondiscrimination in Employment)*

Independent contractors shall submit a written conflict of interest statement disclosing financial interests as determined necessary by the Superintendent or designee, depending on the range of duties to be

performed by the consultant. The Superintendent or designee shall consider this statement when deciding whether to recommend the consultant's employment.

Any consultant hired by the district who is subject to the filing requirements in the district's conflict of interest code shall file a Statement of Economic Interests within the time period required by law. (Government Code 87302)

(cf. [9270](#) - Conflict of Interest)

When employees of a public university, county office of education or other public agency serve as consultants or independent contractors in other capacities for the district, they shall certify as part of the agreement that they will not receive salary or remuneration other than vacation pay from any other public agency for the specific days when they work for the district.

The Board prohibits the harassment of an independent contractor by any district employee or by any other person with whom the independent contractor comes in contact during the course of employment with the district. Additionally, the Board prohibits the harassment of a district employee by an independent contractor. Any complaint of harassment shall be investigated and resolved in accordance with applicable district complaint procedures. (Government Code 12940)

(cf. [4119.11/4219.11/4319.11](#) - Sexual Harassment)

Legal Reference:

EDUCATION CODE

[220](#) Prohibition of discrimination

[10400-10407](#) Cooperative improvement programs

[17596](#) Limit on continuing contracts

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[35172](#) Promotional activities

[35204](#) Contract with attorney

[44925](#) Part-time readers employed as independent contractors

[45103](#) Classified service in districts not incorporating the merit system

[45103.5](#) Contracts for food service consulting services

[45134-45135](#) Employment of retired classified employee

[45256](#) Merit system districts; classified service; positions established for professional experts on a temporary basis

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*82019 Designated employee*

*87302 Conflict of interest code*

LABOR CODE

*2750.3 ABC three-part test: employees and independent contractors*

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COURT DECISIONS

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