

**BOARD OF EDUCATION REGULAR BOARD MEETING
GUSTINE UNIFIED SCHOOL DISTRICT
1500 MEREDITH AVENUE
GUSTINE, CA 95322
WEDNESDAY, NOVEMBER 9, 2016
6:00 P.M.**

I. CALL TO ORDER – 6:00 p.m.

A. The public may comment on any closed session agenda item.

B. ROLL CALL

Mrs. Pat Rocha, President

Mrs. Crickett Brinkman, Clerk

Mrs. Linetta Borrelli, Board Member

Mr. Ernie Longoria, Board Member

Mrs. Loretta Rose, Board Member

II. CLOSED SESSION – 6:00 p.m.

A. Student Discipline – None

B. Personnel – Public Employee Resignation, Discipline, Dismissal, Release,
Employment

C. Conference with Labor Negotiator Bill Morones, Superintendent – GRТА/CSEA
(Govt. Code 54954.5 (f) pursuant to Govt. Code 54957.6)

D. Conference with Legal Counsel/Consultant (Govt. Code 54956.9)

III. RECONVENE TO OPEN SESSION – 7:00 p.m.

A. PLEDGE OF ALLEGIANCE

B. REPORT FROM CLOSED SESSION

C. REVISION/ADOPTION/ORDERING OF AGENDA

D. DISABILITY-RELATED MODIFICATIONS

Request for any disability-related modification or accommodation, including auxiliary aids or services in order to participate in the public meeting, may be made by contacting the Gustine Unified School District Office at (209) 854-3784 at least four (4) days prior to the scheduled meeting. Agendas and other writings may also be requested in alternative formats, as outlined in Section 12132 of the Americans With Disabilities Act.

IV. REPORTS AND PRESENTATIONS

A. Summary Report of Williams Visit for GES, RES, GHS – Dr. Steve Tietjen

B. Student Report

C. National Convention Trip – Matt Baffunno

D. Staff Reports

E. Financial Report

- F. Attendance Report
- G. Board Reports
- H. Superintendent Report

V. CONSENT AGENDA

Items under Consent are considered as a group. Only one motion is necessary to approve these items. Consent items are of a routine nature and for which the Superintendent recommends approval. In accordance with the law, the public has a right to comment on any agenda item. At the request of any member of the Board, any item of the Consent Agenda shall be removed and given individual consideration for action as a regular action item on the agenda.

A. Personnel

1. Cano, Alec - AVID Tutor, GHS
2. Martinez, Iris – Hire Yard Duty, Temporary, GES
3. Duran, Jennifer – Hire Instructional Aide, Temporary, GES
4. Lopes, Sarah – Resignation, Activity & Spirit Coordinator, GHS
5. Concepcion, Jeremiah – Hire Math Teacher, GHS
6. Hanshew, Jennifer – Hire Assistant Principal/Teacher on Special Assignment, GMS
7. Quezada, Carla – Hire Food Service, GES
8. Duarte, Krista – Resignation, Special Ed Teacher, GES
9. Glasscock, Raygene – Hire Crossing Guard Hwy. 33, GUSD

B. Minutes

1. October 12, 2016, Regular Meeting

C. Yearly Renewals

1. Adult Education Block Grant Regional Consortium Funding
2. J & F Fertilizer Contract

D. Donations

1. Romo, Abigail - \$70.00 to RES Fall Carnival
2. Perez, Audelia - \$20.00 to RES Fall Carnival
3. Our Lady of Miracles – \$1000.00 to GHS to be distributed between Golf, Soccer and Club Med
4. CMB Boutique - \$50.00 to RedZone
5. Mimi's Nail and Spa - \$50.00 to RedZone
6. Pioneer Drug - \$50.00 to RedZone
7. Four of Hearts Screen Printing - \$50.00 to RedZone
8. Ana's Travel and Tax - \$50.00 to RedZone
9. Depot Garage - \$110.00 to RedZone
10. Pat's House of Beauty - \$50.00 to RedZone
11. Texas Burger Drive-In - \$100.00 to RedZone
12. Nunes Auto Care - \$50.00 to RedZone
13. Metro PCS - \$50.00 to RedZone
14. Ventura Fitness and Training - \$50.00 to RedZone
15. Andersen, Brian - \$100.00 to RedZone
16. Ingraham Trophies - \$50.00 to Boys' Basketball
17. I.O.O.F. Romero Lodge 413 - \$100.00 to RedZone
18. Pacheco Insurance Agency - \$100.00 to RedZone
19. Larry Borba Hay Hauling - \$100.00 to RedZone
20. Brazil, Dennis - \$150.00 to Club Med
21. Olivera, Melvin - \$50.00 to Club Med
22. Rocha, Pat - \$50.00 to Club Med

VI. INFORMATION

- A. Board Policy 9240 Board Development Update
- B. School Nutrition Programs Review – Lizett
- C. GUSD Instructional Team Leader Job Description

VII. COMMUNICATION FROM THE PUBLIC

Members of the public may bring before the Board matters that are not listed on the agenda. The Board may refer such a matter to the Superintendent or designee or take it under advisement, but shall not take action at that time. Comments will be accepted during this time concerning any action item on the agenda. The Board will consider all comments prior to taking action on the item as listed on the agenda in the Action Item section. (Gov. Sec. 54954.3) Individual speakers shall be allowed three minutes to address the Board on each agenda or non-agenda item (BP 9323).

VIII. ACTION

- A. Warrants

- B. Board Policy 3314 Payment For Goods And Services Update

- C. Board Policy Updates – June 2016

- D. GES Purchase Order to Solution Tree

- E. GES Purchase Order to Ceres World Travel

- F. E-Rate Year 2017 Request For Proposals for Cellular Voice & Data Communication Services (For 2017-2018 school year)

- G. Resolution #2016-17-4 authorizing issuance and sale of GO Bonds, 2014 Election, 2016 Series B Not to exceed \$5,500,000 including Preliminary Official Statement for sale of GO Bonds, 2014 Election, 2016 Series B Not to exceed \$5,500,000 and Bond Purchase Agreement

- H. MCOE Contract for Services – (Math SVM I Training)

- I. MCOE Contract for Services – (Math Coaching)

- J. Site Rekey for Gustine Middle School

IX. ADVANCED PLANNING

- A. Regular Board Meeting, December 14, 2016, 6:00 p.m.

X. ADJOURN TO CLOSED SESSION (If needed)

XI. RECONVENE TO OPEN SESSION

XII. REPORT FROM CLOSED SESSION

XIII. ADJOURNMENT

**REPORTS AND
PRESENTATIONS**

Merced County Office of Education

Steven E. Gomes, Ed.D., Superintendent



Equal Opportunity Employer

TO: Gustine Unified School District Board President
Gustine Unified School District Superintendent

FROM: Steven E. Gomes, County Superintendent of Schools

DATE: October 25, 2016

SUBJECT: Williams Settlement Report Results

California *Education Code* Section 1240 requires that the county superintendent or designee visit schools identified in our county, review information in the areas noted below, and report to you the results of the visits and reviews. Provided for submission to your governing board at a regularly scheduled November meeting, is the annual report for fiscal year 2016-2017 as required by *Education Code* section 1240(c)(2)(B) pursuant to the Williams Settlement. This report presents the results of visits and reviews at Gustine Elementary School, Gustine High School and Romero Elementary School.

The purpose of the visits as specified in California Education Code 1240 were to:

1. Determine if students have “sufficient” standards-aligned instructional materials in four core subject areas (English language arts, mathematics, history/social science and science (including science laboratory equipment in grades 9-12)) and, as appropriate, in foreign languages and health;
2. Determine if there is any facility condition that “poses an emergency or urgent threat to the health or safety of pupils or staff”; and
3. Determine if the school has provided accurate data on the annual school accountability report card related to the sufficiency of instructional materials and the safety, cleanliness, and adequacy of school facilities, including “good repair.”

The law further requires that the county superintendent:

1. Annually monitor and review teacher misassignments and teacher vacancies in schools ranked in deciles 1-3 (2012 Base API);
2. Receive quarterly reports on complaints filed within the school district concerning insufficient instructional materials, teacher vacancies and misassignments, and emergency or urgent facilities issues under the Uniform Complaint Procedure; and
3. Review audit exceptions under expanded authority in the areas of use of instructional materials program funds, teacher misassignments, and information reported on the school accountability

report card and determine whether the exceptions are either corrected or an acceptable plan of correction has been developed.

Before proceeding with the report, below are some basic terms:

- “Sufficient textbooks or instructional materials” mean each pupil, including English language learners, has a standards-aligned textbook or instructional materials, or both, to use in class and to take home.
- A school facility condition that poses an “emergency or urgent threat” is a “condition that poses a threat to the health or safety of pupils or staff while at school.” [Note: this definition and quote is drawn from EC 17592.72(c)(1) because it is incorporated by reference in EC 1240(c)(2)(I)(ii).]
- “Good repair” means the school facilities are clean, safe and functional as determined pursuant to the school facility inspection and evaluation instrument developed by the Office of Public School Construction or a local evaluation instrument that meets the same criteria. Each school district that receives state funding for facilities maintenance is required to establish a facilities inspection system to ensure that each of its schools is maintained in “good repair.”

Findings on Instructional Materials, School Facilities, School Accountability Report Card, and Teacher Misassignments and Teacher Vacancies are on the attached Exit Summary Report and the Facility Inspection Tool (FIT).

**Gustine Unified School District
2016-2017 Williams Monitoring**

Gustine	Instructional Materials		Credentials		Facilities		SARC
	Deficiencies Identified By Grade	Date Resolved	Deficiencies Identified	Date Resolved	Emergencies Identified	Score	Discrepancies Identified
Gustine Elementary	TK - 23 ELA/History/Science Books		None		None	95.00%	None
Gustine High	None		None		None	*89.58%	None
Romero	2nd - 11 History Books		None		None	93.75%	None

*Items in red on the Facilities Inspection Tool were still unresolved from the 15-16 visit for the following schools: Gustine High

PART II: EVALUATION DETAIL Date of Inspection: 08/16/16 School Name: GUSTINE ELEMENTARY

CATEGORY AREA	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	GAS LEAKS	MECH/VAC	SEWER	INTERIOR SURFACES	OVERALL CLEANLINESS	PEST/VERMIN INFESTATION	ELECTRICAL	RESTROOM	SINKS/ FOUNTAINS	FIRE SAFETY	HAZARDOUS MATERIALS	STRUCTURAL DAMAGE	ROOFS	PLAYGROUND/ SCHOOL GROUNDS	WINDOWS/ DOORS/ GATES/FENCES
MEDIA	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
COMMENTS:															
CAFÉ	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
COMMENTS:															
OFFICE	✓	✓	✓	✓	✓	✓	✓	✓	D	✓	✓	✓	✓	✓	✓
COMMENTS:	The Nurse's office has a leaking faucet.														
LOUNGE	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
COMMENTS:															
PLAYGROUND	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	D	✓
COMMENTS:	FALL MATERIAL HAS HOLES AND RIPS														
C-6	✓	✓	✓	✓	✓	✓	✓	NA	✓	✓	✓	✓	✓	✓	✓
COMMENTS:															
D-1	✓	✓	✓	✓	✓	✓	✓	NA	D	✓	✓	✓	✓	✓	✓
COMMENTS:	The water pressure is low at the fountain.														
B-1	✓	✓	✓	D	✓	✓	✓	NA	✓	✓	✓	✓	✓	✓	✓
COMMENTS:	One of the cabinets is missing a hinge. The transition strip is damaged.														
G-4	✓	✓	✓	D	✓	✓	✓	NA	✓	✓	✓	✓	✓	✓	✓
COMMENTS:	There are loose hinges at the cabinets.														
G-5	✓	✓	✓	✓	✓	✓	✓	NA	✓	✓	✓	✓	✓	✓	✓
COMMENTS:															
F-5	✓	✓	✓	✓	✓	✓	✓	NA	✓	✓	✓	✓	✓	✓	✓
COMMENTS:															
C-3	✓	✓	✓	✓	✓	✓	✓	NA	✓	✓	✓	✓	✓	✓	✓
COMMENTS:															
P-3	✓	✓	✓	✓	D	✓	✓	NA	✓	✓	✓	✓	✓	✓	✓

PART II: EVALUATION DETAIL Date of Inspection: 08/16/16 School Name: GUSTINE ELEMENTARY

CATEGORY AREA	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	GAS LEAKS	MECH/HVAC	SEWER	INTERIOR SURFACES	OVERALL CLEANLINESS	PEST/VERMIN INFESTATION	ELECTRICAL	RESTROOM	SINKS/ FOUNTAINS	FIRE SAFETY	HAZARDOUS MATERIALS	STRUCTURAL DAMAGE	ROOFS	PLAYGROUND/ SCHOOL GROUNDS	WINDOWS/ DOORS/ GATES/FENCES
	COMMENTS: There is storage in the restroom.														
D- RESTROOMS	✓	✓	✓	D	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	COMMENTS: There is peeling paint near the window of the boy's room.														
A- RESTROOMS	✓	✓	✓	D	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	COMMENTS: There is cracked wall tile at the entry of the boys room.														
	COMMENTS:														
	COMMENTS:														
	COMMENTS:														
	COMMENTS:														

Marks: ✓ = Good Repair; D = Deficiency; X = Extreme Deficiency; NA = Not Applicable
 Use additional Area Lines as necessary.

PART II: EVALUATION DETAIL Date of Inspection: 08/31/16 School Name: Gustine High School

AREA	CATEGORY	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
		GAS LEAKS	MECH/HVAC	SEWER	INTERIOR SURFACES	OVERALL CLEANLINESS	PEST/VERMIN INFESTATION	ELECTRICAL	RESTROOM	SINKS/ FOUNTAINS	FIRE SAFETY	HAZARDOUS MATERIALS	STRUCTURAL DAMAGE	ROOFS	PLAYGROUND/ SCHOOL GROUNDS	WINDOWS/ DOORS/ GATES/FENCES
<i>Band Room</i>	COMMENTS:															
<i>Exterior</i>		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	COMMENTS:															
<i>Room 21</i>		✓	✓	✓	D	✓	✓	D	✓	✓	✓	✓	✓	✓	✓	✓
	COMMENTS:	There are ceiling tiles that are not in place. There is a box cover missing.														
<i>Room 14</i>		✓	✓	✓	D	✓	✓	D	✓	✓	✓	✓	✓	✓	✓	✓
	COMMENTS:	The light switch needs the proper cover. The cabinet face is peeling.														
<i>Room 20</i>		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	COMMENTS:															
<i>Computer lab</i>		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	COMMENTS:															
<i>Room 16</i>		✓	✓	✓	D	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	COMMENTS:	There is a broken drawer. 1 drawer is missing, there are several broken drawer handles.														
<i>Room 15</i>		✓	✓	✓	D	✓	✓	✓	✓	D	✓	✓	✓	✓	✓	✓
	COMMENTS:	There is peeling paint at the door. There is a loose faucet at the work station, there is a faucet handle missing at a work station.														
<i>Room 12</i>		✓	✓	✓	✓	✓	✓	D	✓	✓	✓	✓	✓	✓	✓	✓
	COMMENTS:															
<i>Room 9</i>		✓	✓	✓	✓	✓	✓	D	✓	✓	✓	✓	✓	✓	✓	✓
	COMMENTS:	There is a low voltage box cover that is missing.														
<i>Room 4</i>		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	COMMENTS:															
<i>Room 34</i>		✓	✓	✓	D	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	COMMENTS:	There are several ceiling tiles that are sagging.														

Marks: ✓ = Good Repair (When filling up the electronic version, please use ctrl+G); D = Deficiency; X = Extreme Deficiency; NA = Not Applicable
 Use additional sheets as necessary.

PART II: EVALUATION DETAIL		Date of Inspection: 08/16/16					School Name: Romero Elementary School									
CATEGORY AREA	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
	GAS LEAKS	MECH/HVAC	SEWER	INTERIOR SURFACES	OVERALL CLEANLINESS	PEST/VERMIN INFESTATION	ELECTRICAL	RESTROOM	SINKS/ FOUNTAINS	FIRE SAFETY	HAZARDOUS MATERIALS	STRUCTURAL DAMAGE	ROOFS	PLAYGROUND/ SCHOOL GROUNDS	WINDOWS/ DOORS/ GATES/FENCES	
MEDIA	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NA	✓	
	COMMENTS:															
CAFÉ/MPR	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NA	D	
	COMMENTS:	The door at the rear of the stage needs to be repaired.														
TEACHERS LOUNGS	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NA	✓	
	COMMENTS:															
PLAYGROUND	✓	✓	✓	✓	✓	✓	✓	NA	✓	✓	✓	✓	✓	✓	D	
	COMMENTS:	The fall surface under the play equipment needs to be patch or repaired.														
D-3	✓	✓	✓	D	D	✓	✓	✓	✓	✓	✓	✓	✓	NA	✓	
	COMMENTS:	The carpet seams need to be repaired. There is caulking that is coming off of the wall. The windows had bugs in them.														
B-2	✓	✓	✓	D	✓	✓	✓	✓	✓	✓	✓	✓	✓	NA	✓	
	COMMENTS:															
C-1	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NA	✓	
	COMMENTS:															
C-3	✓	✓	✓	D	✓	✓	✓	✓	✓	✓	✓	✓	✓	NA	✓	
	COMMENTS:	The carpet seams are coming apart														
RESTROOMS	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	NA	✓	
	COMMENTS:															
COMMENTS:																
COMMENTS:																

Marks: ✓ = Good Repair; D = Deficiency; X = Extreme Deficiency; NA = Not Applicable
 Use additional Area Lines as necessary.

Adriana Toste

2016-2017 Commissioner of Academics

November 2016 Report

General: This week, ASB members are preparing for a busy schedule of events known as “Rivalry Week.” Throughout the week, students have planned dress up days including College Day, Safari day, Why is this in my Closet Day, and Spirit Day. Also during the week will be a Peach Fuzz Volleyball Game.

Sports: Last week, the last football home game of the season was held where the Reds played Waterford. Our JV team won while our Varsity team unfortunately lost making their record 4-2. All senior football players, band members, and cheerleaders were recognized for their time playing a sport and hard work at Gustine High. Their final game of the season will be held this week at Orestimba. Volleyball ended their season last Wednesday where they played a home game against Denair. Seniors were also recognized that night for their efforts and dedication. Girls Soccer and Boys basketball has also started conditioning in preparation for the fast coming season.

FFA: October has been a very eventful month for Gustine FFA. On October 12th, the annual Opening and Closing Ceremonies contest was held where our members scored 14 gold awards and 2 silvers. 17 students were presented with Outstanding Office Awards and our officer team was awarded first place for the 2nd consecutive time, which is very difficult to achieve. Many FFA members are recovering from their long trip back from Indianapolis, Indiana where they attended the National FFA Convention. Around 20 individuals from Gustine attended the event in addition to one student serving as a National Delegate. Tony Lopes was also recognized as a National Star Farmer Finalist, the highest honor in the FFA organization. Following convention, members were invited to a monthly meeting on October 26th, and on the 27th, many members attended the annual Dellosso Corn Maze Trip. The next meeting will be held on November 16th. Also starting now up until November 10th will be a Canned Food Drive held by our local FFA Chapter.

Other Clubs: Link Crew, Interact, Club Med, and Renaissance have been very active around campus. Link Crew held a “Taco Tailgate” this past Friday before the JV game where they sold tacos and played games. Upperclassmen were able to interact with their assigned freshmen and the event was really successful. Link Crew held a fundraiser where students were able to give other students Halloween Grams. Also, Interact and Club Med were very active during the Halloween weekend. Interact handed out candy to those spirited students who dressed up during break. Club Med also attended the “Trunk or Treat” event held on Halloween Night and enjoyed their evening downtown.

DIRECTOR'S REPORT TO THE GUSTINE UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Name: Russell Hazan

Position: Director of Maintenance and Operations

Date: 11/9/16

MONTHLY REPORT

The maintenance department has been very busy pruning trees district wide during the past few weeks. We had some heavily overgrown mulberry trees that needed to be trimmed back to the main branches. We will be continuing to prune for the next two weeks.

We also received a large amount of rain the last week of October and it created some problems for our storm water systems that are not built to handle that amount of rainfall in such a short period of time. Luckily, we have two large pumps and were able to keep up with the flooding.

Romero Elementary School:

- Prune trees
- Basic maintenance and work order completion as needed

Gustine Elementary School:

- Prune trees
- Basic maintenance and work order completion as needed

Gustine Middle School:

- Prune trees
- Basic maintenance and work order completion as needed

Gustine High School:

- Prune trees
- Fall sports field prep
- Basic maintenance and work order completion as needed



November 2016

Romero Elementary Board Report:

Love the RAIN! Please come and visit us at Romero during the month of November. We have some wonderful events happening.

Play House Merced had their auditioning for the play "Alice in Neverland" at Romero. We had a large number of students who auditioned and are able to participate in various ways during the performance. **Romero's DAYTIME SCHOOL PERFORMANCE IS 11/18 AT 10:00 am. Romero's FIRST PUBLIC PERFORMANCE IS 11/18 AT 5:30 pm. Romero's FINAL PUBLIC PERFORMANCE IS 11/19 AT 2:00 pm.**

November 8 our 4 and 5 graders voted in the Romero Election and to support their studies of government.

On **November 10** we have our Trimester Pride Rally where students are recognized for Academic Achievement, Character Achievement and a Perseverance Achievement. Pride Rally is 1:00 pm for K-2 and 1:45 pm for 3-5.

On **November 17** we will have our Annual Turkey Trot in the morning. Thank you Kathy Borba for arranging our Turkey Trot.

On **November 18** our K students will be having their Annual Thanksgiving Dinner at 12:45 in their classrooms. Also on **November 18** our 1st graders will be having their Annual Thanksgiving Performance at 2:00.

On **November 29** we have students who will be attending the Annual County Spelling Bee at MCOE.

Teachers are “gearing” up for Parent Teacher Conferences. It is a great way to share the wonderful things their students are learning and achieving.

Lastly, but surely not the least our enrollment is up to 269. Our attendance has been steady throughout October and moving into November with a slight drop.

Wishing All a Very Happy Thanksgiving.

With Respect,

Terry



Gustine Middle School

“Home of the Braves”

Dr. Michael K. Bunch, Principal
Mr. Peter Duenas, Vice Principal
Mr. Horacio Mercado, GMS Counselor

Administrative Report to the Gustine Unified School District

Board of Education

November 9, 2016

Name: Michael Bunch, Ed. D.

Position: Principal

School Site: Gustine Middle School

School Enrollment: 419

6th Grade: 154

7th Grade: 121

8th Grade: 144

Monthly Highlights:

Recently Mr. Bunch and several GMS teachers attended the PLC conference in San Antonio Texas. This continues to be a great conference opportunity for us to continue growing and refining our practices to ensure high levels of learning for all students.

GMS has enacted a “flex period.” We carved out a chunk of time to provide strategic intervention and enrichment for each of our students. This program is still very new and we continue to refine our practice, but the initial feedback has been great.

Basketball is underway. Students are playing hard and demonstrating the utmost levels of sportsmanship. The GMS Girls’ tournament is upcoming from December 8 – 10, 2016. Game times are TBD. When the times are confirmed each trustee is cordially invited to attend.

Finally, GMS would like to send a gracious thank you to Trustee Brinkman and her company for their generous donation of utility flashlights that the GMS 6th graders will use at camp. Thank you for your continued support.

See Attached Fall Sports Schedule:

2016-2017 G.M.S. Girls' Basketball Schedule



Date	Location	Game Time	Departure
10/25	@ Creekside MS	3:30	2:45
10/27	GMS (vs. Mt. View)	3:30	
11/1	@ Creekside LB	4:00	3:00
11/3	@ LBJH	4:00	3:00
11/8	GMS (vs. Creekside MS)	3:30	
11/10	GMS (vs. OLF-LB)	3:30	
11/15	@ Mt. View	3:30	2:45
11/16	GMS (vs. Yolo)	3:30	
11/17	GMS (vs. Creekside LB)	3:30	
11/29	GMS (vs. LBJH)	3:30	
11/30	@ Yolo	3:30	2:45
12/1	@ Hilmar	3:30	2:45
12/8-10	GMS Tourney (GMS, Yolo, Hilmar, Mt. View, Creekside, LBJH)	T.B.D.	T.B.D.

Jeremy Estabillo - JV coach

Hugo Luna (D.O.) - Varsity Coach
Cecilia Gamboa - Asst. Varsity Coach

Revised 10/14/16

2016-2017 G.M.S. Boys' Basketball Schedule



Date	Location	Game Time	Departure
1/5-7	GMS Tourney (Gustine, LBJH, Yolo, Hilmar, Creekside JH, Mt. View)	T.B.D.	
1/10	@ LBJH	4:00	3:00
1/12	GMS (Creekside LB)	3:30	
1/17	@ Creekside MS	3:30	2:45
1/18	GMS (vs. Mt. View)	3:30	
1/19	GMS (vs. Yolo)	3:30	
1/25	@ Hilmar	3:30	2:45
1/26-28	Yolo Tourney	T.B.D.	2:45 (Thurs. or Fri.)
1/31	@ Creekside LB	4:00	3:00
2/2	GMS (vs. Mt. LBJH)	3:30	
2/7	GMS (vs. Creekside MS)	3:30	
2/8	@ Yolo	3:30	2:45
2/9	GMS (vs. OLF-LB)	3:30	
2/14	@ Mt. View	3:30	2:45
2/16	GMS (vs. OLF-LB)	3:30	
2/23-25	Mt. View Tourney	T.B.D.	T.B.D.

JV Coach: Oscar Tovar

Revised 10/14/16

Varsity Coach: Jeremy Estabillo



Gustine Middle School

"Home of the Braves"

Dr. Michael K. Bunch, Principal

Mr. Peter Duenas, Vice Principal

Mr. Horacio Mercado, GMS Counselor

Upcoming Events:

<u>Event</u>	<u>Time</u>	<u>Date</u>	<u>Location</u>
Halloween	--	10/31/2016	--
Q1 Honor Roll and Scholarship	1:00 pm	11/03/2016	GMS Cafeteria
Parent Conferences	3:00 – 6:00 pm	11/03/2016	GMS Cafeteria
8 th Grade Field Trip (Veteran's Cemetery)	8:00 – 11:00 am	11/10/2016	Santa Nella, CA
Veteran's Day (No School)	--	11/10/2016	--
Thanksgiving Break	--	11/21 – 11/25	--
School Site Council	3:30 pm	11/30/2016	GMS Conference Room

28075 Sullivan Road
Gustine, California 95322

Gustine Middle School
Gustine Unified School District

Phone (209) 854-5030
Fax (209) 854-9592

Director's Report to the Gustine Unified School District
Board of Education

Name: Cheryl Pometta

Position: Transportation Director

Date: 11/3/16

MONTHLY HIGHLIGHTS

We are wrapping up our fall sports trips and have about three weeks that are quiet until Boys and Girls Basketball and Soccer start at the end of the month. Then it will be VERY busy again.

Our new driver Tim is out driving routes and doing very well.

Sandy Rosen also passed all his tests at CHP so he is good to go for another 5 years although he tells me he will be retiring in 2 ½ years.

I will be starting another renewal class for Vicky Snyder, Regina Chavez and Sabine Sims in the next week or two as they all have to renew their School bus certificates in 2017.

I hope you all have a great Thanksgiving.

Administrative Report to the Gustine Unified School District

Board of Education

Name: Lisa Filippini

Position: Principal

School Site: Gustine Elementary School

Attendance: 95%

School Enrollment: 564

Date: October 3, 2016

MONTHLY HIGHLIGHTS:

GES has been busy this month. Tk and kinder students attended a field trip to the Pumpkin Patch to get ready for Halloween; a great time was had by all attending! We celebrated Red Ribbon Week with dress up days, door decorations, and our annual Parade on Friday, the 28th. Students and staff did a great job with costumes!

We recently attend a workshop to continue our professional development with Phil Warrick; it was well attended and very well received.

GES and GMS have an upcoming friendly bowling competition. The schools have joined together to not only compete (friendly competition), but to also promote team work not only as a school but as a district. We look forward to "bragging rights" after GES out bowls GMS!

Upcoming Events

November 11	Veteran's Day
November 14	Parent Conferences
November 15	Min. Day Parent Conferences
November 16	Min. Day Parent Conference
November 18	Turkey Trot 8:55-11:20
November 18	Pride Rally 1:00, 1:30, and 2:00
November 21-25	Thanksgiving Break



Gustine High School

501 North Avenue, Gustine, CA 95322

Phone: (209) 854-6414 Fax: (209) 854-1955

Dr. John Petrone, Principal Mr. Adam Cano, Asst. Principal Ms. Mary Lee Hellner, Dir. Student Services

November GHS Board Report

We are rapidly approach the Thanksgiving Break. Enrollment currently stands at 614 students.

The completion of the Locker-room-gym Measure P project is still scheduled for the later part of December. As we get closer the excitement level is building and we are all eagerly awaiting the ribbon cutting ceremony.

I cannot say enough about my experience attending the National FFA Convention in Indianapolis. I am so proud of our FFA students and how they conducted themselves. I am also particularly proud of Star Farmer finalist Tony Lopes. Tony certainly represents what is the best about our school and community and to make the final four in the entire United States is a feat for the ages! I would also like to thank all of our parent chaperones, and AG teachers Kelly Sanches , and Matt Baffunno for all of their hard work and diligence making this trip a one that all of us will never forget!

The entire staff are eager to hear the results of the all-important Proposition 51 which will effectively double our school construction proceeds. The impact of this potential influx of funding will have a profoundly positive effect on our current and future student s and staff!

CELDT testing has been completed and we are awaiting the results. I thank Ms. Ledezma and Ms. Allen for their time and patience administering this important test.

Teachers and administrators are continuing their PLC and powerful first instruction journey. October 31st's professional development with Dr. Warrick was highly informative and well received.

As of this writing the battle for the Chief is one day away, hopefully we will be writing a happy epilogue to that story. Congratulations to all of our fall sports student-athletes and coaches. We have begun the transition to winter sports, highlighted by the 74th Annual Gustine High School Rotary Basketball Tournament. We are very proud that our tournament is considered the oldest ongoing high school basketball tournament in California.

“Educating the mind without educating the heart is no education at all.- Aristotle

October Financial Report

Gustine Unified School District - Monthly Financial Board Report

General Fund Budget Report				October 2016 (as of 11/2/16)	
<u>Summary by Objects</u>	<u>2016-17 Adopted Budget</u>	<u>Expended Year To Date</u>	<u>Encumbered</u>	<u>Balance</u>	<u>Percent Remaining</u>
Teacher Salaries	\$ 6,973,023	\$ 1,835,988	\$ 4,587,653	\$ 549,382	7.9%
Pupil Support Salaries	683,000	48,499	588,482	46,019	6.7%
Administration Salaries	981,800	476,830	480,005	24,964	2.5%
Total Certificated Salaries	\$ 8,637,823	\$ 2,361,317	\$ 5,656,141	\$ 620,365	7.2%
Instructional Aide Salaries	384,995	90,161	232,975	61,859	16.1%
Classified Support Salaries	969,200	280,462	553,871	134,867	13.9%
Classified Supervisor/Admin	284,640	88,591	186,375	9,674	3.4%
Clerical & Technical Salaries	531,050	164,800	339,887	26,363	5.0%
Other Classified Salaries	221,789	33,524	97,942	90,324	40.7%
Total Classified Salaries	\$ 2,391,674	\$ 657,537	\$ 1,411,051	\$ 323,086	13.5%
STRS Retirement	1,041,469	295,208	721,172	25,089	2.4%
PERS Retirement	277,750	81,457	188,371	7,921	2.9%
FICA/Medicare	303,587	79,426	185,614	38,546	12.7%
Health Benefits	1,731,869	442,872	1,088,967	200,030	11.5%
Unemployment Insurance	6,753	1,508	3,533	1,711	25.3%
Workers Compensation	204,188	62,498	146,291	(4,601) *	-2.3%
Retiree Benefits	180,000	144,284	0	35,716	19.8%
Total Employee Benefits	\$ 3,745,615	\$ 1,107,254	\$ 2,333,949	\$ 304,413	8.1%
Textbooks and Software Curriculum	588,952	434,816	14,229	139,906	23.8%
Vehicle/Maintenance Supplies	81,500	17,885	28,927	34,688	42.6%
Instructional & Other Materials/Supplies	861,191	243,334	260,187	357,670	41.5%
Non-capitalized Equipment	206,754	69,217	29,690	107,848	52.2%
Total Books and Supplies	\$ 1,738,397	\$ 765,251	\$ 333,034	\$ 640,112	36.8%
Travel/Conference and Training	424,599	76,394	69,073	279,131	65.7%
Dues and Memberships	35,192	5,669	300	29,223	83.0%
Insurance	114,000	132,323	0	(18,323) *	-16.1%
Utilities and Operation Services	1,006,366	261,701	128,810	615,856	61.2%
Repairs and Maintenance	285,952	71,178	20,490	194,284	67.9%
Professional Services	724,181	61,303	22,517	640,362	88.4%
Communications	80,412	10,948	3,765	65,699	81.7%
Total Other Operating Expense	\$ 2,670,702	\$ 619,516	\$ 244,954	\$ 1,806,232	67.6%
Equipment & Other Capital Outlay	509,924	645	5,095	504,184	98.9%
Total Capital Outlay	\$ 509,924	\$ 645	\$ 5,095	\$ 504,184	98.9%
State Special Schools (Residential Care)	0	0	0	0	
Transfers to MCOE	249,947	51,431	0	198,516	79.4%
Debt Payment - Interest	323,400	150,347	325	172,728	53.4%
Debt Payment - Principal	365,400	51,295	32,175	281,930	77.2%
Interfund Transfers	149,778	0	0	149,778	100.0%
Total Other Outgo	\$ 1,088,525	\$ 253,073	\$ 32,500	\$ 802,952	73.8%
TOTALS	\$ 20,782,661	\$ 5,764,594	\$ 10,016,724	\$ 5,001,343	24.1%
Sept Month Totals	\$ 20,782,661	\$ 4,149,598	\$ 11,267,002	\$ 5,366,061	
Increase/(Decrease)	\$ -	\$ 1,614,996	\$ (1,250,279)	\$ (364,718)	

@ 24.5% in Oct 2015

General Fund Cash Flow Update & Comparison

October 2016 (as of 11/2/16)

Actual Ending Cash Balance:	\$ 2,920,707
Prior Year (same month) Ending Cash Bal:	1,374,097
Cash Over Compared to Prior Year	\$ 1,546,610

*To be reviewed & adjusted accordingly at 1st Interim.

October
Deposits/
Transfers

DEPOSIT TRANSACTIONS

Date last used from: 10/01/2016 To 10/31/2016
Transaction Number from: 0 To 999999
Date entered from: 00/00/0000 To 99/99/9999

APPROVED AND UNAPPROVED TRANSACTIONS

NUMBER	DATE	ENTERED	DESCRIPTION	FD-RESC-Y-OBJT.SO-GOAL-FUNC-SCH-DD1-DD2	AMOUNT	A/R
LN.	DI	DETAIL	DESCR			
170005	10/11/2016	10/11/2016	DC#170005			
				ENTERED BY: HUGO	APPROVED: 10/13/2016	KNOR
1.	14	#9480-Insurance-K. Conrad		01-0000-0-9565.00-0000-7209-112-000-000	1,131.40	N
2.	14	#9481-Reimburse-Gonzalez		01-0000-0-2950.00-1110-1000-110-000-000	392.41	N
3.	14	#9482-Insurance-L. Swedberg		01-0000-0-9565.00-0000-7209-112-000-000	348.00	N
4.	14	#9483-Cafeteria Deposit		13-5310-0-8634.00-0000-0000-000-000-000	2,500.00	N
5.	14	#9484-Insurance-M.Lafler		01-0000-0-9565.00-0000-7209-112-000-000	136.80	N
6.	14	#9485-Transp-inv6061612		01-0823-0-8699.00-0000-3600-000-000-000	723.50	N
7.	14	#9486-Transp-		01-0823-0-8699.00-0000-3600-000-000-000	522.50	N
8.	14	#9487-Transp-inv60615-1		01-0823-0-8699.00-0000-3600-000-000-000	1,835.63	N
9.	14	#9488-AVID Conf Room Reimb-		01-0000-0-5200.00-1110-1000-310-000-000	410.83	N
10.	14	#9489-AT&T E-Rate Reimb		01-0000-0-8699.00-0000-0000-000-000-000	64.15	N
11.	14	#9490-AT&T E-Rate Reimb		01-0000-0-8699.00-0000-0000-000-000-000	45.01	N
12.	14	#9491-AT&T E-Rate Reimb		01-0000-0-8699.00-0000-0000-000-000-000	38.62	N
13.	14	#9492-OLM Rent-		01-0000-0-8650.00-0000-0000-000-000-000	200.00	N
14.	14	#9493-Meal Reimb Fed-		13-5310-0-8220.00-0000-0000-000-000-000	18,924.12	N
15.	14	#9494-MealReimb State-		13-5310-0-8520.00-0000-0000-000-000-000	1,470.02	N
16.	14	#9495-Registration Fee reimb-		01-0000-0-5200.00-0000-7200-112-000-000	150.00	N
17.	14	#9496-Registration Fee reimb-		01-0000-0-5200.00-0000-7200-112-000-000	600.00	N
18.	14	#9497-School Safety Study-		01-0824-0-4300.00-1110-1000-115-000-000	200.00	N
19.	14	#9498-Transp-		01-0823-0-8699.00-0000-3600-000-000-000	72.50	N
20.	14	#9499-Transp-		01-0823-0-8699.00-0000-3600-000-000-000	581.19	N
21.	14	#9500-Transp-GES		01-0823-0-8699.00-0000-3600-000-000-000	159.00	N
22.	14	#9501-Insurance-K. Streifel		01-0000-0-9565.00-0000-7209-112-000-000	1,020.00	N
23.	14	#9502-Insurance-A.Eckstein		01-0000-0-9565.00-0000-7209-112-000-000	945.60	N
24.	14	#9503-Insurance-J.Roff		01-0000-0-9565.00-0000-7209-112-000-000	1,367.80	N
25.	14	#9504-Insurance-J.Wilson		01-0000-0-9565.00-0000-7209-112-000-000	3,888.00	N
26.	14	#9505-Insurance-K. Azevedo		01-0000-0-9565.00-0000-7209-112-000-000	820.80	N
27.	14	#9506-Insurance-L.Mcgowen		01-0000-0-9565.00-0000-7209-112-000-000	410.40	N
28.	14	#9507-Insurance-A.Amaral		01-0000-0-9565.00-0000-7209-112-000-000	136.80	N
29.	14	#9508-Insurance-S.Mikulka		01-0000-0-9565.00-0000-7209-112-000-000	1,344.00	N
30.	14	#9509-Insurance-D.Adriano		01-0000-0-9565.00-0000-7209-112-000-000	136.80	N
31.	14	#9510-Insurance-F.Hamasaki		01-0000-0-9565.00-0000-7209-112-000-000	512.10	N
32.	14	#9511-Insurance-C.Martin		01-0000-0-9565.00-0000-7209-112-000-000	68.40	N
33.	14	#9512-Insurance-L.Borelli		01-0000-0-9565.00-0000-7209-112-000-000	460.85	N
				TOTAL AMOUNT	41,617.23	*
				DISTRICT TOTAL	41,617.23	**
				GRAND TOTAL	41,617.23	***

APPROVED AND UNAPPROVED TRANSACTIONS

Number	Date	Entered	Description	FD-RESC-Y-OBJT.SO-GOAL-FUNC-SCH-DD1-DD2	Debit	Credit
LN. Di	Detail	descr				
170005	10/28/2016	10/28/2016	To Cover Oct P/R for FD13 & 11			
					Entered by: LAGU Approved: 10/28/2016 NHAI	
1.	014	SetUp DueTo01-0000forOctP/R		13-5310-0-9619.00-0000-0000-000-000-000		12,000.00
2.	014	SetUp DueFr13-5310forOctP/R		01-0000-0-9319.00-0000-0000-000-000-000	12,000.00	
3.	014	SetUp DueTo01-0000forOctP/R		11-0800-0-9619.00-0000-0000-000-000-000		6,300.00
4.	014	SetUp DueFr11-0800forOctP/R		01-0000-0-9319.00-0000-0000-000-000-000	6,300.00	
				TOTAL AMOUNT	18,300.00*	18,300.00*
970205	10/31/2016	11/01/2016	CURRENT UNSECURED 102816			
					Entered by: KNOR Approved: 11/02/2016 NHAI	
20.	014	CURRENT UNSECURED 102816		01-0000-0-8042.00-0000-0000-000-000-000		212,068.24
				TOTAL AMOUNT	0.00*	212,068.24*
970206	10/31/2016	11/01/2016	CUR UNSEC AIRPLANE 101216			
					Entered by: KNOR Approved: 11/02/2016 NHAI	
11.	014	CUR UNSEC AIRPLANE 101216		01-0000-0-8042.00-0000-0000-000-000-000		1,057.78
				TOTAL AMOUNT	0.00*	1,057.78*
				DISTRICT TOTAL	174,615.40**	1,502,415.88**
				GRAND TOTAL	174,615.40***	1,502,415.88***



Gustine Unified School District
 Attendance Awareness Campaign
 Attendance Summary and Enrollment
 2016-2017 Month 2

2016-17 School Year Average Daily Attendance (ADA). Goal is 96%

Year:	2016	2016	2016	2016	2016	2016/2017	2017	2017	2017	2017	2017	2017	YTD Rate
Month:	1	2	3	4	5	6	7	8	9	10	11		
Dates:	8/8-9/2	9/5-9/30	10/3-10/28	10/31-11/25	11/28-12/23	12/26-1/20	1/23-2/17	2/20-3/17	3/20-4/14	4/17-5/12	5/15-6/2		
GES	95.87%	95.48%											95.67%
RES	95.45%	96.93%											96.21%
GMS	97.26%	96.03%											96.62%
GHS	96.06%	95.58%											95.81%
													96.00%

2016-17 School Year Enrollment

	9/2/2016	9/30/2016	10/28/2016	11/25/2016	12/23/2016	1/20/2017	2/17/2017	3/17/2017	4/14/2017	5/12/2017	6/2/2017	GOAL MET!
GES	565	571	564									
RES	270	267	266									
GMS	410	415	419									
GHS	615	618	616									
PHS	22	21	23									
TOTAL	1882	1892	1888									

2015-2016 School Year: P-2 ADA was 95.17% for the Regular Program and 94.16% Overall

Year:	2015	2015	2015	2015	2015	2015/16	2016	2016	2016	2016	2016	2016	YTD Rate
Month:	1	2	3	4	5	6	7	8	9	10	11		
Dates:	8/10-9/4	9/7-10/2	10/5-10/30	11/2-11/27	11/30-12/25	12/28-1/22	1/25-2/19	2/22-3/18	3/21-4/15	4/18-5/13	5/16-6/10		
GES	95.60%	95.83%	95.40%	94.48%	94.30%	89.59%	92.28%	95.14%	95.23%	93.57%	93.56%		94.21%
RES	96.93%	96.73%	95.80%	94.87%	95.87%	93.35%	95.57%	94.53%	96.43%	95.82%	96.00%		95.68%
GMS	97.30%	95.94%	95.75%	93.94%	93.80%	92.95%	95.08%	95.41%	95.19%	94.92%	94.56%		95.33%
GHS	97.39%	96.24%	95.73%	94.99%	95.83%	93.53%	94.55%	95.37%	95.50%	94.48%	95.01%		95.40%
													95.17%

Change: Increase or Decrease in 2016-17 vs. 2015-16

Month:	1	2	3	4	5	6	7	8	9	10	11	YTD Average
GES	0.27%	-0.35%										0.62%
RES	-1.48%	0.20%										0.60%
GMS	-0.04%	0.09%										0.90%
GHS	-1.33%	-0.66%										0.73%

Note: Monthly %'s are only for Regular Program
Bold and Italics numbers have been revised from last month.
 Site with highest attendance of the month
 Increased as compared to same month in prior year
 Increased as compared to prior year

Comments:
 *RES had the largest attendance rate for months 2. Congratulations RES!
 **RES and GMS increased in month 2 this year as compared to month 2 last year.

Q We started the year well and although our overall went down slightly from last month, I meet our goal of 96%!

CONSENT AGENDA

MINUTES

**MINUTES OF THE REGULAR MEETING GOVERNING BOARD
GUSTINE UNIFIED SCHOOL DISTRICT
OCTOBER 12, 2016**

TIME AND PLACE

The regular meeting of the Gustine Unified School District Board of Education was held on Wednesday, October 12, 2016. The meeting was held in the Board Room, 1500 Meredith Avenue, Gustine, California.

CALL TO ORDER

The meeting was called to order at approximately 6:00 p.m. by Board President Pat Rocha. The Board went into Closed Session and reconvened to Open Session at approximately 7:16 p.m.

BOARD MEMBERS PRESENT

Mrs. Pat Rocha, Board President, Mrs. Loretta Rose, and Mrs. Linetta Borrelli. Mrs. Crickett Brinkman and Mr. Ernie Longoria.

REPORT FROM CLOSED SESSION

Nothing to report.

REVISION/ADOPTION/ORDERING OF AGENDA

Mr. Morones amended the agenda with the following changes: In Communication From the Public-comments will be heard right before Reports and Presentations on items not on the agenda. In Reports and Presentations moving Item J. Jon Isom Measure P Update Presentation to the end of agenda; remove Action Item F. Confidential/Management Salary Schedule-addition of the Master's Stipend from the agenda; and in Action Item C. Madera County Superintendent of Schools Agreement under Fiscal Impact remove the word "plus" and replace with "Inclusive".

APPROVAL OF AGENDA

Mr. Longoria made a motion to approve the agenda as amended, seconded by Mrs. Borrelli. Motion carried, 5-0.

COMMUNICATION FROM THE PUBLIC

Sherri Marsigli stated that she was concerned that CRSIG has dropped all the Booster Clubs' insurance coverage. The amount of money that they have to pay now is between \$1600-\$1800 dollars. That could be at least three scholarships given to students. Ag. Boosters work hard all year to raise money and it all goes back to the kids and the community. She is asking the if the Board would consider as a future agenda item to reimburse or split the cost of the insurance. Also if the Board would consider shopping for a company that would cover Boosters Clubs. Charlie Alamo read a letter from the teachers addressing the matter of fairness and equity. Some teachers volunteered to attend a PLC Conference during the summer because they were under the impression that this was the only time they could attend. They were surprised when the District opened more training conferences during the school and more teachers were given time off from their teaching duties to attend. They are asking the Board to authorize a per diem payment or provision of additional sick days to those teachers who went on their own time.

REPORTS AND PRESENTATIONS

A. Employee Recognition – Mr. Morones recognized Mary Hermreck for her 24 years of service to GUSD. Mary was unable to attend the meeting. He also wanted to publicly acknowledge Mary Theresa Contreras for being a 2016 Employee of the Year Nominee. The next person he wanted to acknowledge was Yaneli Ledezma for being a 2016 Teacher of the Year Nominee in Merced County. He presented both with a certificate and flowers.

B. We Are Gustine Video – This presentation was moved to the end of all Board Reports.

C. Student Report – Adriana was unable to attend the meeting but submitted her written report to be included in the Board Packet.

D. Staff Reports – Dr. John Petrone, high school principal, mentioned that he will be going to the FFA National Convention for the second time in his career. It's going to be extremely special because a previous student, Tony Lopes, who is a Star Farmer of the Year Finalist. First quarter has ended. Homecoming activities went well.

Mr. Adam Cano said the Breast Cancer Awareness Football Game is this Friday against Ripon Christian. Red Ribbon Week is October 23rd through the 31st. Senior Night is on Oct. 28th for Cheer, Band and Football. Then Orestimba week will be the first week in November.

Ms. Terry Souza stated that Sierra Chamber Opera performed at RES. They also hosted a community flu clinic. They will be celebrating Red Ribbon Week October 24th through October 28th with some activities planned. Their Fall Carnival will be on October 28th.

Mr. Peter Duenas, assistant principal, mentioned that teachers are working on PLC. They will be having their annual Halloween Parade on Oct. 28th at GES.

Transportation Director Cheryl Pometta has been working hard training the substitute driver. They are waiting for his fingerprints to clear.

Maintenance Director Russel Hazan mentioned that he has been busy working on sports preparations on Thursdays and Fridays. He has actually started working on winter stuff like trimming trees and cleaning gutters.

E. Board Reports – Mrs. Linetta Borrelli attended the Homecoming Game. It was an exciting game. She said that the lawn looks so nice.

Mrs. Crickett Brinkman attended the Ribbon Cutting Ceremony for the Saputo Legacy Grant. She took the construction tour at GHS which was nice to see the progression. She went to the MCSBA Conference and said that it's always informative. She also attended the City and School Meeting. She believes that it's really important to have a good relationship and to have the same interests and do what is best for the kids. She was a judge at the Homecoming Parade.

Mr. Ernie Longoria also attended the Homecoming Football Game and Parade. He is looking forward to the grand opening of the locker room.

Mrs. Loretta Rose said that she also attended the Saputo Ribbon Cutting Ceremony. She mentioned that Saputo personnel looked really proud seeing their name. She also attended the Hard Hat Tour, the MCOE Excellence in Education Event and the Fall Conference. She enjoyed participating in the Homecoming Parade and Game. She made a donation to the Ronald McDonald

House on behalf of the GUSD which would support families who couldn't afford to pay. She will be attending a meeting with Merced County School Board Association. Grants will be coming out soon and they will be making more changes. She will keep everyone informed on this. She advised everyone not to put their names on them.

Mrs. Pat Rocha also attended the Merced School Board's Association Conference which she found to be very informative and worth going to. She also attended the MCOE Excellence in Education Event and got to see a former student of hers receive an award. She congratulated both nominees. She also attended the Saputo Ribbon Cutting Ceremony and said it was really nice to see the Saputo employees look very happy. She said the we can't thank them enough for contributing to our school. She mentioned that Homecoming was very well done and the parade was really fun to be in. She also participated in the Hard Hat Tour.

B. We Are Gustine Video – Sarah Lopes explained how this video came about. She played the “We Are Gustine Video” for the Board Members to see.

F. Accounts Payable, Hugo Luna – Mr. Luna gave is presentation on how the district handles accounts payable. He read sections of EC 17605 and BP 3314. Mr. Luna asked if they would allow him to follow these policies and send payments as needed instead of holding the checks until after the Board Meeting avoiding finance charges and taking advantage of available discounts. This will not only will save the District money but will also develop a better reputation with the community. Since this is information only the Board will take action at the next Board Meeting.

G. Financial Report – Mrs. Aguilar presented the monthly financial report for September which reflected an ending cash balance of \$5,336,061.

H. Attendance Report – Mrs. Aguilar provided the GUSD Attendance Summary percentages for Month 1 for each site. All sites were above 95%.

I. Superintendent Report – Mr. Morones has been able to visit all the school site and classrooms last month. He attended the Saputo Ribbon Cutting Ceremony at the high school. He thanked Adam Cano for organizing that event. It was a great event along with the great two score boards that were donated to the site. He once again congratulated the two employees who were nominated for their accomplishments. Measure P update is going very well at the high school. They had our two Hard Hat Tours with the Board and the Bond Oversight Committee Members. It went very well. In the upcoming weeks they will be posting pictures on the District Website so the community could see the progress that has been taking place at the different sites, especially at the high school right now. He also attended the MCOE Conference with some of the Board Members. The focus was school safety. He learned a lot and will be taking those messages back to the school sites. He has had multiple meetings with Jon Isom, Financial Advisor to Measure P, who attended the meeting to give a presentation to the Board about exploring possibility of expediting our Bond Proceeds Series B.

J. Jon Isom – Measure P Update Presentation- This presentation was moved to the end of Reports and Presentations instead of at the end of the agenda since Jon arrived in time. Jon Isom explained that it would be beneficial to expedite the selling of the Series B Bonds because the District's assessed value is higher than was projected and interest rates are incredibly low. This saves costs by having three issuances instead of four or five. Taxpayers are going to save in the overall interest costs because instead of the program going to go out to year 2048 the program will go to year 2044 or maybe even shorter. The District will also be saving money because they will no longer need the BAN, Bond Anticipation Note. If the District would like to proceed and keep the projects going the next steps would be to present them with the resolution and legal documents to approve at a subsequent or future Board Meeting. Jon Isom will be clarifying the tax rate with Merced County.

CONSENT AGENDA

Mr. Longoria made a motion to approve the amended Consent Agenda with corrections to the September 14, 2016 Minutes to include the absent Board Member count after each action item, seconded by Mrs. Brinkman. Motion carried, 5-0.

INFORMATION

A. Board Policy 9240/Discussion – Possibly adding additional language to this Board Policy regarding School Board Members attending conferences. It may be put in as action item in the future.

B. P1 Year 3 End-of-Year Evidence of Progress – Kim Medeiros provided detailed information on all the changes and progress that the District has made compared to last year.

COMMUNICATION FROM THE PUBLIC

None

ACTION ITEMS

A. Warrants – Mrs. Rose indicated that warrant PV 170214 would be voted on separately. Mr. Longoria made a motion to approve the warrants, removing PV 170214 (payable to Loretta Rose), seconded by Mrs. Brinkman. Motion carried, 5-0. Mr. Longoria made a motion to approve the warrant PV 170214, seconded by Mrs. Borrelli. Motion carried, 4-0-1, with Mrs. Rose abstaining.

B. Performing Arts “Play Anywhere” Performances by Playhouse Merced – Mrs. Kim Medeiros explained that this program goes right along with our LCAP. It's one of the goals on our LCAP-Student Enrichment. It's a two-week program with a full theater experience. Mrs. Brinkman made a motion to approve Performing Arts “Play Anywhere” Performances by Playhouse Merced, seconded by Mrs. Borrelli. Motion carried, 5-0.

C. Madera County Superintendent of Schools Agreement – Mr. Longoria made a motion to approve the amended Madera County Superintendent of Schools Agreement, seconded by Mrs. Brinkman. Motion carried, 5-0.

D. Curriculum and Instruction Coordinator Job Description – Mr. Morones explained that there is currently a teacher who is on special assignment who is doing this work and beyond. He is asking the Board to approve this job description and hopefully with the approval he will appoint this person to this position. Mrs. Rose made a motion to approve the Curriculum and Instruction Coordinator Job Description, seconded by Mrs. Borrelli. Motion carried, 5-0.

E. Resolution 2016-17-03, Funding Applications for State Allocation Board – Mr. Morones, explained that with this Resolution the District is in the process of positioning itself to receive state matching funds. Mrs. Brinkman made a motion to waive the reading of the Resolution, seconded by Mrs. Rose. Mrs. Brinkman made a motion to approve Resolution 2016-17-03, Funding Applications for State Allocation Board, seconded by Mrs. Borrelli. Motion carried, 5-0.

G. Purchase of Accelerated Reader Program – This program continues to help GMS students improve overall reading ability and comprehension. Mrs. Rose made a motion to approve the Purchase of Accelerated Reader Program, seconded by Mrs. Borrelli. Motion carried, 5-0.

H. Permission to use the Alternative Bid Procedure for Communications and Safety Systems – The District is looking for approval to begin the process of seeking Requests for Proposal (RFP) for Communications and Safety Systems at two of the schools, GES and GMS. Mrs. Longoria made a motion to approve Permission to use the Alternative Bid Procedure for Communications and Safety Systems, seconded by Mrs. Brinkman. Motion carried, 5-0.

ADVANCED PLANNING

A. Regular Board Meeting, November 9, 2016, 6:00 p.m.

ADJOURNMENT

Mrs. Rose made a motion to adjourn the meeting, seconded by Mr. Longoria. Motion carried, 5-0. Meeting adjourned at 9:30 p.m.

APPROVED AND ADOPTED

Crickett Brinkman, Clerk

**YEARLY
CONTRACT
RENEWALS**

**Agreement Between
Merced Community College and
Gustine Unified School District
For Adult Education Block Grant
July 01, 2016 through June 30, 2018**

The purpose of this Agreement is to implement the Adult Education AB86 planning documents, more specifically enumerated as part of the Adult Education Block Grant (AEBG) documents submitted pursuant to an award by the California Community College Chancellor's Office (CCCCO).

Recitals:

Whereas The Merced Community College District (hereafter referred to as MCCD) is the fiscal agent for the Merced Gateway Adult Education Network Consortium (hereafter referred to as GAEN) project partners in the 2016 AEBG grant award (the Grant); and,

Whereas MCCD and each participating GAEN partner institution (hereafter referred to as AGENCY) are required to enter into an agreement as a condition for the distribution of funds from the Grant;

Therefore MCCD and Agency agree as follows:

1. The use of \$3,137,143 in funds by GAEN partner institutions is described in *Attachment A – Proposal for Funding* and *2016-17 GAEN Consortium Fiscal Administration Declaration (CFAD)*. The expenditure of these funds shall be in compliance with all California Community College Chancellor's Office required planning and reporting documents as specified in *Attachment B – AEBG AB104 Block Grant Consortium Member Allocation Form, AB104, Merced GAEN Consortium AB86 AEBG Three Year Plan, Three Year Plan Update, Annual Plan* (available at the Chancellor's AEBG website) and *Attachment D – California Community College Chancellor's Office Budget Allocation Manual (BAM)* available at the Chancellor's Office website. Attachment(s) to this Agreement are expressly incorporated herein by this reference and made a part hereof as though fully set forth.
2. The term of this Agreement shall be from July 1, 2016 through June 30, 2018 and shall include any additional time extensions provided and/or approved by the California Community College Chancellor's Office.

PROGRAM

3. By this Agreement, Agency agrees that all services provided under this agreement shall comply with the approved proposal for funding (Attachment A), the AEBG AB104 Block Grant Consortium Member Allocation Form (Attachment B) and any subsequently agreed upon modifications, the terms and conditions and reporting requirements of the CCCCCO including those currently specified in AB104, Merced GAEN Consortium AB86/AEBG Three Year Plan, Three Year Plan Update, Annual Plan (available at the Chancellor's AEBG website) and any future requirements of the CCCCCO and the Budget Allocation Manual (BAM).
4. Agency shall comply with the following programmatic requirements:

- A. Agency will report and provide supporting documentation for all expenses, which may include purchase orders, general ledger printouts, time and effort records and/or other payroll records, as specified by MCCD in order to maintain compliance with California Community College Chancellors Office requirements, no later than 30 days prior to the Chancellor's Office reporting deadlines. At the discretion of the GAEN Consortium Board or Project Coordinator, such documentation may also include narrative descriptions of how the expenditures are in compliance with the annual and three year plans of the GAEN Consortium, or other documentation related to the Agency's scope of work. Agency will submit the expenditure report and all supporting documentation to MCCD at the time and in the manner specified, or later modified, by MCCD.
- B. Requests for budget modifications will be submitted to the Project Coordinator and approved by the GAEN Governing Board according to Board agreements, with final approval by California Community College Chancellor's Office. In the case that the California Community College Chancellors Office determines that any expenditures are disallowed, Agency will accept full liability.
- C. Agency will secure prior written or e-mail approval from MCCD and the AEBG Project Coordinator, for any capital outlay (equipment over \$5,000), changes to the statement of work, changes to personnel expenditures, or budget changes in excess of 25% of the member's allocation, prior to expenditure of funds. Agency will allow a minimum of 45 days for responses to requests for prior approval for equipment purchases.
- D. No construction costs shall be reimbursed unless prior approval is obtained from the California Community College Chancellor's Office. It is the responsibility of the Agency to obtain such approval in writing. Expenditures for construction costs incurred prior to obtaining CCCCCO approval shall be at Agency's own risk.

WORK STATEMENT

- 5. The following Subtask references tasks contained in the Grant. Agency shall do the following:
 - A. Provide annual inventory of capitalized equipment purchased with Grant funds.
 - B. Provide the Project Coordinator with data elements for the purpose of responding to reports required by the California Community College Chancellor's Office as currently described and as further defined or revised in the future.
 - C. Collect and provide student and faculty data as needed to accurately complete reporting.
 - D. Keep and submit required supporting documentation regarding expenditures and outcomes.
- 6. For all work conducted under this Agreement, Agency will:
 - A. Ensure correct and accurate reporting.
 - B. Ensure, where required, that all California Community College Chancellor's Office procurement processes and requirements are followed.

- C. Keep accurate accounting records for project which comply with California Community College Chancellor's Office's Budget Allocation Manual (BAM).
- D. Complete all scope of work requirements issued as part of the subcontracting process.
- E. Work with MCCD and the Project Coordinator to ensure that the goals of this Agreement are met.

7. PAYMENT TERMS AND SCHEDULE

- A. To implement the Agreement, MCCD will provide \$180,256.00 to Agency, per agreement of the GAEN Consortium Board.
- B. Payments shall be distributed according to the following schedule:
 - a. September, 2016: 1 payment equaling 3/12 of the member's total allocation,
 - b. October, 2016 through June, 2017: 1 payment each month, equaling 1/12 of the member's total allocation.

8. MODIFICATIONS

- a. Any changes to this MOU must be agreed to in writing by both parties. Should changes in legislation or State funding occur that necessitate revision of this MOU, the GAEN membership and Merced College shall meet to revise accordingly.
- b. All funding commitments contained herein are contingent on continued funding by the State of California. Should the State modify its funding commitment, this MOU shall be revised accordingly.

9. INDEMNIFICATION AND INSURANCE

- A. Agency shall defend, hold harmless, and indemnify MCCD, its governing board, officers, administrators, agents, employees, independent contractors, subcontractors, consultants, and other representatives from and against any and all liabilities, claims, demands, costs, losses, damages, expenses, or injury to any person(s) or damage to any property, from any cause whatsoever arising from or connected with this Agreement that may arise out of or result from, in whole or in part, the negligent, wrongful, or willful acts or omissions of Agency, its employees, agents, subcontractors, independent contractors, consultants, or other representatives.
- B. MCCD shall defend, hold harmless, and indemnify Agency, its governing board, officers, administrators, agents, employees, independent contractors, subcontractors, consultants, and other representatives from and against any and all liabilities, claims, demands, costs, losses, damages, expenses, or injury to any person(s) or damage to any property, from any cause whatsoever arising from or connected with this Agreement that may arise out of or result from, in whole or in part, the negligent, wrongful, or willful acts or omissions of MCCD, its employees, agents, subcontractors, independent contractors, consultants, or other representatives.
- C. Each party shall obtain, pay for and maintain in effect during the life of this Agreement the following policies of insurance issued by an insurance company rate not less than "A-,VI" in Best Insurance Rating Guide and admitted to transact insurance business in California: (1) commercial

general liability insurance (including contractual, products and completed operations coverages, bodily injury and property damage liability insurance) with single combined limits of not less than \$1,000,000 per occurrence; (2) commercial automobile liability insurance for "any auto" with combined single limits of liability of not less than \$1,000,000 per occurrence; (3) professional liability insurance (errors and omissions) with a limit of liability of not less than \$1,000,000 per occurrence; and (4) workers' compensation insurance as required under state law. Each party's policy shall contain an endorsement naming the other party as an additional insured insofar as this Agreement is concerned, and provide that written notice shall be given to the other party at least 30 days prior to cancellation or material change in the form of the policy or reduction in coverage. Each party shall furnish the other party with a certificate of insurance containing the endorsements required under this section, and each party shall have the right to inspect the other party's original insurance policies upon request. Upon notification of receipt of a notice of cancellation, change or reduction in coverage, each party shall immediately file with the other party a certified copy of the required new or renewal policy and certificates for such policy. Nothing in this section concerning minimum insurance requirements shall reduce a party's liabilities or obligations under the indemnification provisions of this Agreement.

10. Mutual termination. Either party may terminate this Agreement upon 45 days' written notice to the other.

SIGNATURES:

Agency
Gustine Unified School District

_____ Date _____
Bill Morones
Superintendent

Merced Community College District

_____ Date 9/1/16
Susan Walsh, Ed.D.
Interim Superintendent/President

Attachment A: Scope of Work and Budget

The scope of work and project budgets are approved by the GAEN Consortium Board in June and July, 2016. Any amendments to the following Scope of Work shall be submitted in writing to the Project Coordinator for GAEN board approval. (Documents for Agency attached)

Applicant Agency: Gustine Adult School

Program: ESL, High School/GED [Gustine, am/pm & Santa Nella, am/pm]

Target # Students Served: 90

Describe Project	Student Support	Acceleration Strategies	Costs	
Offer ESL and High School/GED courses, online-in class's studies	High School: <ul style="list-style-type: none"> • Online curriculum, credit recovery or initial studies • Computer lab availability • Laptops/desktops • ESL: <ul style="list-style-type: none"> • Online curriculum for distance learning distance 	APEX: credit recovery through accelerated pathways, tutorials for individualized assistance ESL: <ul style="list-style-type: none"> • English and Computer Literacy in each course • Online curriculum for individualized study/advancement of study • 	1000 - Instructional Salaries	74,522
			2000 - Non Instructional Salaries	24,480
			3000 - Employee Benefits	6,120
			4000 - Supplies and Materials	24,000
			5000 - Other Operating Expense & Services	2,006
			6000 - Capital Outlay	40,750
			7000 - Other Outgo	8,377.92
Total	180,256.00			
Staff/Supplies Needed	Staff/Supplies Needed	Staff/Supplies Needed		
	2-teachers 1-instructional aide 1-secretary-part-time 2-Childcare providers 1-Transportation	<ul style="list-style-type: none"> • CASAS standard-based curriculum and supplementals • Classroom, secretarial, childcare supplies • Desktops, laptops • Printer, copier 		



Bus Maintenance, Repair, and Inspection for Gustine Unified School District.

Prepared for: Gustine Unified School District, Attn: Bill Morones

Prepared by: John Nunes, Owner/Operator of J&F Fertilizer

September 19, 2016



Objective

To continue to provide: effective maintenance and service to all buses in the Gustine Unified School District. J & F Fertilizer's objectives also include utilizing our strengths in working on heavy machinery of all types.

Goals

Our goals include: providing excellent service at an affordable rate, working directly with the Gustine Unified School District, successfully overseeing all operations performed on machinery, and maintaining proper records to organize all work executed.

Proposal

J & F Fertilizer's company mission statement is: honesty, knowledge, and tradition. Throughout our twenty-three years of business we have made it our priority to set prices that are honest and economically sound. We have been working on heavy diesel and gas engines for twenty-three years. The biggest benefit of working on machinery for that long is the idea of learning by doing. Over the years we have mastered working on engines, air break systems, electrical systems, and suspension repair as well as hiring and training employees on the fundamentals of maintaining equipment. With this knowledge of machinery comes the traditions that we pride ourselves on. J & F Fertilizer's business is continuing to build traditions that were set from the beginning. If given the opportunity to maintenance school busses for the Gustine Unified School District, we will continue to develop and expand our experience and expertise.

J & F Fertilizer's equipment maintenance facility is located on 27272 Gun Club Road in Gustine, California. Our maintenance facility consists of over five acres for the purposes of parking and storing equipment; this space could potentially be of use to the Gustine Unified School District, providing parking for the school buses. We also have a full-service shop that is 6,240 square feet that is used for maintenance of equipment and would be the location where maintenance, repair, and inspection services would take place for the school buses. J & F Fertilizer has the tools necessary to rebuild engines, remove, install, and rebuild transmissions, remove and install differentials, tools needed for complete break jobs, full electric testing capabilities, flat tire repair, and all tools required for the specific inspection needs of the Gustine Unified School District busses (i.e. 45 day, 90 day, & bi-weekly inspections).

Cost Factors

Below is J & F Fertilizers explanation and cost breakdown for maintenance, repair, and inspection services:

- **45 day inspection:** \$95.00 flat rate
- **90 day inspection fee:** \$193.00 flat rate
- **Hourly rate for repairs and routine maintenance:** \$95.00 per hour
- **Cost of bi-weekly inspections of each bus:** \$47.50 per half-hour



- **Cost of towing:** \$128.00 per hour
- **Cost of roadside service:** \$95.00 per hour + \$1.00 per mile
- **Cost of parts not purchased directly through the district:** Cost plus + 25%
- **Monthly Bus Storage Cost:** \$40.00 per bus
- **Garage and Dealers Insurance:** Paid in full by Gustine Unified School District

Acceptance

Your signature below indicates acceptance of this proposal.

John Nunes

Name: John J. Nunes
Title: Owner/Operator
Company: J&F Fertilizer

9-21-16
Date

Name: _____
Title: _____
Company: Gustine Unified School District

Date

INFORMATION ITEMS

GUSTINE UNIFIED SCHOOL DISTRICT

Board Bylaw

Board Development

BB 9240

Board Bylaws

Citizens elected to the Governing Board are entrusted with the responsibility of governing district schools. The Board recognizes that its members need training that helps them understand their responsibilities, stay abreast of new developments in education, and develop boardsmanship skills.

All Board members may attend conferences for the purpose of Board development.

1. A Board member who has determined not to run in the November election will not incur district costs for board development from the deadline of filing through the end of their term.
2. A Board member who runs for re-election and loses will not attend conferences for the purpose of Board development from the time of election to expiration of term at the district's expense.
3. Board business shall not be discussed at conferences.
4. *Board members are expected, unless there are last minute personal emergencies, to register early for Board Trainings, Conferences and County Meetings that use GUSD funds for payment; avoiding any late-registration costs.*

(cf. 9230 - Orientation)

(cf. 9320 - Meetings and Notices)

Board members shall report to the Board, orally or in writing, as soon as possible on the inservice activities they attend.

Funds for Board development shall be budgeted annually for each Board member.

(cf. 9250 - Remuneration, Reimbursement, and Other Benefits)

Legal Reference:

EDUCATION CODE

33360 Department of Education and statewide association of school district boards; annual workshop

GOVERNMENT CODE

54950-54963 The Ralph M. Brown Act, especially

54952.2 Meeting

(7/84 12/87) 6/94, 6/2013,



Gustine Unified School District Board Summary of Food Service Reviews



In the 2015-2016 school year, the food service department had two (2) state reviews. The first review was for the Child and Adult Care Food Program (CACFP), which includes our dinner program. The second review was for the School Nutrition Program (SNP), which includes breakfast, lunch, snack, and summer feeding. A few highlights of each of the reviews are below and the full reports are attached.

CACFP (Dinner Program):

- Great News! Overall, the vast majority of the findings were procedural and the reviewer commended the department for our full cooperation and desire to correct procedures to improve the program.
- 2,564 out of 2,694 suppers were verified, resulting in 130 unverified meals (\$429.98), procedures have been updated to ensure compliance
- Additional staff training was required, completed and continues annually
- Site monitoring policies and procedures needed improvement to be in compliance and have been updated accordingly
- Civil rights complaint procedure needed to be updated and was taken to Board for approval

SNP (Breakfast, Lunch, Snack, & Summer Feeding Programs):

- More to celebrate! Overall, the vast majority of the findings were procedural and the reviewer commended the department for our full cooperation and desire to correct procedures to improve the program. In addition, the reviewer provided some valuable Technical Assistance to the department staff.
- Fiscal penalties: \$0 This is DEFINITELY a positive outcome!
- Only 2 out of 450 (less than 0.5%) household applications for free/reduced price lunches reviewed had errors. This was excellent! The reviewer commended staff for such a low error rate, particularly since it was new staff processing applications.
- Local School Wellness Policy was missing required elements, was updated accordingly, posted at all sites and on district website along with other missing postings required
- Temperatures logs and thermometers were not kept current in some areas and were updated as required
- Site monitoring policies and procedures needed improvement to be in compliance and have been updated accordingly
- Reimbursable meal compliance and signage was lacking and has been corrected and posted

Overall both reviews were a great learning experience for the department. I shared this great news at our last department training/meeting and all staff shared in the excitement and look forward to continuing to provide and improve food services for all children!

Child and
Adult Care
Food
Program



CALIFORNIA
DEPARTMENT OF
EDUCATION

TOM TORLAKSON
STATE SUPERINTENDENT OF PUBLIC INSTRUCTION

June 17, 2016

CNIPS ID: 01963-CACFP-24-PS-CS
Vendor Number: 7361-00

Certified Mail: 7001 2510 0008 0986 9437

Bill Morones, Highest Agency Official
Gustine Unified School District
1500 Meredith Avenue
Gustine, CA 95322

Certified Mail: 7001 2510 0008 0986 9420

Lizett Aguilar, Business Officer
Gustine Unified School District
1500 Meredith Avenue
Gustine, CA 95322

Dear Mr. Morones and Ms. Aguilar:

This letter is in reference to the administrative review performed on Gustine Unified School District's (GUSD) Child and Adult Care Food Program (CACFP) for the month of October 2015. The review indicates that GUSD's required corrective action has been approved and GUSD's CACFP was overpaid as follows:

Federal meals	\$399.10
Cash-in-lieu	<u>30.88</u>
Total Amount	\$429.98

Title 7, *Code of Federal Regulations (7 CFR)*, Section 226.14(a) requires the California Department of Education (CDE) to disallow any portion of a claim for reimbursement and recover any payment to an institution not properly payable under 7 CFR, Part 226.

The Program Integrity Unit has amended GUSD's reimbursement claim as a result of the review findings. You can view the amended claim in the Child Nutrition Information and Payment System (CNIPS) on the CNIPS Web site at <https://www.cnips.ca.gov/>.

Since GUSD is an active participant in the CACFP, the CDE will offset the overpayment against current and future reimbursements until the outstanding amount is collected. Once the CDE recovers the full overpayment, you can consider this review closed. If

Bill Morones, Highest Agency Official
 Lizett Aguilar, Business Officer
 June 17, 2016
 Page 2

GUSD ceases to submit reimbursement claims, any amount outstanding must be immediately paid in full.

The fiscal actions are supported by the following findings, federal regulations, and federal and state program policies:

Compliance Area 600: Meal Counts (see Summation Report, page 4)

Findings:

Month	Reported Meal Counts						Verified Correct at Time of Review					
	B	A	L	P	S	E	B	A	L	P	S	E
October 2015					2694						2564	

Consolidated supper for October 2015: [School food authority] claimed 2694 suppers, reviewer verified 2564 suppers.

At Romero Elementary, SFA claimed 1306 suppers. Reviewer verified 1309 suppers for the month of October.

At Gustine Elementary, SFA claimed 1388 suppers. Reviewer verified total of 1255 suppers for the month of October.

Section 226.10(c) of 7 *CFR* requires institutions submitting a claim for reimbursement to certify that the claim is correct and that records are available to support that claim.

The 2014 CACFP Administrative Manual for Child and Adult Care Centers, Section 3.3 states in part:

In order to receive reimbursement, an institution must report the number of meals served to participants. To do this, institutions must have accurate records of:

- The total number of enrolled participants (by eligibility category)
- Participants' daily attendance
- The actual number of meals (by meal type) served to participants each day

Bill Morones, Highest Agency Official
Lizett Aguilar, Business Officer
June 17, 2016
Page 3

Although the fiscal amount is not appealable, you have the right to appeal if you disagree with the review findings per 7 *CFR*, Section 226.6(k). For more information on your appeal rights, please refer to the enclosed appeal procedures.

If you have any questions regarding this subject, please contact me by phone at 916-323-1353 or by e-mail at aamir@cde.ca.gov.

Sincerely,

A handwritten signature in cursive script that reads "Ashley Amir".

Ashley Amir, Analyst
Nutrition Services Division

Enclosure

**CACFP Centers
Summation Report**

Agency Name: Gustine Unified School District	Vendor Number: 736100	CNIPS ID: 01963-CACFP-24-PS-CS	Review ID: 12969
Address: 1500 Meredith Avenue	City: Gustine	Zip: 95322	County: Merced
Contact Person: Lizett Aguilar	Title: Business Officer	Telephone: 209-854-3784 ext 12	
Program Types: <input type="checkbox"/> Adult Care <input checked="" type="checkbox"/> At-risk <input type="checkbox"/> Child Care <input type="checkbox"/> Emergency Shelters <input type="checkbox"/> Head Start <input type="checkbox"/> School Age			
Type of Review: <input checked="" type="checkbox"/> First <input type="checkbox"/> First Follow-up <input type="checkbox"/> Second Follow-up <input type="checkbox"/> Ninety-day <input type="checkbox"/> Program Assistance			

Areas Reviewed for Compliance

Performance Standard 1: Financial Viability	Performance Standard 3: Program Accountability
<u>100 Financial Management</u>	300 Enrollment
Performance Standard 2: Administrative Capability	500 Eligibility
200 Procurement Procedures	<u>600 Meal Counts</u>
220 Program Resources	700 Licensing Requirements
240 Policies and Procedures	800 Meal Requirements
280 Pricing Program	<u>900 Fiscal Accountability</u>
	<u>1000 Training</u>
	<u>1100 Facility Review</u>
	1200 Safety and Sanitation
	1300 Civil Rights

Place an (R) at the end of all repeat findings.



Summary of Review Findings

Review Month: October 2015 Review Dates: November 16-18, 2015

- All areas found to be in compliance. No action is required. This review is closed. Congratulations on an excellent Administrative Review.
- One or more Performance Standards (PS) were not in compliance. The non-compliant areas are underlined.
- A follow-up review may be conducted because of non-compliance in PS 1, PS 2, or PS 3.
- Serious deficiencies were found during your administrative review. If permanent, acceptable corrective action documentation (CAD) is not implemented, the California Department of Education (CDE) will propose to terminate your Child and Adult Care Food Program (CACFP) agreement. If the CACFP agreement is terminated, your organization and responsible parties will be placed on the National Disqualified List (NDL) and will remain on the NDL until such time as the CDE, in consultation with the U. S. Department of Agriculture Food and Nutrition Service (FNS) determines that the serious deficiencies have been corrected, or until seven years after their disqualification. However, if any debt relating to the serious deficiencies has not been repaid, your organization and responsible parties will remain on the NDL until the debt has been repaid. These actions are being taken pursuant to Title 7, Code of Federal Regulations (7 CFR), sections 226.6(c)(3) and (7).

Agency is required to submit CAD by: February 1, 2016
 Submit CAD to: Sharon Kimura, Child Nutrition Consultant
 California Department of Education
 1105 S. Madera Avenue
 Madera, CA 93637
 (559) 662-3864

The findings of this review are the results of an assessment of a sample of your program records for the current year. All program records must be retained for a period of ~~three~~ three years plus the current year.

Signature of Agency Representative: 	Date: <u>2/1/16</u>
Signature of State Representative: 	Date: <u>3-12-16</u>

(Agency signature does not designate agreement with reviewer comments)

Summary Report

Agency Name: Gustine Unified School District	Vendor Number: 736100	CNIPS ID: 01963-CACFP-24-PS-CS	Review ID: 12969
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Comments:

Thank you to the Food Service staff at Gustine Unified School District, in particular, Lizett Aguilar –Business Officer, Cyndi Cunha – Food Service Lead, and Tom Woodard - Food Service Consultant, and Elodia Sanchez at Romero Elementary School for their full cooperation during the review process. They are all new to this program and have expressed their commitment to correct any problems, and to continually implement these corrected procedures in order to run a sound Child and Adult Care Food Program.

The At-Risk Supper Program was observed at Romero Elementary School on November 16, 2015.

Technical Assistance provided to SFA:

- After observing supper at Romero Elementary, Reviewer recommended that SFA use the CACFP meal pattern since menus were more closely aligned to this pattern. There seemed to be some confusion as to which meal pattern to use and whether offer vs. served meal service was being implemented.
- The menu production worksheets used at Romero Elementary and Gustine Elementary for the At-Risk Supper program were not the same. Production Worksheets are not required for this program; however, if SFA wishes to utilize them, both sites should use the same format.
- CN Labels and Product Formulation Statements were placed randomly into a binder making it difficult to find specific labels/information. Reviewer suggested that products be placed in categories that would provide easier access to product information (ie, alphabetically by Manufacturer; or by category – beef / chicken / pork; etc.).
- Communication is necessary for those involved in the At-Risk Afterschool Supper Program to be able to understand and implement correct meal service procedures. Reviewer recommends that the key food service leads (Business Officer/ Food Service Lead/ Consultant) at Gustine USD regularly discuss program procedures with each other, so all are aware of correct procedures occurring at each site.

If fiscal action is needed, the report will be forwarded to the Program Integrity Unit for resolution of over/under claims.

Signature of Agency Representative: 	Date: 2/1/16
Approval Signature of State Representative: 	Date: 3-12-16

Summation Report

Agency Name: Gustine Unified School District	Vendor Number: 736100	CNIPS ID: 01963-CACFP-24-PS-CS	Review ID: 12969
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Performance Standard 1 – Financial Viability
Compliance Area 100: Financial Management

Institutions must have adequate financial resources to operate the CACFP on a daily basis and be able to withstand temporary interruptions in program payments and/or fiscal claims against the institution per 7 CFR, sections 226.6 (b)(1)(xviii)(A) and (2)(vii)(A). Program funds must be expended and accounted for in accordance with the requirements of FNS Instruction 796-2, Revision 4 "Financial Management - Child and Adult Care Food Program", 7 CFR, parts 3015 & 3016 and 2 CFR, Section 200.501.

Findings:

- SFA showed a \$31,568 net loss to CACFP during 2014-15 year due to a former employee not submitting claims into CNIPS for approximately four months. This situation was immediately corrected by the Business Officer. The SFA did use their one-time exception to recover two months of reimbursements.

District General Fund transferred \$31,568 into CACFP fund to cover loss.

Comments:

- CACFP Claim Submission Deadline Policy -Requirements for submitting Child and Adult Care Food Program Reimbursement Claims at <http://www.cde.ca.gov/fq/aa/nt/cacfpdeadline.asp>.

Action Required: Complete the following CAD by: No further action is required

CAD implemented by (name) _____ on (date) _____
 Complete your response in this box or use separate sheets as needed. Sign and date at the bottom of this page. Return this report with documents to support your response to the reviewer by the date above.

No further action is required.

Signature of Agency Representative: 	Date: 2/11/16
Approval Signature of State Representative: 	Date: 3-12-16

Summary Report

Agency Name: Gustine Unified School District	Vendor Number: 736100	CNIPS ID: 01963-CACFP-24-PS-CS	Review ID: 12969
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Performance Standard 3 – Program Accountability
Compliance Area 600: Meal Counts

Institutions must have a system to yield accurate numbers of meals served in order to report meal counts correctly on the Claim for Reimbursement. References include but are not limited to 7 CFR, sections 226.10(c)(1) and (2); 226.15(e)(4) and (5); and 226.17(b)(3), (4), (5), (6), (7), (8) and (9).

Month	Reported Meal Counts						Verified Correct at Time of Review					
	B	A	L	P	S	E	B	A	L	P	S	E
October 2015					2694						2564	

Findings:

- Consolidated supper counts for October 2015: SFA claimed 2694 suppers, Reviewer verified 2564 suppers.
At Romero Elementary, SFA claimed 1306 suppers. Reviewer verified 1309 suppers for the month of October.
At Gustine Elementary, SFA claimed 1388 suppers. Reviewer verified total of 1255 suppers for the month of October. There were no meal counts for October 2, 8, 9, 28 and 30th for Gustine Elementary.

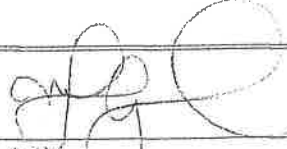
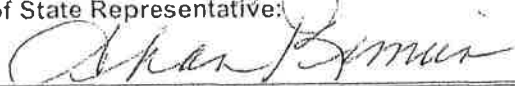
Comments:

- Results of this review will be forwarded to the Program Integrity Unit for correction of over or under-claims.
- "Institutions are required to keep the following records relating to participation in the CACFP -Records relating to attendance and the number of meals served: Daily attendance rosters or sign in sheets, or other methods with State approval, which result in accurate recording of daily attendance; Number of At-Risk Afterschool Snacks and /or Meals prepared or delivered for each meal service; Daily record of the number of At-Risk Afterschool Snacks and/or Meals served at each snack and/or meal service; Daily records indicating the number of meals, by type, served to adults performing labor necessary to the food service; and Any additional records required by the State agency", as referenced in At-Risk Afterschool Meals Handbook, July 2015, page 44.

Action Required: Complete the following CAD by: February 1, 2016

- Develop and implement written procedures to ensure that all meal counts are collected, counted and consolidated corrected. Include all steps required to successfully complete the procedure and the staff title responsible for each step. Also include a second staff title indicating who will be responsible for performing a review for accuracy.
- Provide reviewer with a copy of the procedures developed.
- Train all responsible staff on meal count collection and consolidation, and provide reviewer with a copy of the training agenda including training topic, date(s), and the printed names and signatures of all trainees.

Summary Report

Agency Name: Gustine Unified School District	Vendor Number: 736100	CNIPS ID: 01963-CACFP-24-PS-CS	Review ID: 12969
Performance Standard 3 – Program Accountability Compliance Area 600: Meal Counts			
CAD implemented by (name) <u>Lizett Aquilar</u> on (date) <u>February 1, 2016</u>			
<i>Complete your response in this box or use separate sheets as needed. Sign and date at the bottom of this page. Return this report with documents to support your response to the reviewer by the date above.</i>			
<ol style="list-style-type: none"> 1. Meal Count Collection Procedures have been developed and are being implemented. 2. Meal Count Collection Procedures are attached. 3. Staff training on Meal Count Collection Procedures are to take place February 26, 2016 and will be forwarded upon completion. 			
Signature of Agency Representative: 			Date: 2/1/16
Approval Signature of State Representative: 			Date: 3-12-16

Summary Report

Agency Name: Gustine Unified School District	Vendor Number: 736100	CNIPS ID: 01963-CACFP-24-PS-CS	Review ID: 12969
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Performance Standard 3 – Program Accountability
 Compliance Area 800: Meal Requirements

Meals claimed for reimbursement must contain meal components in specific quantities as required by regulations. References include but are not limited to 7 CFR, sections 226.15(e)(10), 226.17(b)(4), 226.20, and Appendix C to Part 226.

Findings:

- Five students took incomplete suppers at Romero Elementary At-Risk Afterschool Meals program on November 16, 2015. Only 48 suppers can be claimed for reimbursement.

Comments:

1. Results of this review will be forwarded to the Program Integrity Unit for correction of over or under-claims.
2. Staff must know what type of meal service is being utilized and what constitutes a reimbursable meal. See CACFP At-risk Afterschool Meal for SFAs, NSD Management Bulletin SNP-21-2014 and CACFP-06-2014 at <http://www.cde.ca.gov/ls/nu/cc/mbsn212014cacfp062014.asp>

Action Required: Complete the following CAD by: February 1, 2016

1. Provide documentation that only 48 suppers from Romero Elementary At-Risk Afterschool Meal program will be claimed on November 2015 claim.
2. Lead Food Service staff to take online CACFP "Nutrition Guidelines" course offered by Cal-Pro-Net at Fresno City College located at www.fresnocitycollege.edu (search Cal-Pro-Net Center). Provide proof of completion of the course to Reviewer.
3. Train both responsible site staff at Romero and Gustine Elementary on CACFP meal pattern and what constitutes a reimbursable meal. Provide reviewer with a copy of the training agenda including training topics, trainer(s), date(s), location(s), and the printed names and signatures of all trainees.

CAD implemented by (name) Lizett Aguilar on (date) February 1, 2016

Complete your response in this box or use separate sheets as needed. Sign and date at the bottom of this page. Return this report with documents to support your response to the reviewer by the date above.

1. Documentation requested is attached.
2. Training to be completed in February 2016 and will be forwarded upon completion.
3. Documentation requested is attached.

Signature of Agency Representative:  Date: 2/1/16

Approval Signature of State Representative:  Date: 3-12-16

Summary Report

Agency Name: Gustine Unified School District	Vendor Number: 736100	CNIPS ID: 01963-CACFP-24-PS-CS	Review ID: 12969
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Performance Standard 3 – Program Accountability
 Compliance Area 1000: Training

Institutions must conduct staff training on CACFP duties and responsibilities at the beginning of CACFP operations and on an annual basis. References include but are not limited to 7 CFR, sections 226.15(e)(12) and (14), 226.16(d), 226.19(b)(6), and 229.19a(b)(11).

Findings:

- CACFP staff training was not completed.

Comments:

1. "All institutions must conduct staff training on the CACFP duties and responsibilities prior to the beginning of the CACFP operations and on an annual basis. Instruction provided should be appropriate to the level of staff experience and duties of those who attend the training," CACFP Administrative Review Guidance, 2015-2016, page 13.
2. Cyndi Cunha, Food Service Lead stated that there will be a CACFP training done January 2016.
3. Utilize Cal-Pro-Net at San Jose State University "Primer for School Nutrition Programs" for training material located at http://www.nufs.sjsu.edu/calpronet/snp_primer.htm



Action Required: Complete the following CAD by: February 1, 2016

1. Provide written assurance that an annual CACFP training will be conducted for all food service staff on regular basis.
2. Provide reviewer with a copy of the training agenda including training topics, trainer(s), date(s), location(s), and the printed names and signatures of all trainees that will take place in January 2016.

CAD implemented by (name) Lizett Aquilar on (date) February 1, 2016

Complete your response in this box or use separate sheets as needed. Sign and date at the bottom of this page. Return this report with documents to support your response to the reviewer by the date above.

1. Annual CACFP training will be conducted for all food service staff at the beginning of each school year and at least one other time during the school year.
2. Attached is the training agenda and sign in sheet with requested information for training that took place on January 4, 2016.

Signature of Agency Representative: 	Date: 2/1/16
Approval Signature of State Representative: 	Date: 3-12-16

Information Report

Agency Name: Gustine Unified School District	Vendor Number: 736100	CNIPS ID: 01963-CACFP-24-PS-CS	Review ID: 12969
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Performance Standard 3 – Program Accountability
Compliance Area 1100: Facility Review

Sponsoring organizations must conduct facility reviews for each facility to assess program compliance in accordance with the review elements and frequency set forth by the CACFP. Prior to sponsoring a new facility, institutions must conduct a pre-approval visit to discuss the program benefits and assess the capability of the facility in operating the CACFP. References include but are not limited to 7 CFR, sections 226.15(d), 226.15(e)(11), and 226.16(d).

Findings:

1. Five day meal count reconciliations were not completed on the monitoring report.
2. One monitoring report was done at each At-Risk Supper sites this school year. However, Reviewer could not determine if monitoring is done within 6 month intervals because there were no monitoring reports completed previous school year.
3. Site findings are documented on the monitoring report; however, there are no indications that problems found were corrected.
4. Monitoring schedule for the remainder of this school year was not varied. Appeared to be set on the first Tuesday and Thursday of the month.

Comments:

4. At-Risk sites are required to conduct the five-day meal count reconciliation, NSD CACFP 03-2013.
5. "Sponsoring organizations must conduct reviews of each facility three times in a consecutive 12-month period, with intervals no greater than six months unless review averaging is used. Two of the reviews must be unannounced and one of the unannounced review must include a meal observation," CACFP Administrative Review Guidance, 2015-2016, page 14.
6. "Sponsors must ensure that the timing of unannounced reviews is varied in a way that would ensure they are unpredictable to the facility," CACFP Memorandum 16-2011: Child Nutrition Reauthorization 2011: Varied Timing of Unannounced Reviews in the Child and Adult Care Food Program, April 7, 2011.

Action Required: Complete the following CAD by: February 1, 2016

1. Develop and implement written policies and procedures to ensure that At-Risk sites are monitored as required. Include all steps required to successfully complete the monitoring procedure and the staff title responsible for each step. Also include a second staff title indicating who will be responsible for performing a review for accuracy.
2. Provide reviewer with a copy of the policies and procedures developed and a completed monitoring report for both Romero Elementary and Gustine Elementary At-Risk Supper programs.
3. Provide a copy of a revised Monitoring Schedule for the remainder of the school year that is varied.
4. Train all responsible staff and provide reviewer with a copy of the training agenda including training topic, date(s), location(s), and the printed names and signatures of all trainees.

Summary Report

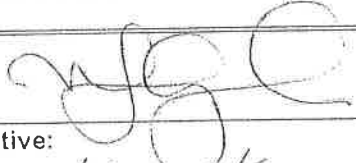

Agency Name: Gustine Unified School District	Vendor Number: 736100	CNIPS ID: 01963-CACFP-24-PS-CS	Review ID: 12969
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Performance Standard 3 – Program Accountability
 Compliance Area 1100: Facility Review

CAD implemented by (name) Lizett Aguilar on (date) February 1, 2016

Complete your response in this box or use separate sheets as needed. Sign and date at the bottom of this page. Return this report with documents to support your response to the reviewer by the date above.

1. Procedures have been developed with the required information noted above and will be implemented from this point forward.
2. Procedures described above in #1 are attached for review.
3. A revised monitoring schedule that is varied is attached for review.
4. Training for all responsible staff conducting reviews will take place in February and will be forwarded upon completion.

Signature of Agency Representative: 	Date: 2/1/16
Approval Signature of State Representative: 	Date: 3-12-16

Summary Report

Agency Name: Gustine Unified School District	Vendor Number: 736100	CNIPS ID: 01963-CACFP-24-PS-CS	Review ID: 12969
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Performance Standard 3 – Program Accountability
Compliance Area 1300: Civil Rights

Institutions must follow civil rights requirements. References include but are not limited to 7 CFR 15a and 15b, sections 226.6(b)(1)(iii) and (xvii)(C)(5)(iv), 226.6(b)(2)(vii)(C)(5)(iv), 226.23(d), and FNS Instruction 113-1.

Findings:

- Civil Rights complaint procedure did not address prohibition of discrimination in the Child Nutrition Program.

Comments:

- "To establish and convey policy and provide guidance and direction to the United States Department of Agriculture (USDA) Food and Nutrition Service (FNS) and its recipients and customers, and ensure compliance with and enforcement of the prohibition against discrimination in all FNS nutrition programs and activities, whether federally funded in whole or not," FNS 113-1, Civil Rights Compliance and Enforcement, page 1.
- USDA Civil Rights webpage and NSD Civil Rights and Complaints Handbook found at <http://www.cde.ca.gov/ls/nu/cr/>.

Action Required: Complete the following CAD by: February 1, 2016

- Develop and implement written civil rights complaint procedure that addresses Child Nutrition Programs. Include the name of the District's Civil Rights coordinator.
- Provide reviewer with a copy of the civil rights complaint procedures.

CAD implemented by (name) Lizett Aguilar on (date) February 1, 2016

Complete your response in this box or use separate sheets as needed. Sign and date at the bottom of this page. Return this report with documents to support your response to the reviewer by the date above.

- Civil rights complaint procedures that addressed Child Nutrition Programs have been developed and are in the process of being implemented. On January 13, 2016 the GUSD Board approved the first reading of Board Policy #0411.
- Procedures described above are attached.

Signature of Agency Representative: 	Date: 2/1/16
Approval Signature of State Representative: 	Date: 3-12-16

School Nutrition Program



Lizett Aguilar <laguilar@gustineusd.org>

Administrative Review

1 message

Cathy Hardin <CHardin@cde.ca.gov>

Wed, Oct 26, 2016 at 11:10 AM

To: "twoodard@gustineusd.org" <twoodard@gustineusd.org>, "laguilar@gustineusd.org" <laguilar@gustineusd.org>

Cc: Amber Bender <ABender@cde.ca.gov>

01963-SN-24-PSD

Gustine Unified School District

1500 Meredith Ave.

Gustine, CA 95322-1127

Vendor #: 736100

Dear Authorized Representative:

This e-mail is in reference to the administrative review conducted on your School Nutrition Programs for the month of **December 2015**. The review indicates your corrective action documentation has been approved and your National School Lunch Program and School Breakfast Program were overpaid **\$120.14** and **\$9.28**, respectively. Title 7, *Code of Federal Regulations*, Section 210.19(d) authorizes the California Department of Education (CDE) to disregard an overpayment not exceeding \$600.00 in a single fiscal year. Therefore, the CDE will not recoup these funds.

Since no further action is required, the CDE has closed this review.

If you have any questions regarding this subject, please contact me by phone at 916-445-7368 or by e-mail at chardin@cde.ca.gov.

This institution is an equal opportunity provider.

Sincerely,

Cathy Hardin ■ Manager ■ Program Integrity Unit

California Department of Education ■ Nutrition Services Division ■ P. **916.445.7368** ■ F. **916.327.2753**

Gustine Unified School District (01963)

Review ID: 12149

Review Year: 2015-2016
 Month of Review: December
 Lead Reviewer: Amber Bender
 Exit Conference Date: 3/3/2016

Sponsor - Level Findings

Area	Findings ID	Finding Description	Required Corrective Action	Corrective Action Response
100 - Certification and Benefit Issuance	V-0100	<p>Eligibility documentation is not consistent with rosters or other benefit issuance documents. Two (2) errors were made when transferring the certification benefit onto the roster or POS. These errors are found on the attached SFA-1 Worksheet and are the following:</p> <ul style="list-style-type: none"> - Two children's eligibility was changed from Reduced to Free 	<p>Correct the eligibility for the 2 children on the SFA-1 and send in proof of the change in the POS system.</p>	<p>Corrective action submitted by Lizett Aguilar, CBO.</p>
		<p>7CFR 245.6 and 7CFR 210.8(c) Claims for Reimbursement; Content of Claim. 7 CFR 210.7(c)(1); Lunch count system, (i) Application approved correctly (ii) benefit issuance. (A) Accurate eligibility (iv) Correct reimbursement claim.</p>		
		<p>7CFR 245.6(c)(4) Determination of eligibility- Calculating income. The local educational agency must use the income information provided by the household on the application to calculate the household's total current income. When a household submits an application containing complete documentation, as defined in §245.2, and the household's total current income is at or below the eligibility limits specified in the Income Eligibility Guidelines as defined in §245.2, the children in that household must be approved for free or reduced price benefits, as applicable.</p>		
		<p>Each child's application for free and reduced-price lunches is not correctly approved or denied in accordance with the application provision of 7 CFR 245.</p>		

1000 - Local School Wellness Policy

V-1000

1. The agency has a board policy for wellness, but not a Local School Wellness Policy with all required elements.

A model Local School Wellness Policy was sent to the agency for their convenience via e-mail on February 3, 2016.

For more information see Management Bulletin USDA-SNP-16-2011, Child Nutrition Reauthorization 2010: Local School Wellness Policies located at: <http://www.cde.ca.gov/ls/nu/sn/mbusdasnp162011.asp> Section 204 added Section 9A to the Richard B. Russell National School Lunch Act (Title 42, U.S. Code 1758b), Local School Wellness Policy Implementation. The provisions enhanced the previous Local School Wellness Policy requirements, strengthening requirements for ongoing implementation, assessment, and public reporting of wellness policies and expanding the team of collaborators participating in the wellness policy development to include more members from the community. The HFFKA now requires that the local school wellness policy, at a minimum, include:

Goals for nutrition promotion* and education, physical activity, and other school-based activities that promote student wellness.

Nutrition guidelines for all foods and beverages available on school campus during the school day.

Requirements that stakeholders be provided opportunities to participate in the development, implementation*, and periodic review and update* of the wellness policy.

A plan for measuring effectiveness, that is measured periodically and that the assessment is made available to the public.*

Public notification informing and updating the public (parents, students, and others in the community) periodically about the content and implementation of the local school wellness policy.*
Local designation must include one or more local

1. Create a Local School Wellness Policy provide it to the reviewer, and post it in all eating areas at all four sites and also on your district website. Send photograph documentation that this was done.
2. Send photograph documentation that the LSWP is not posted in public view. The sponsor sent photograph documentation to the reviewer. No further action required.

Corrective Action completed by Lizett Aguilar, Chief Business Officer,

education agency officials or school officials to ensure that each school complies* with the local school wellness policies.
 2. The board policy is posted at the site of review but not in public view.
 "CA Education Code (Ed Code) Section 49432" Every public school may post a summary of nutrition and physical activity laws and regulations, and shall post the school district's nutrition and physical activity policies, in public view within all school cafeterias or other central eating areas. The department shall develop the summary of state law and regulations.

1400 - Food Safety	V-1400	There was not a food safety plan available at the site review, but there was one in the on-site district office. 7CFR 210.13(a) Facilities Management - Health Standards, The school food authority shall ensure that food storage, preparation and service is in accordance with the sanitation and health standards established under State and local law and regulations.	Show documentation that you have a food safety plan at the site of review as well as all other sites in the kitchen. This was done while the reviewer was on-site. No further action required.
1600 - School Breakfast and SFSP Outreach	V-1600	The agency does advertise for Seamless Summer Option, but not for Summer Food Service Program. 7CFR 210.12(d) Student, parent and community involvement - Outreach activities, "(2) School food authorities must cooperate with Summer Food Service Program sponsors to distribute materials to inform families of the availability and location of free Summer Food Service Program meals for students when school is not in session."	The agency posted the link to Summer Feeding Sites on their district website at http://gustine.businesscatalyst.com/cafeteria . No further action required.
700 - Resource Management (2016)	V-0700	The agency did not separate the food cost and revenues for food sold outside of the reimbursable meal. Section 210.14(F) of 7 CFR defines nonprogram foods as nonreimbursable foods and beverages sold outside of the meal program and purchased by SFAs with funds from the nonprofit school food service account. This includes a la carte foods and beverages, meals that are catered, meals you vend to another agency, meals sold to adults, and second meals served to students. Nonprogram foods also include single items from the reimbursable meal that are sold individually, for example, a slice of pizza or carton of milk. Ensure that the proportion of total revenue from nonprogram food sales to total revenue is equal to or greater than nonprogram food costs as indicated on the USDA Nonprogram Food Revenue Tool. See Management Bulletin USDA-SNP-36-2012; Revenue from non-program foods—Updated Guidance 7 CFR 210.14(f), Revenue from nonprogram foods Section 206 of the HRFKA, is codified under Title 7, Code of Federal Regulations, Section 210.14(f) of the Interim Rule. The Interim Rule: The USDA requires all SFAs to ensure that revenues from the sales of nonprogram foods generate at least the same proportion of SFA revenues as they contribute to SFA food costs. SFAs must calculate their Nonprogram Food Revenues and make all	The agency is now separating their food costs and revenues separate for the nonprogram foods. Send at least a five (5) day calculation for the nonprogram foods. Attached is a monthly invoice split that shows the charges for Non-Program food being charged to a separate account. Corrective Action has been completed by Lizett Aguilar, Chief Business Officer.

4/29/16-Hello Amber, I have completed the tool for the month of February 2016 and am pleased to say we are in compliance! We are continuing to improve and refine the tracking in this area. Thank you for your assistance.

documentation of such calculations available upon request and/or during CDE Administrative Reviews (formerly termed Coordinated Review Effort) to ensure compliance.

To implement this requirement, SFAs must identify and track the following for an entire school year (e.g., for 2012-13, SFAs must have data from SY 2011-12 available):

1. Total food costs and proportion of nonprogram food costs to total food costs
2. Total food revenues and proportion of nonprogram food revenues to ensure that the nonprogram revenues meet or exceed nonprogram food costs

900 - SFA On Site Monitoring

V-0900

Site monitoring must be completed by February 1st annually. The agency did not do site monitoring last school year, but has done 3 of their 4 schools so far. The other one is on calendar.

7 CFR 210.8(a)(1) Claims for Reimbursement - Internal controls - On-site reviews; Every school year, each school food authority with more than one school shall perform no less than one on-site review of the lunch counting and claiming system employed by each school under its jurisdiction. The on-site review shall take place prior to February 1 of each school year. Further, if the review discloses problems with a school's meal counting or claiming procedures, the school food authority shall: ensure that the school implements corrective action; and, within 45 days of the review, conduct a follow-up on-site review to determine that the corrective action resolved the problems. Each on-site review shall ensure that the school's claim is based on the counting system authorized by the State agency under §210.7(c) of this part and that the counting system, as implemented, yields the actual number of reimbursable free, reduced price and paid lunches, respectively, served for each day of operation.

Provide a site monitoring report for Gustine Middle School that is done by February 1st, 2016.

Corrective Action has been completed by Lizett Aguilar, Chief Business Officer.

SFAs Contracting with FSMCs Review Form

V-FSMC

The SFA is not conducting reconciliation to ensure the Food Service Management Company has credited them for the value of all USDA foods.

7 CFR 210.21 (f) (1) (i) regarding discounts, 7 CFR 250.54(a) Recordkeeping and reviews - Recordkeeping requirements for the recipient agency. "The recipient agency must maintain the following records relating to the use of donated foods in its contract with the food service management company: (1) The donated foods and processed end products received and provided to the food service management company for use in the recipient agency's food service; (2) Documentation that the food service management company has credited it for the value of all donated foods received for use in the recipient agency's food service in the school or fiscal year, including, in accordance with the requirements in §250.51(a), the value of donated foods contained in processed end products; and (3) The actual donated food values used in crediting."

7 CFR 250.54(b) Recordkeeping and reviews - Recordkeeping requirements for the food service management company. "The food service management company must maintain the following

Provide proof of annual reconciliation to ensure the Food Service Management Company has credited the district for the value of all USDA foods.

records relating to the use of donated foods in its contract with the recipient agency: (1) The donated foods and processed end products received from, or on behalf of, the recipient agency, for use in the recipient agency's food service; (2) Documentation that it has credited the recipient agency for the value of all donated foods received for use in the recipient agency's food service in the school or fiscal year, including, in accordance with the requirements in §250.51(a), the value of donated foods contained in processed end products; and (3) Documentation of its procurement of processed end products on behalf of the recipient agency, as applicable."

7CFR 250.54(c) Recordkeeping and reviews - Review requirements for the recipient agency. The recipient agency must ensure that the food service management company is in compliance with the requirements of this part through its monitoring of the food service operation, as required in 7 CFR parts 210, 225, or 226, as applicable. The recipient agency must also conduct a reconciliation at least annually (and upon termination of the contract) to ensure that the food service management company has credited it for the value of all donated foods received for use in the recipient agency's food service in the school or fiscal year, including, in accordance with the requirements in §250.51(a), the value of donated foods contained in processed end products.

7CFR 250.51(a) Crediting for, and use of, donated foods - Crediting for donated foods- "In both fixed-price and cost-reimbursable contracts, the food service management company must credit the recipient agency for the value of all donated foods received for use in the recipient agency's meal service in a school year or fiscal year (including both entitlement and bonus foods). Such requirement includes crediting for the value of donated foods contained in processed end products if the food service management company's contract requires it to: (1) Procure processed end products on behalf of the recipient agency; or (2) Act as an intermediary in passing the donated food value in processed end products on to the recipient agency."

7CFR 250.51(b). Crediting for, and use of, donated foods - Method and frequency of crediting- The recipient agency may permit crediting for the value of donated foods through invoice reductions, refunds, discounts, or other means. However, all forms of crediting must provide clear documentation of the value received from the donated foods—e.g., by separate line item entries on invoices. If provided for in a fixed-price contract, the recipient agency may permit a food service management company to pre-credit for donated foods. In pre-crediting, a deduction for the value of donated foods is included in the established fixed price per meal. However, the recipient agency must ensure that the food service management company provides an additional credit for any donated foods not accounted for in the fixed price per meal—e.g., for donated foods that are not made available until later in the year. In cost-reimbursable contracts, crediting may be performed by disclosure;

i.e., the food service management company credits the recipient agency for the value of donated foods by disclosing, in its billing for food costs submitted to the recipient agency, the savings resulting from the receipt of donated foods for the billing period. In all cases, the recipient agency must require crediting to be performed not less frequently than annually, and must ensure that the specified method of valuation of donated foods permits crediting to be achieved in the required time period. A school food authority must also ensure that the method, and timing, of crediting does not cause its cash resources to exceed the limits established in 7 CFR 210.9(b)(2).

7CFR 250.51(c). Crediting for, and use of, donated foods - Donated food values required in crediting. The recipient agency must ensure that, in crediting it for the value of donated foods, the food service management company uses the donated food values determined by the distributing agency, in accordance with §250.58(e), or, if approved by the distributing agency, donated food values determined by an alternate means of the recipient agency's choosing. For example, the recipient agency may, with the approval of the distributing agency, specify that the value will be the average price per pound for a food, or for a group or category of foods (e.g., all frozen foods or cereal products), as listed in market journals over a specified period of time. However, the method of determining the donated food values to be used in crediting must be included in procurement documents and in the contract, and must result in the determination of actual values; e.g., the average USDA purchase price for the period of the contract with the food vendor, or the average price per pound listed in market journals over a specified period of time. Negotiation of such values is not permitted. Additionally, the method of valuation must ensure that crediting may be achieved in accordance with paragraph (b) of this section, and at the specific frequency established in procurement documents and in the contract.

7CFR 250.51(d). Crediting for, and use of, donated foods - Use of donated foods. The food service management company must use all donated ground beef, donated ground pork, and all processed end products, in the recipient agency's food service, and must use all other donated foods, or commercially purchased foods of the same generic identity, of U.S. origin, and of equal or better quality than the donated foods, in the recipient agency's food service (unless the contract specifically stipulates that the donated foods, and not such commercial substitutes, be used).

Site - Level Findings: GUSTINE MIDDLE (9066)

Area	Findings ID	Finding Description	Required Corrective Action	Corrective Action Response
1400 - Food Safety	V-1400	There was not a copy of the food safety plan at the site of review during meal observation. 7CFR 210.13(c)(1) Facilities Management - Food Safety Program - Traditional Approach "The school	The food safety plan has now been added to all sites kitchen areas. No further action required.	

food authority must develop a written food safety program that covers any facility or part of a facility where food is stored, prepared, or served. The food safety program must meet the requirements in paragraph (c)(1) or paragraph (c)(2) of this section, and the requirements in §210.15(b)(5). A school food authority with a food safety program based on traditional hazard analysis and critical control point (HACCP) principles must: (i) Perform a hazard analysis; (ii) Decide on critical control points; (iii) Determine the critical limits; (iv) Establish procedures to monitor critical control points; (v) Establish corrective actions; (vi) Establish verification procedures; and (vii) Establish a record keeping system."

1400 - Food Safety	V-1400	<p>The agency did not have documentation that two food safety inspections were requested. 7CFR 210.13(b) Facilities Management - Food Safety Inspections; Schools shall obtain a minimum of two food safety inspections during each school year conducted by a State or local governmental agency responsible for food safety inspections. They shall post in a publicly visible location a report of the most recent inspection conducted, and provide a copy of the inspection report to a member of the public upon request. Sites participating in more than one child nutrition program shall only be required to obtain two food safety inspections per school year if the nutrition programs offered use the same facilities for the production and service of meals.</p>	<p>The agency did not have documentation that two inspections were requested. An e-mail was sent to the LEHD while the reviewer was on-site. The inspector came to two of the four sites this year and is supposed to come back to the other two, including the site of review Gustine Middle School. No further action required.</p>	
1400 - Food Safety	V-1400	<p>The most recent food safety inspection report was not posted in a publicly visible location. 7CFR 220.7(a)(2)-(a)(3) Requirements for participation "(2) Schools shall obtain a minimum of two food safety inspections per school year conducted by a State or local governmental agency responsible for food safety inspections. Schools participating in more than one child nutrition program shall only be required to obtain a minimum of two food safety inspections per school year if the food preparation and service for all meal programs take place at the same facility. Schools shall post in a publicly visible location a report of the most recent inspection conducted, and provide a copy of the inspection report to a member of the public upon request. (3) The school food authority must implement a food safety program meeting the requirements of §§210.13(c) and 210.15(b)(5) of this chapter at each facility or part of a facility where food is stored, prepared, or served."</p>	<p>Provide photograph documentation that the most current food safety inspection is now posted in a publicly visible location near the serving line.</p>	<p>Corrective Action has been completed by Lizett Aguilar, Chief Business Officer.</p>
1400 - Food Safety	V-1400	<p>The agency/district is not keeping temperature logs for the refrigerator, freezer, milk cooler, etc. that hold program food. 7CFR 210.13(a) Facilities Management - Health Standards; The school food authority shall ensure that food storage, preparation and service is in accordance with the sanitation and health standards established under State and local law and regulations.</p>	<p>The reviewer obtained a copy of the temperature logs so far in January 2016 and they are now completing them. No further action required.</p>	
1400 - Food Safety	V-1400	<p>The milk cooler in the kitchen at Gustine Middle School does not have an internal thermometer. 7CFR 210.13(a) Facilities Management - Health</p>	<p>The agency obtained a thermometer and placed it inside the milk cooler to meet the standard. No further action required.</p>	

Standards: The school food authority shall ensure that food storage, preparation and service is in accordance with the sanitation and health standards established under State and local law and regulations.

1700 - Afterschool Snack

V-1700

The afterschool snack program was not monitored last year or this year so far, including the first four (4) weeks. The agency did observe and monitor one time, the report has not been given to the reviewer.

The site monitoring was completed for Gustine Middle School on January 20, 2016. No further action required.

7 CFR 210.9(c) Agreement with State agency - Afterschool care requirements, "Those school food authorities with eligible schools (as defined in §210.10(n)(1)) that elect to serve meal supplements during afterschool care programs, shall agree to: (1) Serve meal supplements which meet the minimum requirements prescribed in §210.10; (2) Price the meal supplement as a unit; (3) Serve meal supplements free or at a reduced price to all children who are determined by the school food authority to be eligible for free or reduced price school meals under 7 CFR part 245; (4) If charging for meals, the charge for a reduced price meal supplement shall not exceed 15 cents; (5) Claim reimbursement at the assigned rates only for meal supplements served in accordance with the agreement; (6) Claim reimbursement for no more than one meal supplement per child per day; (7) Review each afterschool care program two times a year; the first review shall be made during the first four weeks that the school is in operation each school year, except that an afterschool care program operating year round shall be reviewed during the first four weeks of its initial year of operation, once more during its first year of operation, and twice each school year thereafter; and (8) Comply with all requirements of this part, except that, claims for reimbursement need not be based on "point of service" meal supplement counts (as required by §210.9(b)(9))."

1700 - Afterschool Snack

V-1700

The And Justice for All poster is hanging in the kitchen but is not prominently displayed and visible to program participants.

7 CFR 210.23(a)-(c) Other responsibilities "(a) Free and reduced price lunches and meal supplements. State agencies and school food authorities shall ensure that lunches and meal supplements are made available free or at a reduced price to all children who are determined by the school food authority to be eligible for such benefits. The determination of a child's eligibility for free or reduced price lunches and meal supplements is to be made in accordance with 7 CFR part 245. (b) Civil Rights. In the operation of the Program, no child shall be denied benefits or be otherwise discriminated against because of race, color, national origin, age, sex, or disability. State agencies and school food authorities shall comply with the requirements of: Title VI of the Civil Rights Act of 1964; title IX of the Education Amendments of 1972; section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; Department of Agriculture regulations on nondiscrimination (7 CFR parts 15, 15a, and 15b); and FNS Instruction 113-1. (c) Retention of records. State agencies and school food authorities

Post the And Justice for All poster in a prominently displayed area of the serving line. Provide photograph documentation that this was done.

Corrective Action has been completed by Lizett Aguilar, Chief Business Officer.

may retain necessary records in their original form or on microfilm. State agency records shall be retained for a period of 3 years after the date of submission of the final Financial Status Report for the fiscal year. School food authority records shall be retained for a period of 3 years after submission of the final Claim for Reimbursement for the fiscal year. In either case, if audit findings have not been resolved, the records shall be retained beyond the 3-year period as long as required for the resolution of the issues raised by the audit."

400 - Meal Components and Quantities - Breakfast

V-0400

Two children were counted at the breakfast Point Of Service (POS) and then left the line without a fruit and/or vegetable 1/2 c requirement. These meals are disallowed and the sponsor will not claim them.

Show proof that two breakfast meals were not counted for the day of meal observation, January 7, 2016.

Corrective Action has been completed by Lizett Aguilar, Chief Business Officer.

7 CFR 220.8, Meal requirements for breakfast- Meal pattern for school breakfasts; A school must offer the food components and quantities required in the breakfast meal pattern.

400 - Meal Components and Quantities - Lunch

V-0400

One child was counted at the Point Of Service and then left the line with only two components, a banana and milk. This meal will be disallowed. The agency will not claim this meal served on January 7, 2016. 7 CFR 210.10, Meal requirements for lunches.

Show proof that you did not include the one disallowed meal from the free category in your January claim.

Corrective Action has been completed by Lizett Aguilar, Chief Business Officer.

500 - Offer versus Serve

V-0500

For breakfast there is not any signage to explain what constitutes a reimbursable meal. 7 CFR 220.8(e) Meal requirements for breakfasts - Offer Versus Serve; School breakfast must offer daily at least the three food components required in the meal pattern in paragraph (c) of this section. To exercise the offer versus serve option at breakfast, a school food authority or school must offer a minimum of four food items daily as part of the required components. Under offer versus serve, students are allowed to decline one of the four food items, provided that students select at least 1/2 cup of the fruit component for a reimbursable meal beginning July 1, 2014 (SY 2014-2015). If only three food items are offered at breakfast, school food authorities may not use the offer versus serve option. For more information see the USDA OVS Guidance 2015 located at: <http://www.fns.usda.gov/sites/default/files/SP57-2014a.pdf>

Post breakfast signage for offer versus serve and what constitutes a reimbursable meal in the service line. Provide photograph documentation that this has been completed.

Corrective Action has been completed by Lizett Aguilar, Chief Business Officer.

4/28/16-sign has been posted in a more prominent area of line and new photograph is attached.

Gustine Unified School District (01963)

Review ID: 15200

Review Year: 2015-2016
 Month of Review: June
 Lead Reviewer: Amber Bender
 Exit Conference Date: 8/22/2016

Sponsor - Level Findings

Area	Findings ID	Finding Description	Required Corrective Action	Corrective Action Response
1800 - Seamless Summer Option	V-1800	<p>No site monitoring reports were completed for this year's Seamless Summer Option program.</p> <p>7CFR 225.15 (4)(d) Training and monitoring. (1) Each sponsor shall hold Program training sessions for its administrative and site personnel and shall allow no site to operate until personnel have attended at least one of these training sessions. The State agency may waive these training requirements for operation of the Program during unanticipated school closures during the period from October through April (or at any time of the year in an area with a continuous school calendar). Training of site personnel shall, at a minimum, include: the purpose of the Program; site eligibility; recordkeeping; site operations; meal pattern requirements; and the duties of a monitor. Each sponsor shall ensure that its administrative personnel attend State agency training provided to sponsors, and sponsors shall provide training throughout the summer to ensure that administrative personnel are thoroughly knowledgeable in all required areas of Program administration and operation and are provided with sufficient information to enable them to carry out their Program responsibilities. Each site shall have present at each meal service at least one person who has received this training.</p> <p>(2) Sponsors shall visit each of their sites at least once during the first week of operation under the Program and shall promptly take such actions as are necessary to correct any deficiencies.</p> <p>(3) Sponsors shall review food service operations at each site at least once during the first four weeks of Program operations, and</p>	<p>Attest that you will complete a review of each SSO site in the next program year. For your convenience there is a monitoring form template available in the CNIPS under download forms, SNP 25b SSFO.</p>	<p>I attest that we will complete a review of each SSO site in the next program year.</p>

1800 - Seamless Summer Option	V-1800	<p>thereafter shall maintain a reasonable level of site monitoring. Sponsors shall complete a monitoring form developed by the State agency during the conduct of these reviews.</p> <p>The signage/marketing for the availability and location of free meals did not contain the required non-discrimination statement.</p> <p>FNS Instruction 113-1 (Civil Rights Compliance and Enforcement), Section IX (Public Notification)</p>	<p>Provide signage that you will use next year for the availability and location of free meals which includes the most current non-discrimination statement. You can find the most current requirements for the non-discrimination statement on the California Department of Education webpage at: http://www.cde.ca.gov/ls/nu/cr/.</p> <p>OR</p> <p>Attest that you will use the information above and ensure the most current non-discrimination statement is located on the signage/marketing for next year's SSO program.</p>	<p>The signage/marketing for next year will be updated to include the most current non-discrimination statement.</p>
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Site - Level Findings: GUSTINE MIDDLE (9066)

Area	Findings ID	Finding Description	Required Corrective Action	Corrective Action Response
1800 - Seamless Summer Option	V-1800	<p>Production records and supporting meal documentation showed lack of program meal requirements. The reviewer found missing starchy and legumes/beans vegetable subgroups for the targeted menu week.</p> <p>7CFR 201.10(c)(2) Food components. Schools must offer students in each age/grade group the food components specified in paragraph (c) of this section...</p> <p>(iii) Vegetables component. Schools must offer vegetables daily as part of the lunch menu. Fresh, frozen, or canned vegetables and dry beans and peas (legumes) may be offered to meet this requirement. All vegetables are credited based on their volume as served, except that 1 cup of leafy greens counts as 1/2 cup of vegetables and tomato paste and puree are credited based on calculated volume of the whole food equivalency. Pasteurized, full-strength vegetable juice may be used to meet no more than one-half of the vegetables component. Cooked dry beans or peas (legumes) may be counted as either a vegetable or as a meat alternate but not as both in the same meal. Vegetable offerings at lunch over the course of the week must include the following vegetable subgroups, as defined in this section in the quantities specified in the meal pattern in paragraph (c) of this section:</p> <p>(A) Dark green vegetables. This subgroup includes vegetables such as bok choy, broccoli, collard greens, dark green leafy lettuce, kale, mesclun, mustard greens, romaine lettuce, spinach, turnip greens, and watercress;</p> <p>(B) Red-orange vegetables. This subgroup includes vegetables such as acorn squash, butternut squash, carrots, pumpkin, tomatoes, tomato juice, and sweet potatoes;</p> <p>(C) Beans and peas (legumes). This subgroup</p>	<p>Provide one week of menus showing that the meal program requirements are met to include the legume/beans and the starchy vegetable subgroups that you will attest to use next year for the SSO program.</p> <p>Also always ensure the amount of fruit offered meets the meal pattern. On the day of observation for breakfast the reviewer observed 1 cup of fruit, but the menu production records were listed as 1 each.</p>	<p>We attest to attest to use the attached menu next year for the SSO program that complies with all of the meal program requirements.</p>

includes vegetables such as black beans, black-eyed peas (mature, dry), garbanzo beans (chickpeas), kidney beans, lentils, navy beans pinto beans, soy beans, split peas, and white beans;

(D) Starchy vegetables. This subgroup includes vegetables such as black-eyed peas (not dry), corn, cassava, green bananas, green peas, green lima beans, plantains, taro, water chestnuts, and white potatoes; and

(E) Other vegetables. This subgroup includes all other fresh, frozen, and canned vegetables, cooked or raw, such as artichokes, asparagus, avocado, bean sprouts, beets, Brussels sprouts, cabbage, cauliflower, celery, cucumbers, eggplant, green beans, green peppers, iceberg lettuce, mushrooms, okra, onions, parsnips, turnips, wax beans, and zucchini.

(iv) Grains component. (A) Enriched and whole grains. All grains must be made with enriched and whole grain meal or flour, in accordance with the most recent grains FNS guidance. Whole grain-rich products must contain at least 50 percent whole grains and the remaining grains in the product must be enriched.

1800 - Seamless Summer Option

V-1800

The USDA/FNS approved poster was not displayed in a prominent place and visible to recipients.

The sponsor provided photograph documentation that the USDA/FNS approved poster is now displayed in a prominent place and visible to recipients at the site. No further action required.

FNS Instruction 113-1 (IX PUBLIC NOTIFICATION); All FNS assistance programs must include a public notification system. The purpose of this system is to inform applicants, participants, and potentially eligible persons of the program availability, program rights and responsibilities, the policy of nondiscrimination, and the procedure for filing a complaint. B Methods of Public Notification. Each State agency, local agency, or other subrecipient serving the public must take the actions below to inform the general public, potentially eligible populations, community leaders, grassroots organizations, and referral sources about FNS programs and applicable CR requirements. 1 Prominently display the USDA nondiscrimination poster "And Justice for All," or an FNS approved substitute, except in family day care homes. If a State agency elects to produce its own posters, either due to unavailability from USDA/FNS or State agency preference, the reproduction must be approximately the same size as the applicable "And Justice for All" poster (11" width and 17" height).

1800 - Seamless Summer Option

V-1800

The most recent food safety inspection report is not posted in a publicly visible location, although it is posted in the kitchen.

The sponsor provided photograph documentation that the most recent food safety inspection report is now posted in a publicly visible location in the cafeteria where children eat. No further action

7CFR 210.13(b) Food safety inspections. Schools shall obtain a minimum of two food safety inspections during each school year conducted by a State or local governmental agency responsible for food safety inspections. They shall post in a publicly visible location a report of the most recent inspection conducted, and provide a copy of the inspection report to a member of the public upon request. Sites participating in more than one child nutrition program shall only be required to obtain two food safety inspections per school year if the nutrition programs offered use the same facilities for the production and service of meals.

required.

1800 - Seamless Summer Option

V-1800

There was no potable water available to all students for breakfast that is served in the cafeteria.

Provide free potable water in the cafeteria where meal service takes place. The sponsor showed the reviewer photograph documentation while on-site that this was done before the end of the SSO meal service this summer. No further action required.

7CFR 210.10(a) General requirements—(1) General nutrition requirements. Schools must offer nutritious, well-balanced, and age-appropriate meals to all the children they serve to improve their diets and safeguard their health.

(i) Requirements for lunch. School lunches offered to children age 5 or older must meet, at a minimum, the meal requirements in paragraph (b) of this section. Schools must follow a food-based menu planning approach and produce enough food to offer each child the quantities specified in the meal pattern established in paragraph (c) of this section for each age/grade group served in the school. In addition, school lunches must meet the dietary specifications in paragraph (f) of this section. Schools offering lunches to children ages 1 through 4 and infants must meet the meal pattern requirements in paragraph (p) of this section. Schools must make potable water available and accessible without restriction to children at no charge in the place(s) where lunches are served during the meal service.

GUSTINE UNIFIED SCHOOL DISTRICT INSTRUCTIONAL TEAM LEADER

GENERAL SUMMARY

Under direct supervision of site administration, the major responsibility of the Instructional Team Leader is to lead designated content teacher PLC teams in ensuring that all students master their essential standards with the appropriate rigor. The Instructional Team Leader will lead their teams in the regular work of analyzing formative data, logically identifying “will” vs “skill” students, and then determining what appropriate intervention these students require. Additionally, all PLC teams will work collaboratively on improving the reading and literacy achievement of all students, including ELL and SPED students. The Instructional Team Leader will set norms for operating and collaborate to ensure active participation for all members.

QUALIFICATIONS

1. Valid California teaching credential
2. Minimum of three years of teaching experience preferable
3. Minimum of three years in the district preferable
4. Demonstrated fidelity to the DuFour PLC process

ESSENTIAL FUNCTIONS

Essential functions of the Instructional Team Leader may include, but are not limited to:

1. Coordination and implementation of pacing guides, as well as the administration of least four District Common Assessments per year, along with Site-Based Interim Assessment.
2. Facilitation of collaborative decision-making processes within the PLC.
3. Facilitation of effective PLC meetings, including revisiting norms and documenting the work carried out by the team.
4. Coordination of the process by which PLC members will analyze student performance data, as well as assist in identifying areas that need to be spiraled onto the next exam or those that are in need of scaffolds to improve student learning.
5. Sharing of best instructional practice that improves student learning and mastery of the standards.
6. Working closely with teachers and the district Instruction Coordinator to identify students in need of supplemental intervention.
7. Performing other duties as assigned

ACTION ITEMS

GUSTINE UNIFIED SCHOOL DISTRICT

Meeting of the Board of Trustees

MEETING DATE:

November 9, 2016

AGENDA ITEM TITLE: Warrants

AGENDA SECTION: Action

PRESENTED BY: Bill Morones, Superintendent

SUMMARY:

Monthly warrants are presented for approval.

FISCAL IMPACT: Total of Warrants

BUDGET CATEGORY: All District Funds

RECOMMENDED ACTION: Approve

Batch status: A All

From batch: 0010

To batch: 0010

Include Revolving Cash: Y

Include Address: N

Include Object Desc: Y

Include Vendor TIN: Y

Include Audit Date and Time in Sort: N

MERCED COUNTY OFFICE OF EDUCATION
WARRANT REGISTER BATCH COVER

Gustine

DATE: 10/24/16

DISTRICT FUND: 01 - 5070

BATCH# 10

DISTRICT NAME: 14 - GUSTINE UNIFIED SCHOOL DISTRICT

TOTAL AMOUNT OF REGISTER: \$ 40,859.27

01-5070
11-5074
13-5077
14-5072
17-5071
21-5069
25-5075
35-5078
40-5065

CHECK LIST FOR WARRANT REGISTERS
(PLEASE CHECKMARK EACH)

- Verify cash for each fund
- Ensure deposits have been made at the County Treasurer by 11 a.m.
- Provide all pages of prelist and Cover Sheet for each fund on prelist (even if zero)
- Retain original prelist for your records
- Proper signed authorization for each batch

ALL BATCHES MUST BE RELEASED AND HELD FOR AUDIT

DISTRICT SERVICES USE ONLY

RECEIVED BY DISTRICT SERVICES: _____

AUDIT APPROVED: _____

CASH CHECKED: _____

RELEASED FOR PAYMENT: _____

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
102483/00	AIRGAS							
170288	PO-170282 10/24/2016	9939739856		1 01-7010-0-4300.00-1110-1000-310-000-000		NN P	149.35	149.35
				SUPPLIES				
170288	PO-170282 10/24/2016	9936162821		1 01-7010-0-4300.00-1110-1000-310-000-000		NN P	235.35	235.35
				SUPPLIES				
170288	PO-170282 10/24/2016	9936897617		1 01-7010-0-4300.00-1110-1000-310-000-000		NN P	182.80	182.80
				SUPPLIES				
170288	PO-170282 10/24/2016	9937597512		1 01-7010-0-4300.00-1110-1000-310-000-000		NN P	149.35	149.35
				SUPPLIES				
				TOTAL PAYMENT AMOUNT		716.85 *		716.85
006217/00	ATKINSON ANDELSON LOYA		953378600					
	PV-170225 10/24/2016	506837		01-0000-0-5801.00-0000-7100-112-000-000		NY		68.25
				LEGAL FEES				
	PV-170225 10/24/2016	506837		01-0000-0-5801.00-0000-7115-112-000-000		NY		2,156.01
				LEGAL FEES				
				TOTAL PAYMENT AMOUNT		2,224.26 *		2,224.26
104384/00	B G AUTO PARTS							
170464	PO-170448 10/24/2016	230868		1 01-0823-0-4344.00-0000-3600-112-000-000		NN P	5.13	5.13
				REPLACEMENT PARTS				
170464	PO-170448 10/24/2016	230293		1 01-0823-0-4344.00-0000-3600-112-000-000		NN P	190.10	190.10
				REPLACEMENT PARTS				
				TOTAL PAYMENT AMOUNT		195.23 *		195.23
102253/00	CASBO							
170416	PO-170373 10/24/2016	586759		1 01-0000-0-5200.00-0000-7200-112-000-000		NN F	445.00	445.00
				TRAVEL & CONFERENCE				
170457	PO-170439 10/24/2016	587340		1 01-0000-0-5200.00-0000-7200-112-000-000		NN F	600.00	600.00
				TRAVEL & CONFERENCE				
				TOTAL PAYMENT AMOUNT		1,045.00 *		1,045.00
104706/00	CENTRAL REGION CATA							
170481	PO-170476 10/24/2016	REGISTRATION AG TEACHERS		1 01-3550-0-5200.00-1110-1000-310-000-000		NN F	510.00	510.00
				TRAVEL & CONFERENCE				
				TOTAL PAYMENT AMOUNT		510.00 *		510.00

Venue/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
016633/00	CENTRAL SANITARY SUPPLY CO		000000000					
170291 PO-170312	10/24/2016	740857		1 01-8150-0-4300.00-0000-8110-112-000-000		NN P	2,869.08	2,869.08
				SUPPLIES				
170291 PO-170312	10/24/2016	742587		1 01-8150-0-4300.00-0000-8110-112-000-000		NN P	163.40	163.40
				SUPPLIES				
170291 PO-170312	10/24/2016	715779		1 01-8150-0-4300.00-0000-8110-112-000-000		NN P	634.59	634.59
				SUPPLIES				
				TOTAL PAYMENT AMOUNT		3,667.07 *		3,667.07
104412/00	COUCHMAN, CAROL		557295059					
PV-170227	10/24/2016	916		01-0000-0-5866.00-0000-7700-112-000-000		NY		2,060.00
				PROFESSIONAL SERVICES				
				TOTAL PAYMENT AMOUNT		2,060.00 *		2,060.00
104611/00	DATA MANAGEMENT INC							
170127 PO-170150	10/24/2016	I383656		1 01-0824-0-4300.00-1110-1000-110-000-000		NN F	480.60	459.00
				SUPPLIES				
				TOTAL PAYMENT AMOUNT		459.00 *		459.00
104557/00	GOLDEN VALLEY HIGH SCHOOL							
170520 PO-170509	10/24/2016	BAND REVIEW REGISTRATION FEE		1 01-0824-0-5805.00-1275-1050-310-000-000		NN F	250.00	250.00
				ADMISSION TIX COST/FIELD TRIPS				
				TOTAL PAYMENT AMOUNT		250.00 *		250.00
100659/00	HOME DEPOT CREDIT SERVICES							
170088 PO-170075	10/24/2016	4594515		1 01-8150-0-4300.00-0000-8110-112-000-000		NN P	164.31	164.31
				SUPPLIES				
170088 PO-170075	10/24/2016	3021545		1 01-8150-0-4300.00-0000-8110-112-000-000		NN P	86.60	86.60
				SUPPLIES				
170284 PO-170286	10/24/2016	9284061		1 01-7010-0-4300.00-1110-1000-310-000-000		NN P	640.79	640.79
				SUPPLIES				
170374 PO-170408	10/24/2016	9284064		1 01-6382-0-4300.00-3824-1000-310-233-000		NN F	1,750.00	1,746.41
				SUPPLIES				
				TOTAL PAYMENT AMOUNT		2,638.11 *		2,638.11

Venue / Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount

103512/00	IRON MOUNTAIN							
PV-170223	10/24/2016	MZY3209		01-0824-0-4300.00-1110-1000-310-000-000 NN				70.49
				SUPPLIES				
PV-170223	10/24/2016	MZY3209		01-0000-0-5550.00-0000-8200-112-000-000 NN				49.06
				DISPOSAL/GARBAGE REMOVAL				
				TOTAL PAYMENT AMOUNT		119.55 *		119.55
100313/00	MERCED COUNTY REGIONAL WASTE							
170201 PO-170208	10/24/2016	8215		1 01-0000-0-5550.00-0000-8200-112-000-000 NN P			68.88	68.88
				DISPOSAL/GARBAGE REMOVAL				
				TOTAL PAYMENT AMOUNT		68.88 *		68.88
104733/00	NATURE BRIDGE							
170523 PO-170506	10/24/2016	1701-000507		1 01-0824-0-5805.00-1275-1050-310-000-000 NN P			2,083.13	2,083.13
				ADMISSION TIX COST/FIELD TRIPS				
				TOTAL PAYMENT AMOUNT		2,083.13 *		2,083.13
104517/00	OFFICE DEPOT							
170330 PO-170328	10/24/2016	863932620001		1 01-0824-0-4300.00-1110-1000-110-000-000 NN P			87.66	87.66
				SUPPLIES				
170350 PO-170328	10/24/2016	863932623001		1 01-0824-0-4300.00-1110-1000-110-000-000 NN P			74.13	74.13
				SUPPLIES				
				TOTAL PAYMENT AMOUNT		161.79 *		161.79
101470/00	P G & E							
PV-170220	10/24/2016	5159195533-4 OCT 16		01-0000-0-5520.00-0000-8200-112-000-000 NN				10,698.76
				ELECTRICITY				
PV-170224	10/24/2016	5467178958-1 OCT 16		01-0000-0-5520.00-0000-8200-112-000-000 NN				2,109.72
				ELECTRICITY				
				TOTAL PAYMENT AMOUNT		12,808.48 *		12,808.48
104461/00	PENTAIR AQUATIC ECO-SYSTEMS							
170372 PO-170409	10/24/2016	IZ384149		1 01-6382-0-4300.00-3824-1000-310-233-000 NN P			386.86	386.86
				SUPPLIES				
				TOTAL PAYMENT AMOUNT		386.86 *		386.86

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
076660/00	SANTA NELLA		000000000					
PV-170221	10/24/2016	COM030		01-0000-0-5530.00-0000-8200-112-000-000 NN				488.40
				WATER&/OR SEWAGE				
				TOTAL PAYMENT AMOUNT		488.40 *		488.40
104746/00	SANTANDER LEASING LLC							
PV-170228	10/24/2016	1885199		01-0823-0-7438.00-0000-9100-112-000-000 NN				482.15
				DEBT SERVICE - INTEREST				
PV-170228	10/24/2016	1885199		01-0823-0-7439.00-0000-9100-112-000-000 NN				4,644.85
				OTHER DEBT SERVICE - PRINCIPAL				
				TOTAL PAYMENT AMOUNT		5,127.00 *		5,127.00
102511/00	SOUTHWEST SCHOOL & OFFICE							
170116 PO-170112	10/24/2016	PINV0192596		1 01-1100-0-4300.00-1110-1000-111-000-000 NN P			10.81	10.81
				SUPPLIES				
				TOTAL PAYMENT AMOUNT		10.81 *		10.81
105012/00	SPEECH LANGUAGE & EDUCATIONAL							
PV-170222	10/24/2016	94633		01-6500-0-5866.00-5770-3150-112-000-000 NN				4,080.00
				PROFESSIONAL SERVICES				
				TOTAL PAYMENT AMOUNT		4,080.00 *		4,080.00
104288/00	TESEI PETROLEUM							
170449 PO-170433	10/24/2016	9347301		1 01-0823-0-4341.00-0000-3600-112-000-000 NN F			178.60	178.60
				GAS, OIL LUBE, ETC				
PV-170226	10/24/2016	60671		01-7010-0-4300.00-1110-1000-310-000-000 NN				100.43
				SUPPLIES				
PV-170226	10/24/2016	60671		01-1100-0-4300.00-1801-4200-310-000-000 NN				38.61
				SUPPLIES				
PV-170226	10/24/2016	60671		01-0000-0-4341.00-0000-8200-112-000-000 NN				80.88
				GAS, OIL LUBE, ETC				
PV-170226	10/24/2016	60671		01-8150-0-4341.00-0000-8110-112-000-000 NN				136.00
				GAS, OIL LUBE, ETC				
PV-170226	10/24/2016	60671		01-0823-0-4341.00-0000-3600-112-000-000 NN				278.52
				GAS, OIL LUBE, ETC				
				TOTAL PAYMENT AMOUNT		813.04 *		813.04

MERCED COUNTY OFFICE OF EDUCATION
WARRANT REGISTER BATCH COVER

Gustine

DATE: 10/24/16

DISTRICT FUND: 13 - 5077

BATCH# 10

DISTRICT NAME: 14 - GUSTINE UNIFIED SCHOOL DISTRICT

TOTAL AMOUNT OF REGISTER: \$ 1,139.34

01-5070
11-5074
13-5077
14-5072
17-5071
21-5069
25-5075
35-5078
40-5065

CHECK LIST FOR WARRANT REGISTERS
(PLEASE CHECKMARK EACH)

- Verify cash for each fund
- Ensure deposits have been made at the County Treasurer by 11 a.m.
- Provide all pages of prelist and Cover Sheet for each fund on prelist (even if zero)
- Retain original prelist for your records
- Proper signed authorization for each batch

ALL BATCHES MUST BE RELEASED AND HELD FOR AUDIT

DISTRICT SERVICES USE ONLY

RECEIVED BY DISTRICT SERVICES: _____

AUDIT APPROVED: _____

CASH CHECKED: _____

RELEASED FOR PAYMENT: _____

Vendor	Addr	Remit name	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
Req	Reference	Date	Description			FD-RESC-Y-OBJT.SO-GOAL-FUNC-SCH-DD1-DD2 T9MPS		
016633/00		CENTRAL SANITARY SUPPLY CO	000000000					
170108	PO-170106	10/24/2016	738904	1	13-5310-0-4300.00-0000-3700-112-000-000	NN P	1,008.13	1,008.13
					SUPPLIES			
					TOTAL PAYMENT AMOUNT		1,008.13 *	1,008.13
064370/00		OFFICE SUPPLY EXPRESS	770446496					
170107	PO-170105	10/24/2016	121459	1	13-5310-0-4350.00-0000-3700-112-000-000	NN P	68.95	68.95
					OFFICE SUPPLIES			
					TOTAL PAYMENT AMOUNT		68.95 *	68.95
104288/00		TESEI PETROLEUM						
	PV-170226	10/24/2016	60671		13-5310-0-4341.00-0000-3700-112-000-000	NN		62.26
					GAS, OIL LUBE, ETC			
					TOTAL PAYMENT AMOUNT		62.26 *	62.26
					TOTAL FUND PAYMENT		1,139.34 **	1,139.34

MERCED COUNTY OFFICE OF EDUCATION
WARRANT REGISTER BATCH COVER

Gustine

DATE: 10/24/16
DISTRICT FUND: 21 - 5069 BATCH# 10
DISTRICT NAME: 14 - GUSTINE UNIFIED SCHOOL DISTRICT
TOTAL AMOUNT OF REGISTER: \$ 350.00

01-5070
11-5074
13-5077
14-5072
17-5071
21-5069
25-5075
35-5078
40-5065

CHECK LIST FOR WARRANT REGISTERS
(PLEASE CHECKMARK EACH)

- Verify cash for each fund
- Ensure deposits have been made at the County Treasurer by 11 a.m.
- Provide all pages of prelist and Cover Sheet for each fund on prelist (even if zero)
- Retain original prelist for your records
- Proper signed authorization for each batch

ALL BATCHES MUST BE RELEASED AND HELD FOR AUDIT

DISTRICT SERVICES USE ONLY

RECEIVED BY DISTRICT SERVICES: _____

AUDIT APPROVED: _____

CASH CHECKED: _____

RELEASED FOR PAYMENT: _____

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
103183/00	BOVEE ENVIRONMENTAL MANAGEMENT							
170253 PO-170252	10/24/2016	23058		1 21-0000-6-6290.00-0000-8500-310-000-438 NN P			350.00	350.00
				INSPECTION				
				TOTAL PAYMENT AMOUNT		350.00 *		350.00
				TOTAL FUND PAYMENT		350.00 **		350.00

MERCED COUNTY OFFICE OF EDUCATION
WARRANT REGISTER BATCH COVER

Gustine

DATE: 10/24/16

DISTRICT FUND: 25 - 5075

BATCH# 10

DISTRICT NAME: 14 - GUSTINE UNIFIED SCHOOL DISTRICT

TOTAL AMOUNT OF REGISTER: \$ 136.50

01-5070
11-5074
13-5077
14-5072
17-5071
21-5069
25-5075
35-5078
40-5065

**CHECK LIST FOR WARRANT REGISTERS
(PLEASE CHECKMARK EACH)**

- Verify cash for each fund
- Ensure deposits have been made at the County Treasurer by 11 a.m.
- Provide all pages of prelist and Cover Sheet for each fund on prelist (even if zero)
- Retain original prelist for your records
- Proper signed authorization for each batch

ALL BATCHES MUST BE RELEASED AND HELD FOR AUDIT

DISTRICT SERVICES USE ONLY

RECEIVED BY DISTRICT SERVICES: _____

AUDIT APPROVED: _____

CASH CHECKED: _____

RELEASED FOR PAYMENT: _____

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
006217/00	ATKINSON ANDELSON LOYA		953378600					
	PV-170225	10/24/2016 506837		25-0000-0-5801.00-0000-8500-112-000-000		NY		136.50
				LEGAL FEES				
				TOTAL PAYMENT AMOUNT	136.50	*		136.50
				TOTAL FUND PAYMENT	136.50	**		136.50
				TOTAL BATCH PAYMENT	42,485.11	***	0.00	42,485.11
				TOTAL DISTRICT PAYMENT	42,485.11	****	0.00	42,485.11
				TOTAL FOR ALL DISTRICTS:	42,485.11	****	0.00	42,485.11

Number of checks to be printed: 28, not counting voids due to stub overflows.

MERCED COUNTY OFFICE OF EDUCATION
WARRANT REGISTER BATCH COVER

Gustine

DATE: 11/1/16

DISTRICT FUND: 01 - 5070

BATCH# 11

DISTRICT NAME: 14 - GUSTINE UNIFIED SCHOOL DISTRICT

TOTAL AMOUNT OF REGISTER: \$ 96,077.92

01-5070
11-5074
13-5077
14-5072
17-5071
21-5069
25-5075
35-5078
40-5065

CHECK LIST FOR WARRANT REGISTERS
(PLEASE CHECKMARK EACH)

- Verify cash for each fund
- Ensure deposits have been made at the County Treasurer by 11 a.m.
- Provide all pages of prelist and Cover Sheet for each fund on prelist (even if zero)
- Retain original prelist for your records
- Proper signed authorization for each batch

ALL BATCHES MUST BE RELEASED AND HELD FOR AUDIT

DISTRICT SERVICES USE ONLY

RECEIVED BY DISTRICT SERVICES: _____

AUDIT APPROVED: _____

CASH CHECKED: _____

RELEASED FOR PAYMENT: _____

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
104291/00	AIR CALL COMMUNICATIONS		568706613					
170311	PO-170260	10/26/2016 30812		1	01-0823-0-4300.00-0000-3600-112-000-000	NY P	827.40	827.40
					SUPPLIES			
170311	PO-170260	10/26/2016 30813		1	01-0823-0-4300.00-0000-3600-112-000-000	NY P	145.80	145.80
					SUPPLIES			
TOTAL PAYMENT AMOUNT							973.20 *	973.20
103972/00	ALHAMBRA							
PV-170235	10/26/2016 14376894	101616			01-0000-0-4300.00-0000-8200-112-000-000	NN		94.25
					SUPPLIES			
PV-170235	10/26/2016 14376853	101616			01-0000-0-4300.00-0000-8200-112-000-000	NN		102.20
					SUPPLIES			
PV-170235	10/26/2016 14376999	101616			01-0000-0-4300.00-0000-8200-112-000-000	NN		145.01
					SUPPLIES			
PV-170235	10/26/2016 14376922	101616			01-0000-0-4300.00-0000-8200-112-000-000	NN		203.72
					SUPPLIES			
PV-170235	10/26/2016 14376936	101616			01-0000-0-4300.00-0000-8200-112-000-000	NN		213.87
					SUPPLIES			
PV-170235	10/26/2016 14376875	101616			01-0000-0-4300.00-0000-8200-112-000-000	NN		274.94
					SUPPLIES			
TOTAL PAYMENT AMOUNT							1,033.99 *	1,033.99
104020/00	AT&T							
PV-170234	10/26/2016 000008748826				01-0000-0-5922.00-0000-2700-112-000-000	NN		504.63
					COMMUNICATION - TELEPHONE SVCS			
PV-170234	10/26/2016 000008749040				01-0000-0-5922.00-0000-2700-112-000-000	NN		248.76
					COMMUNICATION - TELEPHONE SVCS			
TOTAL PAYMENT AMOUNT							753.39 *	753.39
104318/00	AVAYA INC							
PV-170249	10/27/2016 2733759320				01-0000-0-5922.00-0000-7200-112-000-000	NN		30.95
					COMMUNICATION - TELEPHONE SVCS			
TOTAL PAYMENT AMOUNT							30.95 *	30.95
101755/00	BENCHMARK EDUCATION COMPANY							
170402	PO-170363	10/26/2016 304849		1	01-0815-0-4100.00-1100-1000-112-000-000	NN F	2,310.18	2,320.92
					APPRVD TEXTBKS/CORE CURRICULA			
TOTAL PAYMENT AMOUNT							2,320.92 *	2,320.92

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
104815/00	BILL MORONES							
	PV-170251	10/27/2016 MCOE MILEAGE REIMB	OCT 16	01-0000-0-5230.00-0000-7150-112-000-000 NN				33.48
				MILEAGE				
				TOTAL PAYMENT AMOUNT		33.48 *		33.48
104756/00	BUNCH, MICHAEL							
	PV-170231	10/26/2016 IREADY SUMMIT		01-0824-0-5200.00-1110-1000-115-000-000 NN				82.04
				TRAVEL & CONFERENCE				
	PV-170243	10/26/2016 PLC SAN ANTONIO REIMB		01-0824-0-5200.00-1110-1000-115-000-000 NN				328.26
				TRAVEL & CONFERENCE				
				TOTAL PAYMENT AMOUNT		410.30 *		410.30
104394/00	BUS WEST							
	170447 PO-170430	10/26/2016 BN81507		1 01-0823-0-4344.00-0000-3600-112-000-000 NN P			109.95	109.95
				REPLACEMENT PARTS				
	170447 PO-170430	10/26/2016 BN81748		1 01-0823-0-4344.00-0000-3600-112-000-000 NN P			340.51	340.51
				REPLACEMENT PARTS				
	170447 PO-170430	10/26/2016 BN81570		1 01-0823-0-4344.00-0000-3600-112-000-000 NN P			154.12	154.12
				REPLACEMENT PARTS				
				TOTAL PAYMENT AMOUNT		604.58 *		604.58
104882/00	CALIFORNIA CHAMBER OF COMMERCE							
	170550 PO-170528	10/31/2016 CUSTOMER# 945102		1 01-0000-0-4399.00-0000-7700-112-000-000 NN F			368.17	368.17
				MISCELLANEOUS SUPPLIES				
				TOTAL PAYMENT AMOUNT		368.17 *		368.17
103251/00	CHAVEZ, PRIMAVERA							
	PV-170238	10/26/2016 SUMMER PLC CONF REIMB		01-0824-0-5200.00-0000-7410-111-000-000 NN				84.53
				TRAVEL & CONFERENCE				
				TOTAL PAYMENT AMOUNT		84.53 *		84.53
103285/00	CITY OF GUSTINE							
	170521 PO-170508	10/27/2016 GHSFOOTBALL-1016		1 01-0824-0-5866.00-0155-8300-310-000-000 NN F			572.76	572.76
				PROFESSIONAL SERVICES				
				TOTAL PAYMENT AMOUNT		572.76 *		572.76

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
104973/00	CONSERFLAG							
170359 PO-170419	10/26/2016	241991A		1 01-1100-0-4300.00-1110-1000-111-000-000		NN F	210.60	227.18
				SUPPLIES				
				TOTAL PAYMENT AMOUNT		227.18 *		227.18
105019/00	CUNNINGS, BONNER							
PV-170252	10/27/2016	WHY TRY TRAINING REIMB		01-0000-0-5200.00-0000-7150-112-000-000		NN		202.82
				TRAVEL & CONFERENCE				
PV-170252	10/27/2016	SEIS TRAINING REIMB		01-0000-0-5200.00-0000-7150-112-000-000		NN		16.79
				TRAVEL & CONFERENCE				
				TOTAL PAYMENT AMOUNT		219.61 *		219.61
029390/00	E & M ELECTRIC COMPANY		000000000					
170151 PO-170258	10/27/2016	79709		1 01-8150-0-6400.00-0000-8110-112-000-000		NN P	1,144.23	1,144.23
				EQUIPMENT				
170151 PO-170258	10/27/2016	79675		1 01-8150-0-6400.00-0000-8110-112-000-000		NN P	420.00	420.00
				EQUIPMENT				
170480 PO-170486	10/26/2016	79677		1 01-8150-0-6400.00-0000-8110-112-000-000		NN P	1,391.56	1,391.56
				EQUIPMENT				
				TOTAL PAYMENT AMOUNT		2,955.79 *		2,955.79
103694/00	EXCALIBUR							
170482 PO-170475	11/01/2016	LER1011658		1 01-7010-0-4300.00-1110-1000-310-000-000		NN P	278.05	278.05
				SUPPLIES				
				TOTAL PAYMENT AMOUNT		278.05 *		278.05
103084/00	FILIPPINI, CATHY							
170351 PO-170327	10/26/2016	INSTRUCTIONAL SUPPLY REIMB		1 01-0824-0-4300.00-1110-1000-110-000-000		NN F	500.00	425.32
				SUPPLIES				
				TOTAL PAYMENT AMOUNT		425.32 *		425.32
102063/00	FILIPPINI, LISA							
170494 PO-170469	10/27/2016	STUDENT AWARDS REIMB		1 01-0824-0-4300.00-1110-1000-110-000-000		NN F	45.88	45.88
				SUPPLIES				
				TOTAL PAYMENT AMOUNT		45.88 *		45.88

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
103948/00	GOMEZ, SARA							
PV-170247	10/27/2016	PACKET DELIVERY OCT 16		01-0000-0-5230.00-0000-7200-112-000-000 NN				6.65
				MILEAGE				
PV-170247	10/27/2016	PACKET DELIVERY SEP 16		01-0000-0-5230.00-0000-7200-112-000-000 NN				1.07
				MILEAGE				
		TOTAL PAYMENT AMOUNT				7.72 *		7.72
105009/00	GONZALEZ, VICTOR ANTHONY							
PV-170242	10/26/2016	WHY TRY TRAINING MEAL REIMB		01-0824-0-5200.00-1110-1000-115-000-000 NN				120.09
				TRAVEL & CONFERENCE				
		TOTAL PAYMENT AMOUNT				120.09 *		120.09
073088/00	GUSTINE SCHOOL DISTRICT		000000000					
RC-170015	10/27/2016	WORKSHOP REGISTRATION FEE		01-0000-0-5200.00-0000-7150-112-000-000 N				15.00
				TRAVEL & CONFERENCE				
		TOTAL PAYMENT AMOUNT				15.00 *		15.00
104052/00	HANNA, SIOBHAN							
PV-170230	10/26/2016	CSC 2016 CONF REIMB		01-6500-0-5200.00-0000-7200-112-000-000 NN				135.82
				TRAVEL & CONFERENCE				
		TOTAL PAYMENT AMOUNT				135.82 *		135.82
105016/00	HILTON UNIVERSAL CITY							
170567 PO-170537	10/31/2016	CONFIRMATION# 3282594097		1 01-0000-0-5200.00-0000-7200-112-000-000 NN P			414.39	414.39
				TRAVEL & CONFERENCE				
170567 PO-170537	10/31/2016	CONFIRMATION# 3241874789		1 01-0000-0-5200.00-0000-7200-112-000-000 NN P			1,035.96	1,035.96
				TRAVEL & CONFERENCE				
		TOTAL PAYMENT AMOUNT				1,450.35 *		1,450.35
102151/00	HOUGHTON MIFFLIN HARCOURT							
170213 PO-170184	10/26/2016	710026548		1 01-0824-0-4300.00-1110-1000-111-000-000 NN F			1,062.57	1,062.03
				SUPPLIES				
		TOTAL PAYMENT AMOUNT				1,062.03 *		1,062.03

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
104694/00	INTERSTATE TRUCK CENTER		201569439					
170271 PO-170235	10/26/2016	02P77928		1	01-0823-0-5640.00-0000-3600-112-000-000	NY P	200.00	200.00
						REPAIRS/MAINT OF EQUIPMENT		
						TOTAL PAYMENT AMOUNT	200.00 *	200.00
104383/00	J & F FERTILIZER		770240546					
PV-170241	10/26/2016	7115			01-0823-0-5640.00-0000-3600-112-000-000	NY		440.00
						REPAIRS/MAINT OF EQUIPMENT		
PV-170241	10/26/2016	7118			01-0823-0-5640.00-0000-3600-112-000-000	NY		440.00
						REPAIRS/MAINT OF EQUIPMENT		
PV-170241	10/26/2016	7116			01-0823-0-5640.00-0000-3600-112-000-000	NY		132.00
						REPAIRS/MAINT OF EQUIPMENT		
PV-170241	10/26/2016	7117			01-0823-0-5640.00-0000-3600-112-000-000	NY		132.00
						REPAIRS/MAINT OF EQUIPMENT		
PV-170241	10/26/2016	7105			01-0823-0-5640.00-0000-3600-112-000-000	NY		264.00
						REPAIRS/MAINT OF EQUIPMENT		
PV-170241	10/26/2016	7106			01-0823-0-5640.00-0000-3600-112-000-000	NY		193.00
						REPAIRS/MAINT OF EQUIPMENT		
						TOTAL PAYMENT AMOUNT	1,601.00 *	1,601.00
04 00	JORGENSEN & COMPANY		0000000000					
170508 PO-170493	10/26/2016	5605556		1	01-0000-0-5570.00-0000-8200-112-000-000	N F	438.22	421.45
						ALARM MONITORING		
						TOTAL PAYMENT AMOUNT	421.45 *	421.45
104440/00	KIMBALL MIDWEST							
170272 PO-170236	10/26/2016	5188166		1	01-0823-0-4344.00-0000-3600-112-000-000	NN P	302.44	302.44
						REPLACEMENT PARTS		
						TOTAL PAYMENT AMOUNT	302.44 *	302.44
103735/00	LOWE'S							
170373 PO-170350	10/31/2016	909104		1	01-8150-0-4300.00-0000-8110-112-000-000	NN P	144.47	144.47
						SUPPLIES		
						TOTAL PAYMENT AMOUNT	144.47 *	144.47

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
064370/00	OFFICE SUPPLY EXPRESS		770446496					
170348 PO-170317	10/27/2016	120761		1 01-0815-0-4300.00-0000-7200-112-000-000	NN F		3,248.64	3,248.64
				SUPPLIES				
170385 PO-170343	10/27/2016	121407		1 01-0000-0-4350.00-0000-7200-112-000-000	NN P		39.06	39.06
				OFFICE SUPPLIES				
170385 PO-170343	10/27/2016	121235		1 01-0000-0-4350.00-0000-7200-112-000-000	NN P		42.47	42.47
				OFFICE SUPPLIES				
170385 PO-170343	10/27/2016	121633		1 01-0000-0-4350.00-0000-7200-112-000-000	NN P		19.42	19.42
				OFFICE SUPPLIES				
TOTAL PAYMENT AMOUNT							3,349.59 *	3,349.59
101470/00	P G & E							
PV-170236	10/26/2016	ACCT 5467178958-1 11/04		01-0000-0-5520.00-0000-8200-112-000-000	NN			2,474.43
				ELECTRICITY				
PV-170256	10/31/2016	ACCT 5283038560-6		01-0000-0-5520.00-0000-8200-112-000-000	NN			26,029.60
				ELECTRICITY				
TOTAL PAYMENT AMOUNT							28,504.03 *	28,504.03
103266/00	PETRONE, JOHN							
1 PO-170512	10/26/2016	FFA CONVENTION TRAVEL REIMB		1 01-0000-0-5200.00-0000-2700-112-000-000	NN F		240.00	217.96
				TRAVEL & CONFERENCE				
TOTAL PAYMENT AMOUNT							217.96 *	217.96
100073/00	QUILL CORPORATION							
170415 PO-170381	10/26/2016	9796907		1 01-1100-0-4300.00-1110-1000-110-000-000	NN P		268.52	268.52
				SUPPLIES				
170415 PO-170381	10/26/2016	9634812		1 01-1100-0-4300.00-1110-1000-110-000-000	NN P		247.16	247.16
				SUPPLIES				
170415 PO-170381	10/26/2016	9519126		1 01-1100-0-4300.00-1110-1000-110-000-000	NN P		10.95	10.95
				SUPPLIES				
TOTAL PAYMENT AMOUNT							526.63 *	526.63
101122/00	RAY MORGAN COMPANY							
PV-170253	10/27/2016	1375526		01-1100-0-5620.00-1110-1000-110-000-000	NN			680.06
				RENTALS, LEASES OF EQUIPMENT				
TOTAL PAYMENT AMOUNT							680.06 *	680.06

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
072129/00	RAYCO INDUSTRIAL SUPPLY		0000000000					
170307	PO-170265	10/31/2016 1469090		1 01-6382-0-4300.00-3824-1000-310-232-000		N F	1,900.77	1,900.77
				SUPPLIES				
170304	PO-170267	10/31/2016 1469092		1 01-6382-0-4300.00-3824-1000-310-232-000		N F	1,079.99	1,079.99
				SUPPLIES				
170328	PO-170305	10/31/2016 1469093		1 01-6382-0-4300.00-3824-1000-310-232-000		N F	4,179.60	4,179.60
				SUPPLIES				
170327	PO-170306	10/31/2016 1469094		1 01-6382-0-4300.00-3824-1000-310-232-000		N F	1,599.75	1,599.75
				SUPPLIES				
170341	PO-170333	10/31/2016 1469089		1 01-6382-0-4300.00-3824-1000-310-232-000		N F	3,455.85	3,455.85
				SUPPLIES				
				TOTAL PAYMENT AMOUNT			12,215.96 *	12,215.96
102447/00	RENAISSANCE LEARNING INC							
170537	PO-170514	10/31/2016 INV4299246		1 01-6300-0-4300.00-1110-1000-115-000-000		NN F	5,300.00	5,300.50
				SUPPLIES				
				TOTAL PAYMENT AMOUNT			5,300.50 *	5,300.50
104686/00	SAENZ PEST CONTROL							
	PV-170255	10/27/2016 1648		01-8150-0-5565.00-0000-8110-112-000-000		NN		180.00
				PEST CONTROL				
	PV-170255	10/27/2016 1646		01-8150-0-5565.00-0000-8110-112-000-000		NN		75.00
				PEST CONTROL				
	PV-170255	10/27/2016 1651		01-8150-0-5565.00-0000-8110-112-000-000		NN		170.00
				PEST CONTROL				
	PV-170255	10/27/2016 1650		01-8150-0-5565.00-0000-8110-112-000-000		NN		180.00
				PEST CONTROL				
	PV-170255	10/27/2016 1649		01-8150-0-5565.00-0000-8110-112-000-000		NN		210.00
				PEST CONTROL				
	PV-170255	10/27/2016 1647		01-8150-0-5565.00-0000-8110-112-000-000		NN		180.00
				PEST CONTROL				
				TOTAL PAYMENT AMOUNT			995.00 *	995.00
104245/00	SAN JOAQUIN PEST CONTROL							
	PV-170250	10/27/2016 0272454		01-8150-0-5565.00-0000-8110-112-000-000		NN		100.00
				PEST CONTROL				
	PV-170250	10/27/2016 0272448		01-8150-0-5565.00-0000-8110-112-000-000		NN		550.00
				PEST CONTROL				
	PV-170250	10/27/2016 0272453		01-8150-0-5565.00-0000-8110-112-000-000		NN		100.00
				PEST CONTROL				

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
104245 (CONTINUED)								
PV-170250	10/27/2016	0272455		01-8150-0-5565.00-0000-8110-112-000-000 NN				250.00
				PEST CONTROL				
PV-170250	10/27/2016	0272451		01-8150-0-5565.00-0000-8110-112-000-000 NN				100.00
				PEST CONTROL				
PV-170250	10/27/2016	0272449		01-8150-0-5565.00-0000-8110-112-000-000 NN				750.00
				PEST CONTROL				
PV-170250	10/27/2016	0272450		01-8150-0-5565.00-0000-8110-112-000-000 NN				650.00
				PEST CONTROL				
PV-170250	10/27/2016	0272452		01-8150-0-5565.00-0000-8110-112-000-000 NN				100.00
				PEST CONTROL				
PV-170250	10/27/2016	0277621		01-8150-0-5565.00-0000-8110-112-000-000 NN				100.00
				PEST CONTROL				
				TOTAL PAYMENT AMOUNT		2,700.00 *		2,700.00
076660/00 SANTA NELLA 000000000								
PV-170237	10/26/2016	COM 30		01-0000-0-5530.00-0000-8200-112-000-000 NN				487.29
				WATER&/OR SEWAGE				
PV-170237	10/26/2016	COM 31		01-0000-0-5530.00-0000-8200-112-000-000 NN				2,224.92
				WATER&/OR SEWAGE				
				TOTAL PAYMENT AMOUNT		2,712.21 *		2,712.21
102851/00 SCANTRON CORPORATION								
170391 PO-170402	10/31/2016	3148173		1 01-0824-0-4400.00-1110-1000-310-000-116 NN F			2,963.52	2,932.08
				NON-CAPITALIZED EQUIPMENT				
				TOTAL PAYMENT AMOUNT		2,932.08 *		2,932.08
101566/00 SCHOOL HEALTH CORPORATION								
170071 PO-170090	10/27/2016	3167191-00		1 01-0000-0-4300.00-1110-3140-112-000-000 NN F			1,474.96	1,365.24
				SUPPLIES				
				TOTAL PAYMENT AMOUNT		1,365.24 *		1,365.24
101568/00 SCHOOL SERVICES OF CALIFORNIA								
PV-170233	10/26/2016	0107943-IN		01-0000-0-5899.00-0000-7200-112-000-000 NN				245.00
				OTHER SERVICES, FEES, OP EXPS				
				TOTAL PAYMENT AMOUNT		245.00 *		245.00

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
102511/00	SOUTHWEST SCHOOL & OFFICE							
170001 PO-170001	10/31/2016	PINV0174918		1 01-3010-0-4300.00-1110-1000-110-000-000	NN P		259.16	259.16
				SUPPLIES				
170001 PO-170001	10/31/2016	PINV0181721		1 01-3010-0-4300.00-1110-1000-110-000-000	NN P		4.27	4.27
				SUPPLIES				
170001 PO-170001	10/31/2016	PINV0197357		1 01-3010-0-4300.00-1110-1000-110-000-000	NN P		38.33	38.33
				SUPPLIES				
170001 PO-170001	10/31/2016	PINV0175088		1 01-3010-0-4300.00-1110-1000-110-000-000	NN P		15.77	15.77
				SUPPLIES				
170001 PO-170001	10/31/2016	PINV0175823		1 01-3010-0-4300.00-1110-1000-110-000-000	NN P		15.55	15.55
				SUPPLIES				
170001 PO-170001	10/31/2016	PINV0175869		1 01-3010-0-4300.00-1110-1000-110-000-000	NN P		5.70	5.70
				SUPPLIES				
170001 PO-170001	10/31/2016	PINV0191688		1 01-3010-0-4300.00-1110-1000-110-000-000	NN P		23.55	23.55
				SUPPLIES				
170076 PO-170086	10/31/2016	PINV0179914		1 01-0815-0-4100.00-1100-1000-112-000-000	NN P		419.81	419.81
				APPRVD TEXTBKS/CORE CURRICULA				
170076 PO-170086	10/31/2016	PINV0200694		1 01-0815-0-4100.00-1100-1000-112-000-000	NN P		70.31	70.31
				APPRVD TEXTBKS/CORE CURRICULA				
170072 PO-170089	10/31/2016	PINV0175565		1 01-0000-0-4300.00-1110-3140-112-000-000	NN F		151.74	151.74
				SUPPLIES				
170179 PO-170173	10/31/2016	PINV0181327		1 01-0824-0-4300.00-1110-1000-115-000-000	NN F		3.66	3.66
				SUPPLIES				
170390 PO-170325	10/31/2016	PINV0197931		1 01-0824-0-4300.00-1110-1000-115-000-000	NN P		41.04	41.04
				SUPPLIES				
170390 PO-170344	10/26/2016	PINV0197502		1 01-0824-0-4300.00-1110-1000-115-000-000	NN P		17.07	17.07
				SUPPLIES				
170390 PO-170344	10/26/2016	PINV0200294		1 01-0824-0-4300.00-1110-1000-115-000-000	NN P		26.29	26.29
				SUPPLIES				
170389 PO-170345	10/31/2016	PINV0199954		1 01-0824-0-4300.00-1110-1000-115-000-000	NN P		141.78	141.78
				SUPPLIES				
170226 PO-170361	10/31/2016	PINV0200222		1 01-1100-0-4300.00-1110-1000-111-000-000	NN P		112.97	112.97
				SUPPLIES				
170414 PO-170382	10/31/2016	PINV0200573		1 01-0824-0-4300.00-1110-1000-110-000-000	NN F		162.00	174.96
				SUPPLIES				
170485 PO-170472	10/31/2016	PINV0171282		1 01-1100-0-4300.00-1110-1000-110-000-000	NN P		1,832.94	1,832.94
				SUPPLIES				
170485 PO-170472	10/31/2016	PINV0173302		1 01-1100-0-4300.00-1110-1000-110-000-000	NN P		24.29	24.29
				SUPPLIES				
170485 PO-170472	10/31/2016	PINV0191689		1 01-1100-0-4300.00-1110-1000-110-000-000	NN P		35.76	35.76
				SUPPLIES				
170485 PO-170472	10/31/2016	PINV0175068		1 01-1100-0-4300.00-1110-1000-110-000-000	NN P		40.60	40.60
				SUPPLIES				
TOTAL PAYMENT AMOUNT							3,455.55 *	3,455.55

Vendor/Addr	Remit name	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount	
Req Reference	Date	Description	FD-RESC-Y-OBJT.SO-GOAL-FUNC-SCH-DD1-DD2	T9MPS				
104288/00	TESEI PETROLEUM							
PV-170240	10/26/2016	61523	01-0823-0-4341.00-0000-3600-112-000-000	NN			2,141.39	
			GAS, OIL LUBE, ETC					
PV-170245	10/27/2016	61434	01-7010-0-4300.00-1110-1000-310-000-000	NN			50.85	
			SUPPLIES					
PV-170245	10/27/2016	61434	01-0000-0-4341.00-0000-8200-112-000-000	NN			301.54	
			GAS, OIL LUBE, ETC					
PV-170245	10/27/2016	61434	01-8150-0-4341.00-0000-8110-112-000-000	NN			236.55	
			GAS, OIL LUBE, ETC					
PV-170245	10/27/2016	61434	01-0824-0-4300.00-1110-1000-115-000-000	NN			60.13	
			SUPPLIES					
			TOTAL PAYMENT AMOUNT		2,790.46 *		2,790.46	
020571/00	THE OFFICE CITY	000000000						
170004	PO-170030	10/31/2016	IN-1372044	1	01-0824-0-4300.00-1110-1000-310-000-000	NN P	7.54	7.54
			SUPPLIES					
170004	PO-170030	10/31/2016	IN-1371911	1	01-0824-0-4300.00-1110-1000-310-000-000	NN P	84.75	84.75
			SUPPLIES					
170468	PO-170452	10/31/2016	IN-1384431	1	01-0824-0-4300.00-1110-1000-310-000-116	NN P	162.52	162.52
			SUPPLIES					
			TOTAL PAYMENT AMOUNT		254.81 *		254.81	
104798/00	TYPING CLUB							
170398	PO-170387	10/26/2016	101653	1	01-1100-0-4300.00-1110-1000-110-000-000	NN F	780.00	780.00
			SUPPLIES					
			TOTAL PAYMENT AMOUNT		780.00 *		780.00	
102557/00	ULTIMATE OFFICE							
170495	PO-170468	10/26/2016	U-IV18820	1	01-1100-0-4300.00-1110-1000-110-000-000	NN P	40.46	40.46
			SUPPLIES					
			TOTAL PAYMENT AMOUNT		40.46 *		40.46	
105008/00	VARNER, AIMEE							
PV-170232	10/26/2016	PLC CONF REIMB MEALS	01-0824-0-5200.00-1110-1000-115-000-000	NN			124.29	
			TRAVEL & CONFERENCE					
			TOTAL PAYMENT AMOUNT		124.29 *		124.29	

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
104319/00	YARD MASTERS INC.							
PV-170257	11/01/2016	4260			01-0000-0-5802.00-0000-8110-112-000-000 NN			8,820.00
					MAINTENANCE AGRMTS-NONEQUIP			
					TOTAL PAYMENT AMOUNT	8,820.00 *		8,820.00
					TOTAL FUND PAYMENT	96,077.92 **		96,077.92

MERCED COUNTY OFFICE OF EDUCATION
WARRANT REGISTER BATCH COVER

Gustine

DATE: 10/31/16

DISTRICT FUND: 11 - 5074

BATCH# 11

DISTRICT NAME: 14 - GUSTINE UNIFIED SCHOOL DISTRICT

TOTAL AMOUNT OF REGISTER: \$ 71.25

01-5070
11-5074
13-5077
14-5072
17-5071
21-5069
25-5075
35-5078
40-5065

CHECK LIST FOR WARRANT REGISTERS
(PLEASE CHECKMARK EACH)

- Verify cash for each fund
- Ensure deposits have been made at the County Treasurer by 11 a.m.
- Provide all pages of prelist and Cover Sheet for each fund on prelist (even if zero)
- Retain original prelist for your records
- Proper signed authorization for each batch

ALL BATCHES MUST BE RELEASED AND HELD FOR AUDIT

DISTRICT SERVICES USE ONLY

RECEIVED BY DISTRICT SERVICES: _____

AUDIT APPROVED: _____

CASH CHECKED: _____

RELEASED FOR PAYMENT: _____

Vendor/Addr	Remit name	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
Req Reference	Date	Description					
101122/00	RAY MORGAN COMPANY						
PV-170254	10/27/2016	1372823		11-3926-0-5620.00-0000-2700-312-000-000	NN		71.25
				RENTALS, LEASES OF EQUIPMENT			
			TOTAL PAYMENT AMOUNT		71.25 *		71.25
			TOTAL FUND	PAYMENT	71.25 **		71.25

MERCED COUNTY OFFICE OF EDUCATION
WARRANT REGISTER BATCH COVER

Gustine

DATE: 10/31/16

DISTRICT FUND: 13 - 5077

BATCH# 11

DISTRICT NAME: 14 - GUSTINE UNIFIED SCHOOL DISTRICT

TOTAL AMOUNT OF REGISTER: \$ 258.14

01-5070
11-5074
13-5077
14-5072
17-5071
21-5069
25-5075
35-5078
40-5065

CHECK LIST FOR WARRANT REGISTERS
(PLEASE CHECKMARK EACH)

- Verify cash for each fund
- Ensure deposits have been made at the County Treasurer by 11 a.m.
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- Retain original prelist for your records
- Proper signed authorization for each batch

ALL BATCHES MUST BE RELEASED AND HELD FOR AUDIT

DISTRICT SERVICES USE ONLY

RECEIVED BY DISTRICT SERVICES: _____

AUDIT APPROVED: _____

CASH CHECKED: _____

RELEASED FOR PAYMENT: _____

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
104773/00	CHARTWELLS DINING SERVICES							
PV-170239	10/26/2016	2943900010			13-5310-0-4300.00-0000-3700-112-000-000 NN			193.83
					SUPPLIES			
				TOTAL PAYMENT AMOUNT		193.83 *		193.83
104288/00	TESEI PETROLEUM							
PV-170245	10/27/2016	61434			13-5310-0-4341.00-0000-3700-112-000-000 NN			64.31
					GAS, OIL LUBE, ETC			
				TOTAL PAYMENT AMOUNT		64.31 *		64.31
			TOTAL FUND	PAYMENT		258.14 **		258.14

MERCED COUNTY OFFICE OF EDUCATION
WARRANT REGISTER BATCH COVER

Gustine

DATE: 10/31/16

DISTRICT FUND: 21-5069

BATCH# 11

DISTRICT NAME: 14 - GUSTINE UNIFIED SCHOOL DISTRICT

TOTAL AMOUNT OF REGISTER: \$ 7,687.50

01-5070
11-5074
13-5077
14-5072
17-5071
21-5069
25-5075
35-5078
40-5065

CHECK LIST FOR WARRANT REGISTERS
(PLEASE CHECKMARK EACH)

- Verify cash for each fund
- Ensure deposits have been made at the County Treasurer by 11 a.m.
- Provide all pages of prelist and Cover Sheet for each fund on prelist (even if zero)
- Retain original prelist for your records
- Proper signed authorization for each batch

ALL BATCHES MUST BE RELEASED AND HELD FOR AUDIT

DISTRICT SERVICES USE ONLY

RECEIVED BY DISTRICT SERVICES: _____

AUDIT APPROVED: _____

CASH CHECKED: _____

RELEASED FOR PAYMENT: _____

014 Gustine Unified School Dist. J58392
NOVEMBER WARRANT REGISTER 1

ACCOUNTS PAYABLE PRELIST
BATCH: 0011 OCTOBER WARRANT REGISTER 3 << Open >>
FUND : 21 BUILDING FUND - BOND PROCEEDS

APY500 L.00.12 11/01/16 10:08 PAGE 15

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
104863/00	CALIFORNIA DESIGN WEST INC.							
170505	PO-170459	10/31/2016	191501-13	1	21-0000-7-6215.00-0000-8500-310-000-438	NN P	7,687.50	7,687.50
					ARCHITECT/ ENGINEERING FEES			
					TOTAL PAYMENT AMOUNT		7,687.50 *	7,687.50
					TOTAL FUND	PAYMENT	7,687.50 **	7,687.50

MERCED COUNTY OFFICE OF EDUCATION
WARRANT REGISTER BATCH COVER

Gustine

DATE: 10/31/16

DISTRICT FUND: 25 - 5075

BATCH# 11

DISTRICT NAME: 14 - GUSTINE UNIFIED SCHOOL DISTRICT

TOTAL AMOUNT OF REGISTER: \$ 217.50

01-5070
11-5074
13-5077
14-5072
17-5071
21-5069
25-5075
35-5078
40-5065

CHECK LIST FOR WARRANT REGISTERS
(PLEASE CHECKMARK EACH)

- Verify cash for each fund
- Ensure deposits have been made at the County Treasurer by 11 a.m.
- Provide all pages of prelist and Cover Sheet for each fund on prelist (even if zero)
- Retain original prelist for your records
- Proper signed authorization for each batch

ALL BATCHES MUST BE RELEASED AND HELD FOR AUDIT

DISTRICT SERVICES USE ONLY

RECEIVED BY DISTRICT SERVICES: _____

AUDIT APPROVED: _____

CASH CHECKED: _____

RELEASED FOR PAYMENT: _____

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
077948/00	JACK SCHREDER & ASSOCIATES INC		680119963					
	PV-170246	10/27/2016 28227				25-0000-0-5866.00-0000-8500-112-000-000 NN		217.50
						PROFESSIONAL SERVICES		
						TOTAL PAYMENT AMOUNT	217.50 *	217.50
						TOTAL FUND PAYMENT	217.50 **	217.50
						TOTAL BATCH PAYMENT	104,312.31 ***	0.00
						TOTAL DISTRICT PAYMENT	104,312.31 ****	0.00
						TOTAL FOR ALL DISTRICTS:	104,312.31 ****	0.00

Number of checks to be printed: 57, not counting voids due to stub overflows.

MERCED COUNTY OFFICE OF EDUCATION
WARRANT REGISTER BATCH COVER

Gustine

DATE: 11/4/16
DISTRICT FUND: 01 - 5070 BATCH# 12
DISTRICT NAME: 14 - GUSTINE UNIFIED SCHOOL DISTRICT
TOTAL AMOUNT OF REGISTER: \$ 307,269.64

01-5070
11-5074
13-5077
14-5072
17-5071
21-5069
25-5075
35-5078
40-5065

CHECK LIST FOR WARRANT REGISTERS
(PLEASE CHECKMARK EACH)

- Verify cash for each fund
- Ensure deposits have been made at the County Treasurer by 11 a.m.
- Provide all pages of prelist and Cover Sheet for each fund on prelist (even if zero)
- Retain original prelist for your records
- Proper signed authorization for each batch

ALL BATCHES MUST BE RELEASED AND HELD FOR AUDIT

DISTRICT SERVICES USE ONLY

RECEIVED BY DISTRICT SERVICES: _____

AUDIT APPROVED: _____

CASH CHECKED: _____

RELEASED FOR PAYMENT: _____

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
103351/00	AFLAC							
	PV-170266	11/04/2016 425047				01-0100-0-9556.00-0000-0000-000-000 NN		2,027.58
						MISC DISTRICT VOL-DEDS (1)		
						TOTAL PAYMENT AMOUNT	2,027.58 *	2,027.58
102886/00	ANDRADE, DIANA							
	170536	PO-170517 11/04/2016 AVID TUTOR LUNCHES 09/07		1	01-0824-0-4314.00-1110-1000-310-000-000 NN P		30.54	30.54
						FOOD - OTHER		
						TOTAL PAYMENT AMOUNT	30.54 *	30.54
102988/00	BAFFUNNO, MATT							
	170518	PO-170511 11/04/2016 NATIONAL CONVENTION REIMB		1	01-3550-0-5200.00-1110-1000-310-000-000 NN F		480.00	271.99
						TRAVEL & CONFERENCE		
						TOTAL PAYMENT AMOUNT	271.99 *	271.99
101334/00	BAIR RUGS							
	170528	PO-170524 11/04/2016 28427		1	01-0000-0-5630.00-0000-8110-112-000-000 NN P		1,947.53	1,947.53
						REPAIRS/MAINT - BUILDING		
						TOTAL PAYMENT AMOUNT	1,947.53 *	1,947.53
102799/00	BRUCE'S TIRE INC							
	170487	PO-170487 11/04/2016 516656		1	01-8150-0-4300.00-0000-8110-112-000-000 NN F		1,290.00	1,102.86
						SUPPLIES		
						TOTAL PAYMENT AMOUNT	1,102.86 *	1,102.86
105007/00	CISNEROS, YUNUEN							
	170547	PO-170534 11/04/2016 SAN ANTONIO PLC CONF REIMB		1	01-0824-0-5200.00-1110-1000-115-000-000 NN F		173.86	92.19
						TRAVEL & CONFERENCE		
	170548	PO-170562 11/04/2016 CLASSROOM SUPPLY REIMB		1	01-0824-0-4300.00-1110-1000-115-000-000 NN F		266.26	247.68
						SUPPLIES		
						TOTAL PAYMENT AMOUNT	339.87 *	339.87

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
103285/00	CITY OF GUSTINE							
170486 PO-170471	11/04/2016 PAID 11/01			1	01-0824-0-5866.00-0155-8300-310-000-000	NN C	572.76	0.00
		PROFESSIONAL SERVICES						
		TOTAL PAYMENT AMOUNT			0.00 *			0.00
104916/00	CONTERRA ULTRA BROADBAND LLC							
PV-170272	11/04/2016 012005				01-0000-0-5912.00-0000-2700-112-000-000	NN	592.86	
		COMMUN - INTERNET SVCS/LINES						
		TOTAL PAYMENT AMOUNT			592.86 *			592.86
104420/00	CRIVELLI'S SHIRTS AND MORE							
170526 PO-170503	11/04/2016 6906			1	01-0824-0-4399.00-1110-1000-310-000-000	NN F	583.33	583.33
		MISCELLANEOUS SUPPLIES						
		TOTAL PAYMENT AMOUNT			583.33 *			583.33
103792/00	DATA PATH INC							
PV-170276	11/04/2016 133286				01-0000-0-5866.00-0000-7700-112-000-000	NN	11,882.00	
		PROFESSIONAL SERVICES						
		TOTAL PAYMENT AMOUNT			11,882.00 *			11,882.00
104130/00	DEMSEY FILLIGER & ASSOCIATES	141841288						
PV-170271	11/04/2016 3142				01-0000-0-5866.00-0000-7200-112-000-000	NY	3,500.00	
		PROFESSIONAL SERVICES						
		TOTAL PAYMENT AMOUNT			3,500.00 *			3,500.00
102063/00	FILIPPINI, LISA							
170541 PO-170540	11/04/2016 PLC MATERIAL REIMB			1	01-1100-0-4300.00-1110-1000-110-000-000	NN P	341.29	341.29
		SUPPLIES						
		TOTAL PAYMENT AMOUNT			341.29 *			341.29
073088/00	GUSTINE SCHOOL DISTRICT	000000000						
RC-170016	11/04/2016 PAYROLL REQUEST				01-0000-0-9553.00-0000-0000-000-000-000	N	1,903.01	
		REPAY						
RC-170017	11/04/2016 POLICE REPORT				01-0000-0-4300.00-0000-7200-112-000-000	N	15.00	
		SUPPLIES						

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
TOTAL PAYMENT AMOUNT							1,918.01 *	1,918.01
104383/00	J & F FERTILIZER		770240546					
PV-170262	11/04/2016	7148			01-0823-0-5640.00-0000-3600-112-000-000	NY REPAIRS/MAINT OF EQUIPMENT		193.00
PV-170262	11/04/2016	7149			01-0823-0-5640.00-0000-3600-112-000-000	NY REPAIRS/MAINT OF EQUIPMENT		80.00
PV-170262	11/04/2016	7150			01-0823-0-5640.00-0000-3600-112-000-000	NY REPAIRS/MAINT OF EQUIPMENT		132.00
PV-170262	11/04/2016	7151			01-0823-0-5640.00-0000-3600-112-000-000	NY REPAIRS/MAINT OF EQUIPMENT		396.00
PV-170262	11/04/2016	7152			01-0823-0-5640.00-0000-3600-112-000-000	NY REPAIRS/MAINT OF EQUIPMENT		396.00
PV-170262	11/04/2016	7139			01-0823-0-5640.00-0000-3600-112-000-000	NY REPAIRS/MAINT OF EQUIPMENT		80.00
PV-170262	11/04/2016	7140			01-0823-0-5640.00-0000-3600-112-000-000	NY REPAIRS/MAINT OF EQUIPMENT		80.00
PV-170262	11/04/2016	7138			01-0823-0-5640.00-0000-3600-112-000-000	NY REPAIRS/MAINT OF EQUIPMENT		352.00
PV-170273	11/04/2016	7169			01-0823-0-5640.00-0000-3600-112-000-000	NY REPAIRS/MAINT OF EQUIPMENT		440.00
PV-170273	11/04/2016	7170			01-0823-0-5640.00-0000-3600-112-000-000	NY REPAIRS/MAINT OF EQUIPMENT		264.00
PV-170273	11/04/2016	7171			01-0823-0-5640.00-0000-3600-112-000-000	NY REPAIRS/MAINT OF EQUIPMENT		193.00
PV-170273	11/04/2016	7172			01-0823-0-5640.00-0000-3600-112-000-000	NY REPAIRS/MAINT OF EQUIPMENT		352.00
PV-170273	11/04/2016	7173			01-0823-0-5640.00-0000-3600-112-000-000	NY REPAIRS/MAINT OF EQUIPMENT		80.00
TOTAL PAYMENT AMOUNT							3,038.00 *	3,038.00
104853/00	JOHN BERNARD		554622731					
PV-170265	11/04/2016	SEPTEMBER SERVICES			01-0000-0-5866.00-0000-2700-112-000-000	NY PROFESSIONAL SERVICES		2,562.50
PV-170274	11/04/2016	JULY 2016 SERVICES			01-0000-0-5866.00-0000-2700-112-000-000	NY PROFESSIONAL SERVICES		3,812.50
TOTAL PAYMENT AMOUNT							6,375.00 *	6,375.00

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
101896/00		MATRANGA WHOLESALE FLORISTS						
170285 PO-170285	11/04/2016	781534		1 01-7010-0-4300.00-1110-1000-310-000-000 NN P			342.90	342.90
				SUPPLIES				
				TOTAL PAYMENT AMOUNT		342.90 *		342.90
104600/00		MERCED COUNTY SHERIFFS OFFICE						
170529 PO-170501	11/04/2016	2017-067		1 01-0000-0-5899.00-0000-8300-112-000-000 NN F			4,947.75	4,947.75
				OTHER SERVICES, FEES, OP EXPS				
				TOTAL PAYMENT AMOUNT		4,947.75 *		4,947.75
092087/00		NAPA AUTO PARTS	770001024					
170273 PO-170237	11/04/2016	269923		1 01-0823-0-4344.00-0000-3600-112-000-000 NN P			49.73	49.73
				REPLACEMENT PARTS				
170273 PO-170237	11/04/2016	269038		1 01-0823-0-4344.00-0000-3600-112-000-000 NN P			15.62	15.62
				REPLACEMENT PARTS				
				TOTAL PAYMENT AMOUNT		65.35 *		65.35
101470/00		P G & E						
PV-170267	11/04/2016	6065175391-9 10/24/2016		01-0000-0-5520.00-0000-8200-112-000-000 NN				28.89
				ELECTRICITY				
PV-170267	11/04/2016	5283038560-6 10/21/2016		01-0000-0-5520.00-0000-8200-112-000-000 NN				23,875.06
				ELECTRICITY				
PV-170267	11/04/2016	5283038560-6 10/21/2016		01-0000-0-5510.00-0000-8200-112-000-000 NN				298.80
				HEATING BUTANE, OIL				
				TOTAL PAYMENT AMOUNT		24,202.75 *		24,202.75
101467/00		PERRYS PIZZA						
170577 PO-170554	11/04/2016	PROF DEV LUNCH		1 01-0824-0-4314.00-1110-1000-310-000-000 NN F			47.33	47.33
				FOOD - OTHER				
				TOTAL PAYMENT AMOUNT		47.33 *		47.33
101388/00		PIZZA FACTORY						
170594 PO-170565	11/04/2016	STAFF DEVELOPMENT LUNCH		1 01-0000-0-4300.00-0000-7200-112-000-000 NN F			946.00	950.04
				SUPPLIES				
				TOTAL PAYMENT AMOUNT		950.04 *		950.04

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
101050/00		POSITIVE PROMOTIONS						
170458 PO-170444	11/04/2016	05609368		1	01-0824-0-4300.00-1110-1000-111-000-000	NN F	397.63	397.63
					SUPPLIES			
					TOTAL PAYMENT AMOUNT		397.63 *	397.63
103140/00		PRUDENTIAL INSURANCE						
PV-170270	11/04/2016	0000028436 11/01/2016			01-0100-0-9556.00-0000-0000-000-000-000	NN		21.12
					MISC DISTRICT VOL-DEDS (1)			
					TOTAL PAYMENT AMOUNT		21.12 *	21.12
104026/00		SAN JOAQUIN COUNTY						
170555 PO-170558	11/04/2016	MELISSA ESTACIO REGISTR. FEE		1	01-0824-0-5200.00-1110-1000-310-000-000	NN F	95.00	95.00
					TRAVEL & CONFERENCE			
					TOTAL PAYMENT AMOUNT		95.00 *	95.00
102505/00		SANCHES, KELLY						
170519 PO-170510	11/04/2016	NATIONAL CONVENTION REIMB		1	01-3550-0-5200.00-1110-1000-310-000-000	NN F	240.00	226.41
					TRAVEL & CONFERENCE			
					TOTAL PAYMENT AMOUNT		226.41 *	226.41
103946/00		SISC FLEX						
PV-170264	11/04/2016	INSURANCE NOV 16			01-0100-0-9555.00-0000-0000-000-000-000	NN		1,200.26
					125 DEP CARE & MED REIMBURSE			
					TOTAL PAYMENT AMOUNT		1,200.26 *	1,200.26
080530/00		SISC III DENTAL	000000000					
PV-170261	11/04/2016	INSURANCE NOVEMBER 16			01-0000-0-3402.00-0000-7110-112-000-000	NN		235.00
					HEALTH & WELFARE CLASSIFIED			
PV-170261	11/04/2016	INSURANCE NOVEMBER 16			01-0100-0-9554.00-0000-0000-000-000-000	NN		12,605.50
					INSURANCE			
PV-170261	11/04/2016	INSURANCE NOVEMBER 16			01-0000-0-9565.00-0000-7209-112-000-000	NN		616.00
					RETIREE INSURANCE LIAB/HOLDG			
PV-170261	11/04/2016	INSURANCE NOVEMBER 16			01-0000-0-3702.00-0000-7209-112-000-000	NN		112.00
					OPEB, ALLOCATED CLASSIFIED			
PV-170261	11/04/2016	INSURANCE NOVEMBER 16			01-0000-0-9565.00-0000-7209-112-000-000	NN		1,267.00
					RETIREE INSURANCE LIAB/HOLDG			

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
TOTAL PAYMENT AMOUNT							14,835.50 *	14,835.50

080531/00 SISC III HEALTH 000000000

PV-170260	11/04/2016	INSURANCE NOVEMBER 16		01-0000-0-3402.00-0000-7110-112-000-000 NN		HEALTH & WELFARE CLASSIFIED		3,494.00
PV-170260	11/04/2016	INSURANCE NOVEMBER 16		01-0100-0-9554.00-0000-0000-000-000-000 NN		INSURANCE		177,592.40
PV-170260	11/04/2016	INSURANCE NOVEMBER 16		01-0000-0-3701.00-0000-7209-112-000-000 NN		OPEB, ALLOCATED CERTIFICATED		4,856.60
PV-170260	11/04/2016	INSURANCE NOVEMBER 16		01-0000-0-9565.00-0000-7209-112-000-000 NN		RETIREE INSURANCE LIAB/HOLDG		3,219.40
PV-170260	11/04/2016	INSURANCE NOVEMBER 16		01-0000-0-3702.00-0000-7209-112-000-000 NN		OPEB, ALLOCATED CLASSIFIED		11,715.60
PV-170260	11/04/2016	INSURANCE NOVEMBER 16		01-0000-0-9565.00-0000-7209-112-000-000 NN		RETIREE INSURANCE LIAB/HOLDG		8,110.40
TOTAL PAYMENT AMOUNT							208,988.40 *	208,988.40

080532/00 SISC III VISION 000000000

PV-170259	11/04/2016	INSURANCE NOVEMBER 16		01-0000-0-3402.00-0000-7110-112-000-000 NN		HEALTH & WELFARE CLASSIFIED		50.00
PV-170259	11/04/2016	INSURANCE NOVEMBER 16		01-0100-0-9554.00-0000-0000-000-000-000 NN		INSURANCE		2,863.20
PV-170259	11/04/2016	INSURANCE NOVEMBER 16		01-0000-0-9565.00-0000-7209-112-000-000 NN		RETIREE INSURANCE LIAB/HOLDG		136.40
PV-170259	11/04/2016	INSURANCE NOVEMBER 16		01-0000-0-3702.00-0000-7209-112-000-000 NN		OPEB, ALLOCATED CLASSIFIED		24.80
PV-170259	11/04/2016	INSURANCE NOVEMBER 16		01-0000-0-9565.00-0000-7209-112-000-000 NN		RETIREE INSURANCE LIAB/HOLDG		1,385.60
TOTAL PAYMENT AMOUNT							4,460.00 *	4,460.00

102511/00 SOUTHWEST SCHOOL & OFFICE

170116 PO-170112	11/04/2016	PINV0202648		1 01-1100-0-4300.00-1110-1000-111-000-000 NN P		SUPPLIES	18.57	18.57
TOTAL PAYMENT AMOUNT							18.57 *	18.57

103885/00 STANDARD INSURANCE COMPANY

PV-170258	11/04/2016	CT 501236		01-0100-0-9556.00-0000-0000-000-000-000 NN		MISC DISTRICT VOL-DEDS (1)		1,809.24
TOTAL PAYMENT AMOUNT							1,809.24 *	1,809.24

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
104936/00	U.S. BANK							
PV-170269	11/04/2016	MCSBA FALL CONFERENCE EXPENSES		01-0000-0-5200.00-0000-7150-112-000-000	NN			293.08
		TRAVEL & CONFERENCE						
PV-170269	11/04/2016	BANK FEES		01-0000-0-5803.00-0000-7200-112-000-000	NN			9.92
		BANK FEES/SVCS CHARGES/INT EXP						
		TOTAL PAYMENT AMOUNT				303.00 *		303.00
104323/00	U.S. BANK EQUIPMENT FINANCE							
PV-170263	11/04/2016	316252543		01-0000-0-5620.00-0000-2700-112-000-000	NN			999.95
				RENTALS, LEASES OF EQUIPMENT				
PV-170263	11/04/2016	316252543		01-1100-0-5620.00-1110-1000-110-000-000	NN			999.95
				RENTALS, LEASES OF EQUIPMENT				
PV-170263	11/04/2016	316252543		01-3010-0-5620.00-1110-1000-111-000-000	NN			999.95
				RENTALS, LEASES OF EQUIPMENT				
PV-170263	11/04/2016	316252543		01-1100-0-5620.00-1110-1000-115-000-000	NN			1,499.92
				RENTALS, LEASES OF EQUIPMENT				
PV-170263	11/04/2016	316252543		01-1100-0-5620.00-1110-1000-310-000-000	NN			2,499.85
				RENTALS, LEASES OF EQUIPMENT				
PV-170275	11/04/2016	316252931		01-0000-0-5620.00-0000-2700-112-000-000	NN			1,249.09
				RENTALS, LEASES OF EQUIPMENT				
		TOTAL PAYMENT AMOUNT				8,248.71 *		8,248.71
100176/00	UNIVERSAL SPECIALTIES INC							
170089	PO-170076	11/04/2016	74398	1	01-8150-0-4300.00-0000-8110-112-000-000	NN P	271.10	271.10
					SUPPLIES			
					TOTAL PAYMENT AMOUNT		271.10 *	271.10
104503/00	VERIZON WIRELESS							
PV-170268	11/04/2016	9774016595		01-0000-0-5912.00-0000-7110-112-000-000	NN			325.96
				COMMUN - INTERNET SVCS/LINES				
PV-170268	11/04/2016	9774016594		01-0000-0-5922.00-0000-2700-112-000-000	NN			537.76
				COMMUNICATION - TELEPHONE SVCS				
		TOTAL PAYMENT AMOUNT				863.72 *		863.72
104319/00	YARD MASTERS INC.							
170093	PO-170080	11/04/2016	3973	1	01-0000-0-5802.00-0000-8110-112-000-000	NN P	948.00	948.00
					MAINTENANCE AGRMTS-NONEQUIP			
170093	PO-170080	11/04/2016	4184	1	01-0000-0-5802.00-0000-8110-112-000-000	NN P	76.00	76.00
					MAINTENANCE AGRMTS-NONEQUIP			

014 Gustine Unified School Dist. J60402
NOVEMBER 16 WARRANT REGISTER 2

ACCOUNTS PAYABLE PRELIST APY500 L.00.12 11/04/16 11:04 PAGE 8
BATCH: 0012 NOVEMBER WARRANT REGISTER 2 << Open >>
FUND : 01 GENERAL FUND/COUNTY SSF

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
TOTAL PAYMENT AMOUNT					1,024.00 *			1,024.00
TOTAL FUND PAYMENT					307,269.64 **			307,269.64

MERCED COUNTY OFFICE OF EDUCATION
WARRANT REGISTER BATCH COVER

Gustine

DATE: 11/4/16

DISTRICT FUND: 11 - 5074

BATCH# 12

DISTRICT NAME: 14 - GUSTINE UNIFIED SCHOOL DISTRICT

TOTAL AMOUNT OF REGISTER: \$ 499.98

01-5070
11-5074
13-5077
14-5072
17-5071
21-5069
25-5075
35-5078
40-5065

CHECK LIST FOR WARRANT REGISTERS
(PLEASE CHECKMARK EACH)

- Verify cash for each fund
- Ensure deposits have been made at the County Treasurer by 11 a.m.
- Provide all pages of prelist and Cover Sheet for each fund on prelist (even if zero)
- Retain original prelist for your records
- Proper signed authorization for each batch

ALL BATCHES MUST BE RELEASED AND HELD FOR AUDIT

DISTRICT SERVICES USE ONLY

RECEIVED BY DISTRICT SERVICES: _____

AUDIT APPROVED: _____

CASH CHECKED: _____

RELEASED FOR PAYMENT: _____

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
104323/00	U.S. BANK	EQUIPMENT FINANCE						
PV-170263	11/04/2016	316252543			11-3926-0-5620.00-0000-2700-312-000-000 NN	RENTALS, LEASES OF EQUIPMENT		249.99
PV-170263	11/04/2016	316252543			11-3905-0-5620.00-0000-2700-312-000-000 NN	RENTALS, LEASES OF EQUIPMENT		249.99
TOTAL PAYMENT AMOUNT							499.98 *	499.98
TOTAL FUND PAYMENT					499.98 **		499.98	

MERCED COUNTY OFFICE OF EDUCATION
WARRANT REGISTER BATCH COVER

Gustine

DATE: 11/4/16

DISTRICT FUND: 13 - 5077

BATCH# 12

DISTRICT NAME: 14 - GUSTINE UNIFIED SCHOOL DISTRICT

TOTAL AMOUNT OF REGISTER: \$ 291.02

01-5070
11-5074
13-5077
14-5072
17-5071
21-5069
25-5075
35-5078
40-5065

CHECK LIST FOR WARRANT REGISTERS
(PLEASE CHECKMARK EACH)

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ALL BATCHES MUST BE RELEASED AND HELD FOR AUDIT

DISTRICT SERVICES USE ONLY

RECEIVED BY DISTRICT SERVICES: _____

AUDIT APPROVED: _____

CASH CHECKED: _____

RELEASED FOR PAYMENT: _____

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
064370/00	OFFICE SUPPLY EXPRESS		770446496					
170107	PO-170105	11/04/2016 121473		1	13-5310-0-4350.00-0000-3700-112-000-000	NN P	15.94	15.94
					OFFICE SUPPLIES			
170107	PO-170105	11/04/2016 121575		1	13-5310-0-4350.00-0000-3700-112-000-000	NN P	275.08	275.08
					OFFICE SUPPLIES			
TOTAL PAYMENT AMOUNT							291.02 *	291.02
TOTAL FUND PAYMENT							291.02 **	291.02

MERCED COUNTY OFFICE OF EDUCATION
WARRANT REGISTER BATCH COVER

Gustine

DATE: 11/4/16

DISTRICT FUND: 14 - 5072

BATCH# 12

DISTRICT NAME: 14 - GUSTINE UNIFIED SCHOOL DISTRICT

TOTAL AMOUNT OF REGISTER: \$ 3,285.00

01-5070
11-5074
13-5077
14-5072
17-5071
21-5069
25-5075
35-5078
40-5065

CHECK LIST FOR WARRANT REGISTERS
(PLEASE CHECKMARK EACH)

- Verify cash for each fund
- Ensure deposits have been made at the County Treasurer by 11 a.m.
- Provide all pages of prelist and Cover Sheet for each fund on prelist (even if zero)
- Retain original prelist for your records
- Proper signed authorization for each batch

ALL BATCHES MUST BE RELEASED AND HELD FOR AUDIT

DISTRICT SERVICES USE ONLY

RECEIVED BY DISTRICT SERVICES: _____

AUDIT APPROVED: _____

CASH CHECKED: _____

RELEASED FOR PAYMENT: _____

Vendor/Addr Req Reference	Remit name Date	Description	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
104319/00	YARD MASTERS INC.							
170145 PO-170137	11/04/2016	3998		1	14-0000-0-5640.00-0000-8110-112-000-000	NN F	3,531.38	3,285.00
						REPAIRS/MAINT OF EQUIPMENT		
						TOTAL PAYMENT AMOUNT		3,285.00 *
						TOTAL FUND PAYMENT	3,285.00 **	3,285.00

MERCED COUNTY OFFICE OF EDUCATION
WARRANT REGISTER BATCH COVER

Gustine

DATE: 11/4/16

DISTRICT FUND: 21-5069

BATCH# 12

DISTRICT NAME: 14 - GUSTINE UNIFIED SCHOOL DISTRICT

TOTAL AMOUNT OF REGISTER: \$ 628,772.00

01-5070
11-5074
13-5077
14-5072
17-5071
21-5069
25-5075
35-5078
40-5065

CHECK LIST FOR WARRANT REGISTERS
(PLEASE CHECKMARK EACH)

- Verify cash for each fund
- Ensure deposits have been made at the County Treasurer by 11 a.m.
- Provide all pages of prelist and Cover Sheet for each fund on prelist (even if zero)
- Retain original prelist for your records
- Proper signed authorization for each batch

ALL BATCHES MUST BE RELEASED AND HELD FOR AUDIT

DISTRICT SERVICES USE ONLY

RECEIVED BY DISTRICT SERVICES: _____

AUDIT APPROVED: _____

CASH CHECKED: _____

RELEASED FOR PAYMENT: _____

Vendor/Addr	Remit name	Tax ID num	Deposit type	ABA num	Account num	Liq Amt	Net Amount
Req Reference	Date	Description	FD-RESC-Y-OBJT.SO-GOAL-FUNC-SCH-DD1-DD2	T9MPS			
104921/00	CT BRAYTON & SONS, INC.						
170382 PO-170340	11/03/2016	TO UPDATE BUDGET CLASS: YR	1 21-0000-6-6200.00-0000-8500-310-000-438	NN C	2570,587.65	0.00	
			BUILDINGS & IMPROVEMNT OF BLDG				
170601 PO-170567	11/04/2016	GUSUNI1 NO.2	1 21-0000-7-6200.00-0000-8500-310-000-000	NN P	313,965.00	313,965.00	
			BUILDINGS & IMPROVEMNT OF BLDG				
170601 PO-170567	11/04/2016	GUSUNI1 NO.3	1 21-0000-7-6200.00-0000-8500-310-000-000	NN P	313,965.00	313,965.00	
			BUILDINGS & IMPROVEMNT OF BLDG				
		TOTAL PAYMENT AMOUNT			627,930.00 *		627,930.00
104946/00	TECHNICON ENGINEERING SERVICES						
PO-161134	11/04/2016	12048	1 21-0000-6-6240.00-0000-8500-310-000-400	NN P	842.00	842.00	
			PRELIMINARY TESTING				
		TOTAL PAYMENT AMOUNT			842.00 *		842.00
		TOTAL FUND PAYMENT			628,772.00 **		628,772.00
		TOTAL BATCH PAYMENT			940,117.64 ***	0.00	940,117.64
		TOTAL DISTRICT PAYMENT			940,117.64 ****	0.00	940,117.64
		TOTAL FOR ALL DISTRICTS:			940,117.64 ****	0.00	940,117.64

Number of checks to be printed: 40, not counting voids due to stub overflows.
 Number of zero dollar checks: 1, will be printed.

GUSTINE UNIFIED SCHOOL DISTRICT

Meeting of the Board of Trustees

MEETING DATE:

November 9, 2016

AGENDA ITEM TITLE: Board Policy 3314 Payment for Goods And Services Update

AGENDA SECTION: Action

PRESENTED BY: Bill Morones, Superintendent

SUMMARY:

Updating Board Policy 3314 to reflect the new process on sending payments as needed instead of holding the checks until after the Board Meeting avoiding finance charges and taking advantage of available discounts. This will not only save the District money but will also develop a better reputation with community businesses.

FISCAL IMPACT: None

BUDGET CATEGORY: None

RECOMMENDED ACTION: Approve

Gustine USD

Board Policy

Payment For Goods And Services

BP 3314

Business and Noninstructional Operations

The Governing Board recognizes the importance of developing a system of internal control procedures in order to help fulfill its obligation to monitor and safeguard district resources. To facilitate warrant processing, the Superintendent or designee shall ensure that purchasing, receiving, and payment functions are kept separate. He/she shall also ensure that invoices are paid expeditiously so that the district may, to the extent possible, take advantage of available discounts and avoid finance charges.

- (cf. 3300 - Expenditures and Purchases)
- (cf. 3312 - Contracts)
- (cf. 3314.2 - Revolving Funds)
- (cf. 3400 - Management of District Assets/Accounts)
- (cf. 9320 - Meetings and Notices)

The Superintendent or designee shall sign all warrants and shall ensure that warrants have appropriate documentary support verifying that all goods and services to be paid for have been delivered or rendered in accordance with the purchase agreement.

The Board shall ~~approve~~ *ratify* all warrants at a regularly scheduled Board meeting.

- (cf. 9320 - Meetings and Notices)

The district shall not be responsible for unauthorized purchases.

Legal Reference:

EDUCATION CODE

- 17605 Delegation of authority for purchases
- 42630-42651 Orders, requisitions and warrants
- 42800-42806 Revolving cash fund
- 42810 Alternative revolving fund
- 42820 Prepayment funds

CODE OF CIVIL PROCEDURE

- 685.010 Rate of interest

GOVERNMENT CODE

- 16.5 Digital signatures
- 5500-5506 Uniform Facsimile Signatures of Public Officials Act

8111.2 Definition of public entity
PUBLIC CONTRACT CODE
7107 Retention proceeds; withholding; disbursement
9203 Payment for projects costing over \$5000
20104.50 Timely progress payments
CODE OF REGULATIONS, TITLE 2
22000-22005 Digital signatures

Management Resources:

CSBA PUBLICATIONS

Maximizing School Board Governance: Understanding California's Public School Finance System, 2006

Maximizing School Board Governance: Budget Planning and Adoption, 2006

Maximizing School Board Governance: Understanding District Budgets, 2006

Maximizing School Board Governance: Fiscal Accountability, 2006

School Finance CD-ROM, 2005

WEB SITES

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

California Secretary of State, digital signatures: <http://www.sos.ca.gov/digsig/digsig.htm>

Fiscal Crisis Management & Assistance Team: <http://www.fcmat.org>

Policy GUSTINE UNIFIED SCHOOL DISTRICT

adopted: September 29, 2010 Gustine, California

GUSTINE UNIFIED SCHOOL DISTRICT

Meeting of the Board of Trustees

MEETING DATE:

November 9, 2016

AGENDA ITEM TITLE: Board Policy Updates - June 2016

AGENDA SECTION: Action

PRESENTED BY: Bill Morones, Superintendent

SUMMARY:

The attached CSBA Manual Maintenance Service Checklists listing the policies which need to be updated as of June 2016. Once approved by the Board, CSBA will return a paper for inclusion in the hard-copy manual and will post the updates on GAMUT Online, available from the District's website.

FISCAL IMPACT: None

BUDGET CATEGORY: None

RECOMMENDED ACTION: Approve

CSBA MANUAL MAINTENANCE SERVICE CHECKLIST – June 2016

District Name: Gustine Unified

Contact Name: Sara Gomez Phone: 209-854-3784 Email: Sgomez@gustineusd.org

POLICY	TITLE	OPTIONS/BLANKS	ADOPT DATE
BP 2121	Superintendent's Contract		
BB 9321	Closed Session Purposes and Agendas		

POLICY GUIDE SHEET

June 2016

Page 1 of 1

Note: Descriptions below identify major revisions made in CSBA's sample board policies, administrative regulations, board bylaws, and/or exhibits. Editorial changes have also been made. Districts should review the sample materials and modify their own policies accordingly.

BP 2121 - Superintendent's Contract

(BP revised)

Policy updated to clarify the conditions under which the Governing Board may meet in closed session under the "labor exception" (Government Code 54957.6) of the Ralph M. Brown Act to discuss superintendent contact, salary, or compensation paid in the form of fringe benefits.

BB 9321 - Closed Session Purposes and Agendas

(BB revised)

Bylaw updated to clarify that the Board may not meet in closed session under the "personnel exception" (Government Code 54957) of the Ralph M. Brown Act to discuss or act upon any proposed change in compensation other than a reduction of compensation that results from the imposition of discipline. "Negotiations/Collective Bargaining" section revised to reflect that the Board may meet with the district's designated representatives in closed session under the "labor exception" (Government Code 54957.6) of the Ralph M. Brown Act to discuss salaries, salary schedules, or compensation paid in the form of fringe benefits to its represented and unrepresented employees, including the Superintendent.

CSBA Sample Board Policy

Administration

BP 2121(a)

SUPERINTENDENT'S CONTRACT

Note: The following **optional** policy should be modified to reflect district practice.

The Governing Board believes that the Superintendent's employment contract should outline the framework through which the Board and Superintendent are to work together 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.

(cf. 0200 - Goals for the School District)
(cf. 2120 - Superintendent Recruitment and Selection)
(cf. 4312.1 - Contracts)
(cf. 9000 - Role of the Board)

Note: The following list of contract components is consistent with a template for superintendent contracts developed by CSBA. The annotated template contract with additional context and suggestions is available by contacting legal@csba.org.

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

Note: The contract should include the salary, health and welfare benefits, and other compensation for the position, as provided in item #3 below. Federal law (26 USC 105; 42 USC 300gg-16; 26 CFR 1.105-11) prohibits favoring "highly compensated" individuals (i.e., the highest paid 25 percent of all employees, with specified exceptions) in terms of the level of benefits provided. Although implementation of this provision with respect to group health plans has been delayed until the issuance of federal regulations or guidance, it is recommended that districts prepare to comply with the expected rules. See AR 4154/4254/4354 - Health and Welfare Benefits.

3. Salary, health and welfare benefits, and other compensation for the position

(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)

SUPERINTENDENT'S CONTRACT (continued)

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. General duties and responsibilities of the position

(cf. 2110 - Superintendent Responsibilities and Duties)

7. 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

Note: Pursuant to Education Code 35031, the Governing Board must notify the Superintendent at least 45 days in advance if it decides to not reemploy him/her. If the Board fails to provide the required prior written notice, the Superintendent shall be deemed reemployed for a term of the same length as the one completed, under the same terms and conditions, and with the same compensation.

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 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 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

SUPERINTENDENT'S CONTRACT (continued)

12. Matters related to liability and indemnification against demands, claims, suits, actions, and legal proceedings brought against the Superintendent in his/her official capacity in the performance of duties related to his/her employment

Note: Pursuant to Government Code 54957, personnel matters related to the appointment or employment of an employee, ~~except proposed compensation, may appropriately be discussed in closed session,~~ may be discussed in closed session under the "personnel exception." However the Board may not discuss or act upon any proposed change in compensation other than a reduction of compensation that results from the imposition of discipline in closed session under this exception. In San Diego Union v. City Council, a California Court of Appeal held that the "personnel exception" provided in Government Code 54957 does not extend to discussions of salary and compensation.

Notwithstanding Government Code 54957, the Board is authorized pursuant to Government Code 54957.6, the "labor exception," to hold closed sessions with the district's designated representatives regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits to its represented and unrepresented employees, including the Superintendent. The Attorney General has opined in 57 Ops. Cal. Atty. Gen. 209 (1974) that a board may only meet in closed session for such purposes with a designated representative who is involved with the "bona fide" negotiations with represented and/or unrepresented employees. The Attorney General's publication "The Brown Act: Open Meetings for Local Legislative Bodies" (2003), also states that the "labor exception" applies to meeting in closed session to instruct its representatives concerning negotiations with prospective employees. Boards wishing to discuss the superintendent's salary in closed session under the "labor exception" are encouraged to consult legal counsel before doing so.

In addition, pursuant to Government Code 54956, the Board is prohibited from deliberating on the salary or other compensation of the Superintendent at a special meeting. See BB 9320 - Meetings and Notices and BB 9321 - Closed Session Purposes and Agendas.

The following paragraph should be revised to reflect district practice.

The Board ~~shall~~ may deliberate ~~in closed session~~ about the terms of the contract, ~~except that in closed session at a regular meeting.~~ Discussions regarding the salary, salary schedule, or other compensation ~~shall be discussed in public at a regular meeting in.~~ may occur in closed session only as permitted under Government Code 54957.6 between the Board and its designated representative(s) (the "labor exception"), for the purpose of reviewing the Board's position or instructing the designated representative(s) prior to or during bona fide negotiations with the current or prospective Superintendent. (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.

SUPERINTENDENT'S CONTRACT (continued)

(cf. 9011 - Disclosure of Confidential/Privileged Information)

The Board shall **ratify take final action on** the Superintendent's contract in an open meeting, which shall be reflected in the Board's minutes. Copies of the contract shall be available to the public upon request. (Government Code 53262, **54957.6**)

(cf. 1340 - Access to District Records)

(cf. 3580 - District Records)

Termination of Contract

Note: Pursuant to Government Code 53260, every employee contract must include a provision limiting the maximum cash settlement the employee may receive upon termination of the contract to an amount equal to his/her monthly salary multiplied by the number of months left on the contract. For a superintendent contract executed prior to January 1, 2016, if the unexpired term is greater than 18 months, this maximum is equal to the monthly salary multiplied by 18. For a superintendent contract executed on or after January 1, 2016, Government Code 53260, as amended by AB 215 (Ch. 240, Statutes of 2015), provides that the maximum cash settlement is the monthly salary multiplied by 12. Cash settlements may be less than these maximums. The district must make termination agreements available to the public upon request. See AR 4117.5/4217.5/4317.5 - Termination Agreements.

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, any cash settlement that the Superintendent may receive upon termination of the contract shall not exceed 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. (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)

Note: AB 215 (Ch. 240, Statutes of 2015) amended Government Code 53260 to eliminate the option to provide a settlement equivalent to up to six months' salary when the Superintendent's contract is terminated for specified causes.

However, when the termination of the Superintendent's contract is based upon the Board's

SUPERINTENDENT'S CONTRACT (continued)

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, he/she shall reimburse the district for payments he/she receives 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 against a crime involving his/her office or position. (Government Code 53243-53243.4, 53260)

*Legal Reference:*EDUCATION CODE35031 *Term of employment*41325-41329.3 *Conditions of emergency apportionment*GOVERNMENT CODE3511.1-3511.2 *Local agency executives*53243-53243.4 *Abuse of office*53260-53264 *Employment contracts*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 26105 *Self-insured medical reimbursement plan; definition of highly compensated individual*UNITED STATES CODE, TITLE 42300gg-16 *Group health plan; nondiscrimination in favor of highly compensated individuals*CODE OF FEDERAL REGULATIONS1.105-11 *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 SITESCSBA: <http://www.csba.org>Association of California School Administrators: <http://www.aesa.org> <http://www.acsa.org>Office of the Attorney General, Dept. of Justice: <http://caag.state.ca.us/>~~(11/04 11/11) 12/15 (11/11 12/15) 6/16~~

CSBA Sample Board Bylaw

Board Bylaws

BB 9321(a)

CLOSED SESSION PURPOSES AND AGENDAS

Note: Pursuant to Government Code 54962, the Governing Board may hold a closed session only for purposes expressly authorized by the Brown Act (Government Code 54950-54963) or by a provision of the Education Code.

The Governing Board is committed to complying with state open meeting laws and modeling transparency in its conduct of district business. The Board shall hold closed sessions only for purposes authorized by law. A closed session may be held during a regular, special, or emergency meeting in accordance with law.

Note: Government Code 54954.5 provides specific agenda descriptions for most closed session items authorized by the Brown Act.

Each agenda shall contain a general description of each closed session item to be discussed at the meeting, as required by law. (Government Code 54954.2)

(cf. 9320 - Meetings and Notices)

(cf. 9322 - Agenda/Meeting Materials)

Note: Government Code 54957.7 states that before holding any closed session, the Board must disclose in an open meeting the item(s) to be discussed in the closed session. The Board may either state the information on the agenda or refer the public to the item(s) as listed by number or letter on the agenda. These disclosures may be made at the location announced in the agenda for the closed session, as long as the public is allowed to be present at that location for the purpose of hearing the announcements. In addition, the Board is required to reconvene in open session upon conclusion of a closed session to report any action taken in the closed session.

The Board shall disclose in open session the items to be discussed in closed session. In the closed session, the Board may consider only those matters covered in its statement. After the closed session, the Board shall reconvene in open session before adjourning the meeting, and when applicable, shall disclose any action taken in the closed session, in the manner prescribed by Government Code 54957.1. (Government Code 54957.7)

(cf. 9321.1 - Closed Session Actions and Reports)

The Board shall not disclose any information that is protected by state or federal law. In addition, no victim or alleged victim of tortious sexual conduct or child abuse shall be identified in any Board agenda, notice, announcement, or report required by the Brown Act, unless the identity of the person has previously been publicly disclosed. (Government Code 54957.7, 54961)

(cf. 1340 - Access to District Records)

CLOSED SESSION PURPOSES AND AGENDAS (continued)

Note: Pursuant to Government Code 54963, a Board member who discloses confidential information received in a closed session may be referred to the local grand jury or may be subject to action in a court of law. For a definition of confidential information and the actions that may be taken against a Board member if such information is disclosed, see BB 9011 - Disclosure of Confidential/Privileged Information.

A Board member shall not disclose confidential information received in a closed session unless the Board authorizes the disclosure of that information. (Government Code 54963)

(cf. 9011 - Disclosure of Confidential/Privileged Information)

Personnel Matters

Note: Government Code 54957 authorizes the use of closed sessions for personnel matters described below. For the purpose of these closed sessions, "employee" includes an officer or independent contractor who functions as an officer or employee but **excludes** Board members. The Attorney General has concluded that it is appropriate to use a closed session to discuss and evaluate Superintendent performance. (59 Ops.Cal.Atty.Gen. 532 (1976)) **However, under the "personnel exception," the Board may not discuss or act upon any proposed change in compensation other than a reduction of compensation that results from the imposition of discipline in closed session under this exception.**

In Fischer v. Los Angeles Unified School District, the court interpreted Government Code 54957 and found that the right to request an open session applies only when the Board hears specific complaints or charges brought against the employee. Thus, the right to request an open session does not apply when the Board is meeting in closed session to consider the appointment, employment, evaluation of performance, discipline, or dismissal of an employee.

The Board may hold a closed session **under the "personnel exception"** to consider the appointment, employment, evaluation of performance, discipline, or dismissal of an employee. Such a closed session shall not include discussion or action on proposed compensation except for a reduction of compensation that results from the imposition of discipline. (Government Code 54957)

(cf. 2140 - Evaluation of the Superintendent)

(cf. 4115 - Evaluation/Supervision)

(cf. 4118 - Suspension/Disciplinary Action)

(cf. 4215 - Evaluation/Supervision)

(cf. 4218 - Dismissal/Suspension/Disciplinary Action)

(cf. 4315 - Evaluation/Supervision)

Note: Pursuant to Government Code 54957, failure of the Board to give an employee against whom a "specific complaint or charge" has been made the notice described below will render any action taken by the Board in the closed session null and void. Determining whether a "specific complaint or charge" is involved is usually fact-specific and the Board should consult legal counsel as necessary. In Furtado v. Sierra Community College District, the court held that the term "specific complaints or charges" as used in Government Code 54957 does not include negative comments in an employee's performance evaluation. In another decision, Bell v. Vista Unified School District, the court determined that a presentation to the board by a district staff member regarding an employee's violation of a California Interscholastic Federation rule constituted a "complaint or charge" and thus the employee was entitled to 24-hour notice. Yet another

CLOSED SESSION PURPOSES AND AGENDAS (continued)

ruling, Morrison v. Housing Authority of the City of Los Angeles Board of Commissioners, held that when a board rejects its hearing officer's findings of fact and conducts its own hearing, the employee must be given 24-hour notice.

Furthermore, an Attorney General opinion (78 Ops.Cal.Atty.Gen. 218 (1995)) has clarified that a probationary certificated employee does not have the right to an open session when the Board is discussing whether or not to reemploy him/her for a third consecutive school year. Education Code 44929.21 allows the Board to non-reelect a probationary certificated employee at the end of the first or second school year as long as written notice is given in accordance with law; see AR 4117.6 - Decision Not to Rehire.

The Board may also hold a closed session to hear complaints or charges brought against an employee by another person or employee, unless the employee requests an open session. Before the Board holds a closed session on specific complaints or charges brought against an employee, the employee shall receive written notice of his/her right to have the complaints or charges heard in open session if desired. This notice shall be delivered personally or by mail at least 24 hours before the time of the session. (Government Code 54957)

(cf. 1312.1 - Complaints Concerning District Employees)
(cf. 4112.9/4212.9/4312.9 - Employee Notifications)

The Board may hold a closed session to discuss a district employee's application for early withdrawal of funds in a deferred compensation plan when the application is based on financial hardship arising from an unforeseeable emergency due to illness, accident, casualty, or other extraordinary event, as specified in the deferred compensation plan. (Government Code 54957.10)

Agenda items related to district employee appointments and employment shall describe the position to be filled. Agenda items related to performance evaluations shall specify the title of the employee being reviewed. Agenda items related to employee discipline, dismissal, or release require no additional information. (Government Code 54954.5)

Negotiations/Collective Bargaining

Note: The Educational Employment Relations Act (Government Code 3540-3549.3) makes four specific exemptions from the Brown Act related to negotiations. Government Code 54957.6 provides that for the purpose of closed sessions related to collective bargaining, "employee" includes an officer or independent contractor who functions as an officer or employee but excludes any elected official, Board member, or other independent contractor.

Unless otherwise agreed upon by the parties involved, the following shall not be subject to the Brown Act: (Government Code 3549.1)

1. Any meeting and negotiating discussion between the district and a recognized or certified employee organization

CLOSED SESSION PURPOSES AND AGENDAS (continued)

2. Any meeting of a mediator with either party or both parties to the meeting and negotiating process
3. Any hearing, meeting, or investigation conducted by a factfinder or arbitrator
4. Any executive (closed) session of the district or between the district and its designated representative for the purpose of discussing its position regarding any matter within the scope of representation and instructing its designated representatives

(cf. 4140/4240/4340 - Bargaining Units)
(cf. 4143/4243 - Negotiations/Consultation)
(cf. 4143.1/4243.1 - Public Notice - Personnel Negotiations)

Note: The Board is authorized pursuant to Government Code 54957.6, the "labor exception," to hold closed sessions with the district's designated representatives regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits to its represented and unrepresented employees, including the Superintendent. The Attorney General has opined in 57 Ops. Cal. Atty. Gen. 209 (1974) that a board may not meet in closed session for such purposes without the use of a designated representative who is involved with the "bona fide" negotiations with represented and/or unrepresented employees. The Attorney General's publication "The Brown Act: Open Meetings for Local Legislative Bodies" (2003), also states that the "labor exception" applies to meeting in closed session to instruct its negotiator concerning negotiations with prospective employees.

The Board may meet in closed session to review the Board's position and/or instruct its designated representative regarding salaries, salary schedules, or compensation paid in the form of fringe benefits of its represented and unrepresented employees. **Prior to the closed session, the Board shall identify its designated representative in open session.** Any closed session held for this purpose may include discussions of the district's available funds and funding priorities, but only insofar as they relate to providing instructions to the Board's designated representative. (Government Code 54957.6)

(cf. 2121 - Superintendent's Contract)

~~For represented employees, the Board may also meet in closed session regarding any other matter within the statutorily provided scope of representation. (Government Code 54957.6)~~

Closed sessions may take place prior to and during consultations and discussions with representatives of employee organizations and unrepresented employees. For unrepresented employees, closed sessions held pursuant to Government Code 54957.6 shall not include final action on the proposed compensation of one or more unrepresented employees. (Government Code 54957.6)

CLOSED SESSION PURPOSES AND AGENDAS (continued)

For represented employees, the Board may also meet in closed session regarding any other matter within the statutorily provided scope of representation. (Government Code 54957.6)

The Board also may meet in closed session with a state conciliator or mediator who has intervened in proceedings regarding any of the purposes enumerated in Government Code 54957.6.

Agenda items related to negotiations shall specify the name of the district's designated representative(s) attending the closed session. If circumstances necessitate the absence of a specified designated representative, an agent or designee may participate in place of the absent representative as long as the name of the agent or designee is announced at an open session held prior to the closed session. The agenda shall also specify the name of the organization representing the employee(s) or the position title of the unrepresented employee who is the subject of the negotiations. (Government Code 54954.5)

Matters Related to Students

The Board shall meet in closed session to consider the expulsion of a student, unless the student submits a written request at least five days before the date of the hearing that the hearing be held in open session. Regardless of whether the expulsion hearing is conducted in open or closed session, the Board may meet in closed session for the purpose of deliberating and determining whether the student should be expelled. (Education Code 48918)

(cf. 5144.1 - Suspension and Expulsion/Due Process)

(cf. 5144.2 - Suspension and Expulsion/Due Process (Students with Disabilities))

The Board shall meet in closed session to address any student matter that may involve disclosure of confidential student information, or to consider a suspension, disciplinary action, or any other action against a student except expulsion. If a written request for open session is received from the parent/guardian or adult student, it will be honored to the extent that it does not violate the privacy rights of any other student. (Education Code 35146, 48912, 49070)

(cf. 5117 - Interdistrict Attendance)

(cf. 5119 - Students Expelled from Other Districts)

(cf. 5125.3 - Challenging Student Records)

(cf. 5144 - Discipline)

Note: Although Government Code 54954.2 requires the agenda to have a brief general description of all closed session items to be discussed, Government Code 54954.5 provides no specific description of agenda items related to closed sessions authorized by the Education Code. Since the purpose of conducting the closed session is to protect student privacy rights, the following optional paragraph provides that student names shall not be included on the agenda.

CLOSED SESSION PURPOSES AND AGENDAS (continued)

Agenda items related to student matters shall briefly describe the reason for the closed session, such as "student expulsion hearing" or "grade change appeal," without violating the confidentiality rights of individual students. The student shall not be named on the agenda, but a number may be assigned to the student in order to facilitate record keeping. The agenda shall also state that the Education Code requires closed sessions in these cases in order to prevent the disclosure of confidential student record information.

(cf. 5125 - Student Records)

Security Matters

The Board may meet in closed session with the Governor, Attorney General, district attorney, district legal counsel, sheriff or chief of police, or their respective deputies, or a security consultant or a security operations manager, on matters posing a threat to the security of public buildings; to the security of essential public services, including water, drinking water, wastewater treatment, natural gas service, and electric service; or to the public's right of access to public services or public facilities. (Government Code 54957)

(cf. 0450 - Comprehensive Safety Plan)

(cf. 3515 - Campus Security)

(cf. 3516 - Emergencies and Disaster Preparedness Plan)

Note: Government Code 54956.5 authorizes an emergency meeting in closed session to meet with the law enforcement officials specified above pursuant to Government Code 54957. Two-thirds of the Board members present at the meeting must agree to the need for the closed session. Those emergency situations that necessitate a need for an emergency meeting are listed in BB 9320 - Meetings and Notices and include a terrorist attack, crippling disaster, or other activity that impairs public health or safety. For a list of actions for which more than a majority vote of the Board is required, see BB 9323.2 - Actions by the Board.

The Board may meet in closed session during an emergency meeting held pursuant to Government Code 54956.5 to meet with law enforcement officials for the emergency purposes specified in Government Code 54957 if agreed to by a two-thirds vote of the Board members present. If less than two-thirds of the members are present, then the Board must agree by a unanimous vote of the members present. (Government Code 54956.5)

Agenda items related to security matters shall specify the name of the law enforcement agency and the title of the officer, or name of applicable agency representative and title, with whom the Board will consult. (Government Code 54954.5)

Conference with Real Property Negotiator

Note: An Attorney General opinion (94 Ops.Cal.Atty.Gen. 82 (2011)) has concluded that only three subjects related to real property negotiations may be considered in closed session: (1) the amount of consideration the local agency is willing to pay or accept in exchange for the real property rights to be acquired or transferred; (2) the form, manner, and timing of how that consideration will be paid; and (3)

CLOSED SESSION PURPOSES AND AGENDAS (continued)

items that are essential to arriving at the authorized price and payment terms. Although Attorney General opinions are not binding, they are accorded deference by the courts.

The Board may meet in closed session with its real property negotiator prior to the purchase, sale, exchange, or lease of real property by or for the district in order to grant its negotiator authority regarding the price and terms of payment for the property. (Government Code 54956.8)

Before holding the closed session, the Board shall hold an open and public session to identify its negotiator(s) and the property under negotiation and to specify the person(s) with whom the negotiator may negotiate. (Government Code 54956.8)

For purposes of real property transactions, negotiators may include members of the Board. (Government Code 54956.8)

Agenda items related to real property negotiations shall specify the district negotiator attending the closed session. If circumstances necessitate the absence of a specified negotiator, an agent or designee may participate in place of the absent negotiator as long as the name of the agent or designee is announced at an open session held prior to the closed session. The agenda shall also specify the name of the negotiating parties and the street address of the real property under negotiation. If there is no street address, the agenda item shall specify the parcel number or another unique reference of the property. The agenda item shall also specify whether instruction to the negotiator will concern price, terms of payment, or both. (Government Code 54954.5)

Pending Litigation

Based on the advice of its legal counsel, the Board may hold a closed session to confer with or receive advice from its legal counsel regarding a pending litigation when a discussion of the matter in open session would prejudice the district's position in the litigation. For this purpose, "litigation" means any adjudicatory proceeding, including eminent domain, before a court, administrative body exercising its adjudicatory authority, hearing officer, or arbitrator. (Government Code 54956.9)

Note: Pursuant to Government Code 54956.9, the district is considered to be a "party," or to have "significant exposure," to a litigation if any of its officers or employees is a party or has significant exposure to the litigation under circumstances specified in items #1 and #2 below.

Litigation is considered "pending" in any of the following circumstances: (Government Code 54956.9)

1. Litigation to which the district is a "party" has been initiated formally. (Government Code 54956.9(a))

CLOSED SESSION PURPOSES AND AGENDAS (continued)

2. A point has been reached where, in the Board's opinion based on the advice of its legal counsel regarding the "existing facts and circumstances," there is a "significant exposure to litigation" against the district, or the Board is meeting solely to determine whether, based on existing facts or circumstances, a closed session is authorized. (Government Code 54956.9(b))

Existing facts and circumstances for these purposes are limited to the following: (Government Code 54956.9)

- a. Facts and circumstances that might result in litigation against the district but which the district believes are not yet known to potential plaintiffs and which do not need to be disclosed.
- b. Facts and circumstances including, but not limited to, an accident, disaster, incident, or transactional occurrence which might result in litigation against the district, which are already known to potential plaintiffs and which must be publicly disclosed before the closed session or specified on the agenda.
- c. The receipt of a claim pursuant to the Tort Claims Act or a written threat of litigation from a potential plaintiff. The claim or written communication must be available for public inspection.

(cf. 3320 - Claims and Actions Against the District)

- d. A threat of litigation made by a person in an open meeting on a specific matter within the responsibility of the Board.
 - e. A threat of litigation made by a person outside of an open meeting on a specific matter within the responsibility of the Board, provided that the district official or employee receiving knowledge of the threat made a record of the statement before the meeting and the record is available for public inspection. Such record does not need to identify an alleged victim of tortious sexual conduct or anyone making a threat on his/her behalf or identify an employee who is the alleged perpetrator of any unlawful or tortious conduct, unless the identity of this person has been publicly disclosed.
3. Based on existing facts and circumstances, the Board has decided to initiate or is deciding whether to initiate litigation. (Government Code 54956.9(c))

Before holding a closed session pursuant to the pending litigation exception, the Board shall state on the agenda or publicly announce the subdivision of Government Code 54956.9 under which the closed session is being held. If authority is based on Government Code

CLOSED SESSION PURPOSES AND AGENDAS (continued)

54956.9(a), the Board shall either state the title or specifically identify the litigation to be discussed or state that doing so would jeopardize the district's ability to effectuate service of process upon unserved parties or to conclude existing settlement negotiations to its advantage. (Government Code 54956.9)

Agenda items related to pending litigation shall be described as a conference with legal counsel regarding either "existing litigation" or "anticipated litigation." (Government Code 54954.5)

"Existing litigation" items shall identify the name of the case specified by either the claimant's name, names of parties, or case or claim number, unless the Board states that to identify the case would jeopardize service of process or existing settlement negotiations. (Government Code 54954.5)

"Anticipated litigation" items shall state that there is significant exposure to litigation pursuant to Government Code 54956.9(b) and shall specify the potential number of cases. When the district expects to initiate a suit, items related to anticipated litigation shall state that the discussion relates to the initiation of litigation pursuant to Government Code 54956.9(c) and shall specify the potential number of cases. The agenda or an oral statement before the closed session may be required to provide additional information regarding existing facts and circumstances described in item #2 b-e above. (Government Code 54954.5)

Joint Powers Agency Issues

Note: The following section applies to districts participating in a joint powers agency (JPA) for insurance pooling or in a self-insurance authority.

The Board may meet in closed session to discuss a claim for the payment of tort liability losses, public liability losses, or workers' compensation liability incurred by a joint powers agency (JPA) formed for the purpose of insurance pooling or self-insurance authority of which the district is a member. (Government Code 54956.95)

Closed session agenda items related to liability claims shall specify the claimant's name and the name of the agency against which the claim is made. (Government Code 54954.5)

(cf. 3530 - Risk Management/Insurance)

Note: Pursuant to Government Code 54956.96, a JPA may adopt a provision, either through a policy or through the joint powers agreement, authorizing a school district Board member serving on the JPA board to disclose confidential information received during the JPA board's closed session under the circumstances specified below. Government Code 54954.5 provides an agenda description for the purpose of this closed session. The following **optional** paragraphs are for use by districts that participate in a JPA that has adopted such a provision.

CLOSED SESSION PURPOSES AND AGENDAS (continued)

When the board of the JPA has so authorized and upon advice of district legal counsel, the Board may meet in closed session in order to receive, discuss, and take action concerning information obtained in a closed session of the JPA. During the Board's closed session, a Board member serving on the JPA board may disclose confidential information acquired during a closed session of the JPA to fellow Board members. (Government Code 54956.96)

The Board member may also disclose the confidential JPA information to district legal counsel in order to obtain advice on whether the matter has direct financial or liability implications for the district. (Government Code 54956.96)

Closed session agenda items related to conferences involving a JPA shall specify the closed session description used by the JPA and the name of the Board member representing the district on the JPA board. Additional information listing the names of agencies or titles of representatives attending the closed session as consultants or other representatives shall also be included. (Government Code 54954.5)

Review of Audit Report from California State Auditor's Office

Note: Government Code 54956.75 authorizes the Board to meet in closed session to discuss a final draft audit report from the California State Auditor's Office. This authority relates to situations in which a member of the legislature has requested the California State Auditor's Office to audit a school district. This audit is separate from the annual audit that districts must conduct pursuant to Education Code 41020. The law does not authorize the Board to meet in closed session to discuss the district's annual audit.

Upon receipt of a confidential final draft audit report from the California State Auditor's Office, the Board may meet in closed session to discuss its response to that report. After public release of the report from the California State Auditor's Office, any Board meeting to discuss the report must be conducted in open session, unless exempted from that requirement by some other provision of law. (Government Code 54956.75)

Closed session agenda items related to an audit by the California State Auditor's Office shall state "Audit by California State Auditor's Office." (Government Code 54954.5)

Review of Assessment Instruments

The Board may meet in closed session to review the contents of any student assessment instrument approved or adopted for the statewide testing system. Before any such meeting, the Board shall agree by resolution to accept any terms or conditions established by the State Board of Education for this review. (Education Code 60617)

(cf. 6162.5 - Student Assessment)

CLOSED SESSION PURPOSES AND AGENDAS (continued)

Note: The following **optional** paragraph provides for compliance with Government Code 54954.2, which requires the agenda to have a brief general description of all closed session items to be discussed. Government Code 54954.5 provides no specific description of agenda items related to closed sessions authorized by the Education Code.

Agenda items related to the review of student assessment instruments shall state that the Board is reviewing the contents of an assessment instrument approved or adopted for the statewide testing program and that Education Code 60617 authorizes a closed session for this purpose in order to maintain the confidentiality of the assessment under review.

*Legal Reference:*EDUCATION CODE35145 *Public meetings*35146 *Closed session (re student suspension)*44929.21 *Districts with ADA of 250 or more*48912 *Governing board suspension*48918 *Rules governing expulsion procedures; hearings and notice*49070 *Challenging content of students records*60617 *Meetings of governing board*GOVERNMENT CODE3540-3549.3 *Educational Employment Relations Act*6252-6270 *California Public Records Act*54950-54963 *The Ralph M. Brown Act*COURT DECISIONS*Morrison v. Housing Authority of the City of Los Angeles Board of Commissioners*, (2003) 107 Cal.App.4th 860*Bell v. Vista Unified School District*, (2001) 82 Cal.App. 4th 672*Fischer v. Los Angeles Unified School District*, (1999) 70 Cal.App. 4th 87*Furtado v. Sierra Community College District* (1998) 68 Cal.App. 4th 876*Roberts v. City of Palmdale*, (1993) 5 Cal.App. 4th 363*Sacramento Newspaper Guild v. Sacramento County Board of Supervisors*, (1968) 263 Cal.App. 2d 41*Sun Diego Union v. City Council*, (1983) 146 Cal.App.3d 947ATTORNEY GENERAL OPINIONS94 *Ops. Cal. Atty. Gen.* 82 (2011)86 *Ops. Cal. Atty. Gen.* 210 (2003)78 *Ops. Cal. Atty. Gen.* 218 (1995)59 *Ops. Cal. Atty. Gen.* 532 (1976)**57 *Ops. Cal. Atty. Gen.* 209 (1974)***Management Resources:*CSBA PUBLICATIONS*The Brown Act: School Boards and Open Meeting Laws*, 2009ATTORNEY GENERAL PUBLICATIONS*The Brown Act: Open Meetings for Legislative Bodies*, ~~2002~~ 2003LEAGUE OF CALIFORNIA CITIES PUBLICATIONS*Open and Public IV: A Guide to the Ralph M. Brown Act*, rev. July 2010*Management Resources continued (seen next page):*

CLOSED SESSION PURPOSES AND AGENDAS (continued)

Management Resources (continued):

WEB SITES

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

California Attorney General's Office: <http://www.oag.ca.gov>

League of California Cities: <http://www.cacities.org>

(11/04 7/12 7/12 12/14) 06/16

GUSTINE UNIFIED SCHOOL DISTRICT

Meeting of the Board of Trustees

MEETING DATE:

November 9, 2016

AGENDA ITEM TITLE: GES Requisition to Solution Tree

AGENDA SECTION: Action

PRESENTED BY: Lisa Filippini, GES Principal

SUMMARY:

Registration: Solution Tree

Professional Learning Community Conference registration for June 7-9th in Nevada; groups of five or more receive a discount on registration. Eight teachers from GES will attend (Mrs. Filippini will also be attending with the teachers) the conference bringing our total to 23/26 or 88% of our teachers attending a PLC Conference. We have seen a shift in the thinking as well as the instructional methods of our teachers; the conferences have been very powerful in influencing how our teachers plan their instruction as well as meet the needs of all of their students. Teachers have learned that collaboration with team members, and the use of data to drive instruction is essential in seeing student growth.

FISCAL IMPACT: \$6,021.00

BUDGET CATEGORY: LCAP

RECOMMENDED ACTION: Approve



Order #100031654

Order Date: October 25, 2016

Shipping Address

Lisa Filippini
 Gustine Elementary School
 1500 Meredith Ave.
 Gustine, California, 95322
 United States
 Address Type: Residential
 T: 800-733-6786

Shipping Method

FedEx Shipping - There is no shipping charge on this order.

Billing Address

Lisa Filippini
 Gustine Elementary School
 1500 Meredith Ave.
 Gustine, California, 95322
 United States
 Address Type: Residential
 T: 800-733-6786

Payment Method

Purchase Order / Check

Purchase Order Number: PO to follow

*Non credit card orders will not be processed until Solution Tree receives a check or a signed copy of the purchase order. Purchase orders must note payment terms of net 30 days.

Items Ordered

Product Name	SKU	Price	Qty	Subtotal
Professional Learning Communities at Work™ Institute	CFF450	\$689.00	Ordered: 1	\$689.00
Attendee				
1				
Title				
Principal/Asst				
First Name				
Lisa				
Last Name				
Filippini				
School Name				
Gustine Elementary				
Address 1				
2806 Grove Ave.				
City				
Gustine				
State/Province				
California				
Zip/Postal Code				
95322				
Country				
United States				
Phone				
2098546496				
Email				
Lfilippini@Gustineusd.Org				

Product Name	SKU	Price	Qty	Subtotal
Professional Learning Communities at Work™ Institute	CFF450	\$689.00	Ordered: 1	\$689.00
Attendee				
2				
Title				
Teacher/Dept Head				
First Name				
Stacy				
Last Name				
Lopes				
School Name				
Gustine Elementary				
Address 1				
2806 Grove Ave.				
City				
Gustine				
State/Province				
California				
Zip/Postal Code				
95322				
Country				
United States				
Phone				
2098546496				
Email				
Slopes@Gustineusd.Org				

Product Name	SKU	Price	Qty	Subtotal
Professional Learning Communities at Work™ Institute	CFF450	\$689.00	Ordered: 1	\$689.00
Attendee				
3				
Title				
Teacher/Dept Head				
First Name				
William				
Last Name				
Burke				
School Name				
Gustine Elementary				
Address 1				
2806 Grove Ave.				
City				
Gustine				
State/Province				
California				
Zip/Postal Code				
95322				
Country				
United States				
Phone				
2098546496				
Email				
Wburke@Gustineusd.Org				

Product Name	SKU	Price	Qty	Subtotal
Professional Learning Communities at Work™ Institute	CFF450	\$689.00	Ordered: 1	\$689.00
Attendee				
4				
Title				
Teacher/Dept Head				
First Name				
Trisha				
Last Name				
Costa				
School Name				
Gustine Elementary				
Address 1				
2806 Grove Ave.				
City				
Gustine				
State/Province				
California				
Zip/Postal Code				
95322				
Country				
United States				
Phone				
2098546496				
Email				
Tcosta@Gustineusd.Org				

Product Name	SKU	Price	Qty	Subtotal
Professional Learning Communities at Work™ Institute	CFF450	\$689.00	Ordered: 1	\$689.00
Attendee				
5				
Title				
Teacher/Dept Head				
First Name				
Samia				
Last Name				
Merza				
School Name				
Gustine Elementary				
Address 1				
2806 Grove Ave.				
City				
Gustine				
State/Province				
California				
Zip/Postal Code				
95322				
Country				
United States				
Phone				
2098546496				
Email				
Smerza@Gustineusd.Org .				

Product Name	SKU	Price	Qty	Subtotal
Professional Learning Communities at Work™ Institute	CFF450	\$689.00	Ordered: 1	\$689.00
Attendee				
6				
Title				
Teacher/Dept Head				
First Name				
Maria				
Last Name				
Palomino				
School Name				
Gustine Elementary				
Address 1				
2806 Grove Ave.				
City				
Gustine				
State/Province				
California				
Zip/Postal Code				
95322				
Country				
United States				
Phone				
2098546496				
Email				
Mpalomino@Gustineusd.Org				

Product Name	SKU	Price	Qty	Subtotal
Professional Learning Communities at Work™ Institute	CFF450	\$689.00	Ordered: 1	\$689.00
Attendee				
7				
Title				
Teacher/Dept Head				
First Name				
Christine				
Last Name				
Martins				
School Name				
Gustine Elementary				
Address 1				
2806 Grove Ave.				
City				
Gustine				
State/Province				
California				
Zip/Postal Code				
95322				
Country				
United States				
Phone				
2098546496				
Email				
Cmartins@Gustineusd.Org				

Product Name	SKU	Price	Qty	Subtotal
Professional Learning Communities at Work™ Institute	CFF450	\$689.00	Ordered: 1	\$689.00
Attendee				
8				
Title				
Teacher/Dept Head				
First Name				
Melanie				
Last Name				
Mello				
School Name				
Gustine Elementary				
Address 1				
2806 Grove Ave.				
City				
Gustine				
State/Province				
California				
Zip/Postal Code				
95322				
Country				
United States				
Phone				
2098546496				
Email				
Mmello@Gustineusd.Org				

Product Name	SKU	Price	Qty	Subtotal
Professional Learning Communities at Work™ Institute	CFF450	\$689.00	Ordered: 1	\$689.00
Attendee				
9				
Title				
Teacher/Dept Head				
First Name				
TBD				
Last Name				
TBD				
School Name				
Gustine Elementary				
Address 1				
2806 Grove Ave.				
City				
Gustine				
State/Province				
California				
Zip/Postal Code				
95322				
Country				
United States				
Phone				
2098546496				
Email				
Lplascencia@Gustineusd.Org				

Subtotal	\$6,201.00
Shipping & Handling	\$0.00
Discount (2016 ST Fall PD Catalog, \$20 Off per Registration)	-\$180.00
Grand Total	\$6,021.00

GUSTINE UNIFIED SCHOOL DISTRICT

Meeting of the Board of Trustees

MEETING DATE:

November 9, 2016

AGENDA ITEM TITLE: GES Requisition to Ceres World Travel

AGENDA SECTION: Action

PRESENTED BY: Lisa Filippini, GES Principal

SUMMARY:

Hotel Accommodations: Ceasar's

Professional Learning Community Conference hotel accommodations for June 6-9 in Nevada. Eight teachers from GES will attend (Mrs. Filippini will also be attending with the teachers) the conference bringing our staff total to 23/26 or 88% of our teachers attending a PLC Conference. We have seen a shift in the thinking as well as the instructional methods of our teachers; the conferences have been very powerful in influencing how our teachers plan their instruction as well as meet the needs of all of their students. Teachers have learned that collaboration with team members, and the use of data to drive instruction is essential in seeing student growth.

FISCAL IMPACT: \$7,097.76

BUDGET CATEGORY: LCAP

RECOMMENDED ACTION: Approve

GUSTINE UNIFIED SCHOOL DISTRICT

Meeting of the Board of Trustees

MEETING DATE:

November 9, 2016

AGENDA ITEM TITLE: E-Rate Year 2017 Request For Proposals for Cellular Voice & Data Communication Services (For 2017-2018 school year)

AGENDA SECTION: Action

PRESENTED BY: Bill Morones, Superintendent

SUMMARY:

BACKGROUND INFORMATION

E-Rate is a program that provides discounts to assist schools and libraries in the United States to obtain affordable telecommunications, Internet access, internal connections, and basic maintenance of internal connections. This program is administered by the Universal Service Administrative Company (USAC) under the direction of the Federal Communications Commission (FCC).

ISSUE/DISCUSSION

The Gustine Unified School District (GUSD) plans to apply for various eligible services for E-Rate Year 2017. The E-Rate Year 2017 will commence July 01, 2017 and end June 30, 2018 (or beyond for contracts up to 5 years). GUSD intends to publish a Request for Proposal (RFP) to solicit bids from qualified vendors for cellular voice services and data communication services. The Merced County Office of Education (MCOE) is assisting the Gustine Unified School District (GUSD) with filing for E-Rate Year 2017 funding and bidding documentation. The E-Rate Year 2017 will commence July 1, 2017 to June 30, 2018.

RECOMMENDATION

The Superintendent recommends Board approval to solicit bids for the following -

- i. Cellular voice services.
- ii. Data communication services to provide Internet access for the students and staff at the Gustine schools connecting back to Merced COE.

FISCAL IMPACT: None

BUDGET CATEGORY: None

RECOMMENDED ACTION: Approve

REQUEST FOR BID PROPOSAL

The Gustine Unified School District (GUSD) plans to apply for various eligible services for E-Rate Year 2017. The E-Rate Year 2017 will commence July 01, 2017 and end June 30, 2018 (or beyond for contracts up to 5 years).

This Request for Proposal (RFP) serves as notice that GUSD will accept bid proposals from qualified vendors for cellular voice services and data communication services.

GUSD reserves the right to accept or reject any or all bids or any items therein, to waive any irregularities or informalities, and to contract in the best interests of GUSD.

The original plus one copy of bid documents must be received by **Friday, January 06, 2017 at 2:00:00 PM (PST) or earlier**, in a sealed envelope, identified by bid identifier **GUSD-ERATE-2017-01**, and addressed to Lizett Aguilar, Chief Business Officer, Gustine Unified School District, 1500 Meredith Avenue, Gustine, CA 95322.

Vendors may request a copy of the RFP from Dick Chai, Merced County Office of Education, 2120 Cooper Avenue, Merced, CA 95348 or by calling (209) 381-6699, or by emailing dchai@mcoe.org with a subject line of "**Request for E-Rate Year 2017 RFP**".

This RFP is let pursuant to Public Contract Codes 20118.2, 20111, and 22000.

All public works projects shall be subject to compliance monitoring and enforcement by the department of industrial relations.

Pursuant to California Labor Code sections 1725.5 and 1771.1 all public works contractors and subcontractors must be registered with the department of industrial relations.

Bill Morones
Superintendent, Gustine Unified School District

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LEGAL AD TO RUN:

Merced Sun Star
Monday, November 14, 2016 and
Monday, November 21, 2016

GUSTINE UNIFIED SCHOOL DISTRICT E-RATE YEAR 2017 REQUEST FOR PROPOSAL

Bid Requirements

This document serves as a Request For Proposal (RFP) for vendors to bid on GUSD needs for cellular voice services and data communication services.

Vendors who are interested in bidding may request a copy of the RFP from Dick Chai, Merced County Office of Education, 2120 Cooper Avenue, Merced, CA, 95348, or by calling (209) 381-6699, or by emailing dchai@mcoe.org with a subject line of "**Request for E-Rate Year 2017 RFP**". [Note: vendors should follow up with a phone call if they did not receive a copy of the E-Rate Year 2017 RFP within 48 hours of the email request].

Questions regarding this RFP and/or specific item(s) 470-nnn-17 in this RFP shall be directed via email to **Dick Chai** at dchai@mcoe.org. All questions must be received before 4:00 pm on **Thursday, December 01, 2016**.

In compliance with E-Rate rules, vendors must provide their **Service Provider Identification Number (SPIN)** on the RFP as part of their bid response. **GUSD will reject any bid submissions that do not have a SPIN.** To obtain a SPIN please refer to the USAC website at <http://www.usac.org/sl/service-providers/beforeyoubegin/default.aspx>

Telecommunications Services Providers must be an eligible telecommunications services provider (common carriers) with a telecommunication services SPIN. Proposals from vendors not meeting this criterion may be automatically considered as non-responsive.

Preference will be given to telecommunications service providers that offer the California Teleconnect Fund (CTF) 50% discount on the non-E-Rate portion of CTF-eligible services, and assume responsibility for "stacking" of discounts.

Telecommunications providers who are not eligible to offer the California Teleconnect Fund (CTF) 50% discounts can respond to this proposal but the overall cost of the project "after discounts" will be the deciding factor on which provider has supplied the lowest price.

Each item on the RFP (called item 470) is identified by 470-nnn-17. Vendors may bid on all or some of the item 470s on the RFP. Vendors shall bid on all items that are specified in each item 470 (or the respective addendum to the item 470). **Any bid(s) on portion(s) of an item 470 shall be deemed as NOT meeting technical specifications and design, and shall be assigned a score of ZERO (0) in the bid assessment.**

For each item 470 tendered, vendors are required to state the applicable prices and the **TOTAL BID PRICE** (if requested on the form). Vendors may include supplemental information such as product specifications, documentation samples, testimonials, etc. However, such types of information do not represent valid bids unless the **TOTAL BID PRICE** (if requested on the form) is stated. **Any item 470 that does not show the TOTAL BID PRICE (if requested on the form) shall be considered as NO BID.**

GUSTINE UNIFIED SCHOOL DISTRICT E-RATE YEAR 2017 REQUEST FOR PROPOSAL

Vendors shall include a separate quotation for each item 470 tendered. Please refer to the heading in each section of the RFP for more information on the specific information to be included in the quotation. **For bids on Telecommunications Services, vendors shall provide monthly unit pricing for each component of the service.**

All bid prices shall be valid for a minimum of **180** days AFTER the date of the E-Rate Year 2017 Funding Commitment Decision Letter. Bid Bonds will be held to assure the validity of bid prices. In the event of a price decrease for a service or a product, the price decrease shall be passed on to GUSD and documented with new price sheet sent to GUSD.

Each E-Rate eligible item 470 depends on partial funding from the E-Rate program. GUSD expects each vendor to make themselves thoroughly familiar with any rules or regulations regarding the E-Rate program. All contracts entered into as a result of these Form 470's will be contingent upon specific funding by the SLD. The vendors will be responsible to bill the USAC Schools and Libraries Division for the DISCOUNTED portion applicable to a particular Form 471 Funding Request Number (FRN). Such vendors are known as Service Provider Invoicing (SPI) vendors, as used herein.

The vendors shall NOT submit any billing or perform any work BEFORE July 1, 2017. In addition, vendors shall NOT perform any work until a purchase order has been received from GUSD, AND until an APPROVED Funding Commitment Decision Letter (FCDL) has been received from E-Rate.

GUSTINE UNIFIED SCHOOL DISTRICT E-RATE YEAR 2017 REQUEST FOR PROPOSAL

RFP Updates/Changes/Addenda

All RFP addenda, if any, will be published on Tuesday, December 06, 2016. Vendors may obtain the RFP addenda by accessing the USAC E-Rate Productivity Center (EPC) Portal and searching for the RFP addenda for Billed Entity Number (BEN) 144370. The USAC E-Rate Productivity Center (EPC) Portal is located at <https://portal.usac.org/suite/>. **[Note: vendors who do not have an account in EPC or need assistance, should call the Schools & Libraries Client Service Bureau (CSB) at (888) 203-8100].**

In addition, vendors may obtain the RFP addenda from <http://www.gustineusd.org/district-office.html>.

Furthermore, vendors may request the RFP addenda from Dick Chai, Merced County Office of Education, 2120 Cooper Avenue, Merced, CA 95348, or by calling (209) 381-6699, or by emailing dchai@mcoe.org with a subject line of "**Request for E-Rate Year 2017 RFP Addenda**". **[Note: vendors should follow up with a phone call if they did not receive the addenda within 48 hours of the email request].**

Bid Submission Requirements

Bidder understands that all bids are to comply with the General Conditions included herein and shall submit the following in their bid proposals to be deemed responsive –

- The ORIGINAL & COMPLETE bid, signed in BLUE ink, containing ALL pages of the RFP and addenda with SPIN and actual bid amounts indicated in the appropriate areas, and separate quotations.
- **One photo-copy of ALL pages of the COMPLETE bid with addenda.**
- Two (2) copies of all product information specifications or any other submittals.
- Telecommunications Service Providers shall provide monthly unit pricing for each component of the service, and indicate their eligibility as a CTF vendor where requested. If there is no indication, the vendor will be presumed as ineligible in administering CTF discounts.
- All vendor invoices are to be accompanied by the "**CONDITIONAL WAIVER AND RELEASE UPON PAYMENT**" form that is found in this RFP.

GUSTINE UNIFIED SCHOOL DISTRICT E-RATE YEAR 2017 REQUEST FOR PROPOSAL

Bid Submission Requirements (continued)

- For NON TELECOMMUNICATION PROVIDERS

- **Bid Bond of TEN PERCENT (10%) of the aggregate amount of all NON TELECOMMUNICATION items bid.** Bid bonds may be reduced to the respective amounts awarded. Bid Bond shall assure the maintenance of prices bid for **180 days** after the date of the E-Rate 2017 Funding Commitment Decision Letter to GUSD.
- Pursuant to Civil Code 3247 and 3248, payment bonds are required when the expenditure for public works exceeds \$25,000.

Upon award of any contract considered "Public Works Project", Performance Bond shall be provided to GUSD upon receipt of the GUSD purchase order. The Performance Bond is to assure the completion of public works projects and/or complete delivery of material, equipment, supplies, and/or services within **120 days** after the date of the GUSD purchase order (or within E-Rate guidelines), in addition to all other terms and conditions of the Agreement (an example of which, is included herein), **Performance Bond shall be ONE HUNDRED PERCENT (100%) of the total amount awarded.**

Payment Bond shall be required for ONE HUNDRED PERCENT (100%) of total amount awarded (pursuant to Civil Code §3247, §3248, et. al).

- Vendor shall bear the costs of procuring all surety bonds that are required in this RFP. Since SURETY/BOND costs are considered as "normal" business costs, the bidder shall NOT include such costs in the bid for each item 470.

Bids for items 2017 that are stated in the RFP must be returned in a sealed envelope, identified by **bid identifier GUSD-ERATE-2017-01**, and addressed to **Attention: Lizett Aguilar, Chief Business Officer, Gustine Unified School District, 1500 Meredith Avenue, Gustine, CA 95322.**

GUSD WILL REJECT ANY BID SUBMISSIONS THAT FAIL TO MEET THE ABOVE MENTIONED BID SUBMISSION REQUIREMENTS, INCLUDING BIDS SENT VIA EMAIL AND/OR FAX.

GUSTINE UNIFIED SCHOOL DISTRICT E-RATE YEAR 2017 REQUEST FOR PROPOSAL

Bid Submission Deadline

The deadline for submitting bids for the items 470-nnn-17 that are stated in the RFP is **Friday, January 06, 2017 at 2:00:00 PM** Pacific Standard Time (PST) or earlier. GUSD shall use the official U.S. time that is provided by the web site <http://www.time.gov> to determine if the submission has met the deadline.

Note: It is the total responsibility of the Vendor to return bids to GUSD by the required date, time, and place. The GUSD District Office is closed daily between 12:00 noon and 1:00 P.M. and on weekends and holidays.

Bid Opening

A public bid opening will be held on **Friday, January 06, 2017 after 2:00:00 PM.**

GUSTINE UNIFIED SCHOOL DISTRICT E-RATE YEAR 2017 REQUEST FOR PROPOSAL

Bid Assessment

With the exception of bids pertaining to Public Works Projects, GUSD shall evaluate all valid bids deemed responsive on the following criteria

1. Price/Charges
2. Meets technical specifications and design or bid requirements
3. Prior experience
4. SPI vendor
5. Impact to GUSD cash flow
6. Non E-Rate eligible charges

Pursuant to Public Contract Code §20118.2, the weighted relevance of the evaluation criteria is ranked above with #1 (Price/Charges criterion) having the greatest weight followed by #2 through #6 (some weighted equally).

For each item 470 tendered, a score on a scale of 1 – 5 shall be assigned for each of the above criteria. In general, a score of 5 shall indicate the BEST, a score of 1 shall indicate the WORST, and a score of 3 shall indicate UNKNOWN/SATISFACTORY/AVERAGE, except

- SPI vendor – a score of 5 shall be assigned if the bidder is an SPI vendor, while a score of 1 shall be given if the bidder is NOT an SPI vendor.

Please refer to Appendix 2 for a sample of the Bid Assessment Form.

TELECOMMUNICATION SERVICES – CELLULAR VOICE

SERVICE REQUIREMENTS

- 1). Service coverage
 - a). California statewide
 - b). ONE HUNDRED PERCENT (100%) connectivity with a minimum of 3 bars.

- 2). Service Plans
 - a). Voice service plan
 - i). Unlimited Voice or shared pooled minutes
 - ii). No In-State long distance / toll / roaming charges
 - iii). Free Mobile-to-Mobile Calling within same carrier
 - iv). Free nights and weekend calling
 - v). Unlimited text messaging
 - vi). Unlimited MSG Camera
 - vii). Features
 - Voicemail
 - Caller ID
 - Free Wireless Local Number Portability (WLNP)
 - Wireless Local Number Portability (WLNP) requests shall be completed within 48 business hours, i.e., TWO (2) business days, of placing order.
 - Service shall use existing devices with CDMA/EV-DO or LTE compatibility whenever possible

- 3). Maintain full compliance with FCC E911 mandates, where applicable

TELECOMMUNICATION SERVICES – CELLULAR VOICE

VENDOR REQUIREMENTS

- 1). Vendor must provide State or Multi-State Multiple Award Schedules information.
- 2). Vendor shall write the appropriate information in the underlined blank spaces.
- 3). Vendor shall include a separate detail quotation for each of the item 470s that is in the bid response. The quotation shall show the following information –
 - a). One-time charge(s)
 - b). Monthly unit pricing for each component of the service
- 4). Vendor shall provide the billing terms and conditions as they pertain to E-Rate and CTF discounts. Preference shall be given to vendors who invoice the School and Libraries Division (SLD) for the E-Rate discounted portion of the bill, in accordance to the invoicing guidelines of the SLD.
- 5). Vendor must maintain Green light status with Federal Communications Commission for life of contract. The customer reserves the right to cancel and/or terminate all contracts and agreements if the vendor fails to maintain this status.
- 6). Vendor shall provide coverage maps showing the cities/towns that are covered in the service area.
- 7). Vendor shall provide detailed cost and technical information of the equipment that are required for the cellular services for voice, data, and/or Internet.
- 8). Vendors shall indicate their eligibility as a CTF vendor where requested. If there is no indication, the vendor will be presumed as ineligible in administering CTF discounts.

[Note: "normal" business costs, such as, but not limited to, SURETY/BOND costs, overhead costs, etc. shall NOT be shown on the itemized quotation].

TELECOMMUNICATION SERVICES – CELLULAR VOICE

470-CELL1-17		Gustine Unified School District CELLULAR VOICE SERVICES <u>ALL SERVICES SHALL BEGIN 7/1/2017 AND END 6/30/2018</u>										
VENDOR BID RESPONSE												
Item No.	Service / Feature Description	No. of Devices	\$One-time (per device)	MRC calling (per device)	MRC Texting (per device)	MRC Data (per device)	Call/min (per device)	Text/min (per device)	Data/min (per device)	\$Surchg & Fees (per device)	\$Govt Tax & Fees (per device)	E-Rate (Y/N)
1	Voice Only Service, NO PUSH-To-TALK, 3,200 pooled minutes	30 units or less										
2	Overage per minute (peak 7:00 AM to 7:00 PM)											
3	Overage per minute (off peak)											
4	Roaming per minute											
5	Make / Model New Phone: _____	30 units or less										

TELECOMMUNICATION SERVICES – CELLULAR VOICE

470-CELL1-17	Gustine Unified School District CELLULAR VOICE SERVICES <u>ALL SERVICES SHALL BEGIN 7/1/2017 AND END 6/30/2018</u>											
VENDOR BID RESPONSE												
Item No.	Service / Feature Description	No. of Devices	\$One-time (per device)	MRC calling (per device)	MRC Texting (per device)	MRC Data (per device)	Call/min (per device)	Text/min (per device)	Data/min (per device)	\$Surchg & Fees (per device)	\$Govt Tax & Fees (per device)	E-Rate (Y/N)
	Subtotal	30 units or less										
	Tax											
	TOTAL											
TOTAL BID FOR 470-CELL1-17 = _____												
CTF Vendor (Yes/No): _____				Time to MIGRATE ALL services, including PORTING ALL existing numbers (hours): _____								

TELECOMMUNICATION SERVICES – LIT FIBER SERVICES

The Gustine Unified School District (GUSD) plans to provide dedicated high speed (1,000 Mbps & 10 Gbps) point-to-point connections between the between their district HUB ("A" location) and various sites ("Z" location) via **LIT FIBER** services. The endpoints of each circuit ("A" location (HUB) & "Z" location) are identified in each item 470 in this section. Connections shall terminate at the respective site's MDF. The location of the MDF is indicated by the "thumbtack" on the aerial image. The aerial images are included in this RFP.

Vendors are encouraged to bid on BOTH 1,000 Mbps & 10 Gbps LIT fiber services.

In the bid response to each item 470 in this section, the vendor shall enter the necessary information including the **one-time non-recurring charges, the monthly recurring charges, and the anticipated circuit ready date.** All charges should be all-inclusive. All-inclusive in this case means, including all non-recurring costs (NRC) required by the vendor to commence service, and all monthly recurring costs (MRC) should be included in the requisite columns of each item 470 in this section.

The vendor shall provide the following supporting documentation for lit fiber service –

1. An itemized copy of the quotation indicating each non-recurring cost required by the vendor to commence service, monthly recurring charges, and terms of agreement. The itemized copy of the quotation shall clearly indicate all non-recurring charges (especially, the E-Rate eligible special construction charges related to construction of network facilities, design and engineering, and project management).
2. Any additional technical specifications to utilize the quoted service outside the stated "Technical Requirements" and "Service Description". Include "best practices" if available.
3. A copy of the vendor Service Level Agreement. The SLA shall state the following –
 - a. provide 99.99% guaranteed uptime
 - b. provide response time for outages
 - c. mean Time-To-Repair for outages <4 hours
 - d. network latency commitment (one way) <12 ms
 - e. jitter commitment (one way) <3 ms
 - f. packet delivery rate commitment >= 99.995%
 - g. network availability commitment >= 99.99%
 - h. bit-error rate commitment <0.25% between circuit endpoints
 - i. Liquidated damages.
4. A list of references utilizing quoted service (lit fiber and/or dark fiber) – preferably from other K-12 Education agencies.
5. An estimated timeline that reflects from the time of order to the time of customer hand-off/turn-up.
6. Vendor's billing terms and conditions as they pertain to E-Rate and CTF discounts.
7. Vendors shall indicate their eligibility as a CTF vendor where requested. If there is no indication, the vendor will be presumed as ineligible in administering CTF discounts.

[Note: "normal" business costs, such as, but not limited to, SURETY/BOND costs, overhead costs, etc. shall NOT be shown on the itemized quotation].

TELECOMMUNICATION SERVICES – LIT FIBER SERVICES

REQUIREMENTS

Vendors must be an eligible telecommunications services provider (common carriers) with a telecommunication services SPIN. Proposals from vendors not meeting this criterion may be automatically considered as non-responsive. Vendors shall assume responsibility for "stacking" of discounts. The proposal should include an option to continue with the service(s) on a month-to-month basis at the end of the service contract.

Following specific requirements shall apply for lit fiber services proposal -

1. Fully managed.
2. Guaranteed Lit Transport Bandwidth throughput (upload and download) of CIR with Service Level Agreement (SLA) guarantees.
3. Connections shall be full duplex, point-to-point. Connections shall terminate at the respective site's MDF (as indicated on the aerial images that are included in this RFP).
4. Circuit shall be handed off to the customer as follows –
 - a. For 1000 Mbps CIR service, the customer handoff shall be single mode, LC with the connection speeds of 1000 Mbps at each point.
 - b. For 10 Gbps CIR service, the customer handoff shall be single mode, LC with the connection speeds of 10 Gbps at each point.
5. All lit service circuits must support Quality of Service (QoS) and have the ability to apply rate limiting guarantees to specific packet types to ensure Quality of Service at each WAN link. The network must have the ability to support multiple QoS policies and prioritization queues across each link in the WAN to reduce latency and packet loss and guarantee throughput to support student learning.
6. There is no right to rate limit or throttle the capacity of the circuit at any time
7. Symmetrical upstream and downstream bandwidth to the required levels
8. Network Latency Commitment <12 milliseconds one way
9. Network Jitter Commitment <3 milliseconds
10. Packet Delivery Rate >= 99.995%
11. Network Availability >= 99.99%
12. Bit-Error Rate commitment < 0.25% between circuit endpoints
13. Mean Time-To-Repair for outages < 4 hours
14. Liquidated damages shall be finalized prior to award of contract.

TELECOMMUNICATION SERVICES – LIT FIBER SERVICES

* Vendors are encouraged to provide pricing for ALL CIR requested below to enable a comprehensive comparison.

470-LF1-17		Gustine Unified School District <u>LIT FIBER - DEDICATED POINT-TO-POINT CONNECTION</u> All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)								
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?
1	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	Lit Fiber Service, 1000 Mbps CIR	1							
	"Z" location - Gustine Adult School 685 Wallis Avenue Gustine, CA 95322	Lit Fiber Service, 1000 Mbps CIR	1							
2	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	Lit Fiber Service 10 Gbps CIR	1							
	"Z" location - Gustine Adult School 685 Wallis Avenue Gustine, CA 95322	Lit Fiber Service 10 Gbps CIR	1							

TELECOMMUNICATION SERVICES – LIT FIBER SERVICES

470-LF1-17	Gustine Unified School District <u>LIT FIBER - DEDICATED POINT-TO-POINT CONNECTION</u> All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)									
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?

Notes

1. _____
2. _____

Time to MIGRATE ALL services (hours): _____
CTF vendor (Yes/No): _____

TELECOMMUNICATION SERVICES – LIT FIBER SERVICES

* Vendors are encouraged to provide pricing for ALL CIR requested below to enable a comprehensive comparison.

470-LF2-17		Gustine Unified School District <u>LIT FIBER - DEDICATED POINT-TO-POINT CONNECTION</u> All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)								
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?
1	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	Lit Fiber Service. 1000 Mbps CIR	1							
	"Z" location - Gustine Elementary School 2806 Grove Avenue Gustine, CA 95322	Lit Fiber Service. 1000 Mbps CIR	1							
2	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	Lit Fiber Service 10 Gbps CIR	1							
	"Z" location - Gustine Elementary School 2806 Grove Avenue Gustine, CA 95322	Lit Fiber Service 10 Gbps CIR	1							

TELECOMMUNICATION SERVICES – LIT FIBER SERVICES

470-LF2-17		Gustine Unified School District								
		<p align="center"><u>LIT FIBER - DEDICATED POINT-TO-POINT CONNECTION</u></p> <p align="center"><u>All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)</u></p>								
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?

Notes

1. _____
2. _____

Time to MIGRATE ALL services (hours): _____
CTF vendor (Yes/No): _____

TELECOMMUNICATION SERVICES – LIT FIBER SERVICES

* Vendors are encouraged to provide pricing for ALL CIR requested below to enable a comprehensive comparison.

470-LF3-17		Gustine Unified School District <u>LIT FIBER - DEDICATED POINT-TO-POINT CONNECTION</u> All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)								
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?
1	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	Lit Fiber Service. 1000 Mbps CIR	1							
	"Z" location - Gustine High School 501 North Avenue Gustine, CA 95322	Lit Fiber Service. 1000 Mbps CIR	1							
2	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	Lit Fiber Service 10 Gbps CIR	1							
	"Z" location - Gustine High School 501 North Avenue Gustine, CA 95322	Lit Fiber Service 10 Gbps CIR	1							

TELECOMMUNICATION SERVICES – LIT FIBER SERVICES

470-LF3-17		Gustine Unified School District								
		<p align="center"><u>LIT FIBER - DEDICATED POINT-TO-POINT CONNECTION</u></p> <p align="center"><u>All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)</u></p>								
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?

Notes

1. _____
2. _____

Time to MIGRATE ALL services (hours): _____
CTF vendor (Yes/No): _____

TELECOMMUNICATION SERVICES – LIT FIBER SERVICES

* Vendors are encouraged to provide pricing for ALL CIR requested below to enable a comprehensive comparison.

470-LF4-17		Gustine Unified School District <u>LIT FIBER - DEDICATED POINT-TO-POINT CONNECTION</u> All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)								
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?
1	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	Lit Fiber Service. 1000 Mbps CIR	1							
	"Z" location - Gustine District Office 1500 Meredith Ave Gustine, CA 95322	Lit Fiber Service. 1000 Mbps CIR	1							
2	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	Lit Fiber Service 10 Gbps CIR	1							
	"Z" location - Gustine District Office 1500 Meredith Ave Gustine, CA 95322	Lit Fiber Service 10 Gbps CIR	1							

TELECOMMUNICATION SERVICES – LIT FIBER SERVICES

470-LF4-17		Gustine Unified School District <u>LIT FIBER - DEDICATED POINT-TO-POINT CONNECTION</u> All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)								
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?

Notes

1. _____
2. _____

Time to MIGRATE ALL services (hours): _____
CTF vendor (Yes/No): _____

TELECOMMUNICATION SERVICES – LIT FIBER SERVICES

* Vendors are encouraged to provide pricing for ALL CIR requested below to enable a comprehensive comparison.

470-LF5-17		Gustine Unified School District <u>LIT FIBER - DEDICATED POINT-TO-POINT CONNECTION</u> All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)								
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?
1	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	Lit Fiber Service. 1000 Mbps CIR	1							
	"Z" location - Wired Data Center 450 West 18th Street Merced, CA 95340	Lit Fiber Service. 1000 Mbps CIR	1							
2	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	Lit Fiber Service 10 Gbps CIR	1							
	"Z" location - Wired Data Center 450 West 18th Street Merced, CA 95340	Lit Fiber Service 10 Gbps CIR	1							

TELECOMMUNICATION SERVICES – LIT FIBER SERVICES

470-LF5-17	Gustine Unified School District <u>LIT FIBER - DEDICATED POINT-TO-POINT CONNECTION</u> All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)									
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?

Notes

1. _____
2. _____

Time to MIGRATE ALL services (hours): _____
CTF vendor (Yes/No): _____

TELECOMMUNICATION SERVICES – LIT FIBER SERVICES

470-LF6-17		Gustine Unified School District <u>LIT FIBER - DEDICATED POINT-TO-POINT CONNECTION</u> All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)								
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?
1	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	Lit Fiber Service, 1000 Mbps CIR	1							
	"Z" location - Merced COE Room D4 632 West 13th Street Merced, CA 95341	Lit Fiber Service, 1000 Mbps CIR	1							
2	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	Lit Fiber Service 10 Gbps CIR	1							
	"Z" location - Merced COE Room D4 632 West 13th Street Merced, CA 95341	Lit Fiber Service 10 Gbps CIR	1							

TELECOMMUNICATION SERVICES – LIT FIBER SERVICES

470-LF6-17	Gustine Unified School District <u>LIT FIBER - DEDICATED POINT-TO-POINT CONNECTION</u> All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)									
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?

Notes

1. _____
2. _____

Time to MIGRATE ALL services (hours): _____
CTF vendor (Yes/No): _____

TELECOMMUNICATION SERVICES – DARK FIBER

The Gustine Unified School District (GUSD) plans to provide dedicated high speed point-to-point connections between their district HUB ("A" location) and various sites ("Z" location) via **DARK FIBER**. The fiber run between the district HUB ("A" location) and each site ("Z" location) shall comprise of dedicated fiber. The "A" location and the "Z" location of each circuit is identified in respective item 470 in this section. Connections shall terminate at the respective site's MDF. The location of the MDF is indicated by the "thumbtack" on the aerial image. The aerial images are included in this RFP

GUSD plans to compare dark fiber (leased and/or IRU) to lit fiber services to determine the MOST cost effective solution. However, vendors are encouraged to propose lit fiber services, and dark fiber so that GUSD can perform a comprehensive comparison of the solutions.

In the bid response to each item 470 in this section, the vendor shall enter the necessary information including the **one-time non-recurring charges, the monthly recurring charges, and the anticipated circuit ready date**. All charges should be all inclusive. All-inclusive in this case means, including all non-recurring costs (NRC) required by the vendor to commence service, and all monthly recurring costs (MRC) should be included in the requisite columns of each item 470 in this section.

The contract term for leased dark fiber shall be 5 years. In addition, GUSD seeks proposals for leased dark fiber in the form of an IRU (Indefeasible Right To Use). The contract term of the IRU is perpetual.

The pricing for IRU leased dark fiber shall consist of a one-time capital cost payment and an "all-in" recurring payments for operations and maintenance costs of the fiber facilities for the 5-year lease term. GUSD welcomes proposals with optional payment plans structure such as a monthly recurring cost (MRC) over the 5-year lease term. **Please note that GUSD will be unable to evaluate proposals that do not include at least one alternative for an up-front capital payment for the fiber combined with separately identified recurring maintenance payments.** In addition, GUSD requests that vendors provide installment payment options for the non-discounted portion of any non-recurring costs related to special construction, with such payments to be made over 4 years.

If special construction charges are requested by the vendor for the fiber proposed to be IRU'd, GUSD expect significant reductions from prevailing market rates for the IRU fee and annual maintenance charges.

Following specific requirements shall apply for dark fiber (leased and IRU) proposals –

1. The response should include an **additional proposal option** for consideration that includes modulating electronics (such as, but not limited to Cisco Systems or compatible equipment) and required licensing, services and maintenance associated with lighting the proposed dark fiber. The proposal option should include -
 - a. The modulating electronics that provide a minimum of a 1 Gb or 10 Gb Ethernet connections for connectivity. The part number for the modulating electronics for 1 Gb is SFP-GE-L. The modulating electronics for 10 Gb is SFP-10G-LR-S.
 - b. A separate itemized bill of materials showing, at minimum, the part number, part description, quantities, unit pricing, and total pricing.
 - c. E-Rate eligible status and percentage of eligibility of all modulating electronics, licensing, services and maintenance provided within its proposal utilizing E-Rate Category 1 funding.

TELECOMMUNICATION SERVICES – DARK FIBER

- d. All required components for an operational system including all recommended equipment and materials listed for system, an estimated calendar for procurement per phase and per subproject, if applicable.
 - e. Vendor/manufacturer warranty and maintenance policies and procedures.
2. The response will provide a **separate detailed line item bill of materials, labor and costs** for the associated Ethernet transceivers and electronics to light the fiber based on bandwidth requirements of the site, fiber distance and db loss budget design estimates.
3. Connections shall terminate at the respective site's MDF (as indicated on the aerial images that are included in this RFP)
4. Handoff shall consist of Single Mode, duplex bulkhead, with SC/APC connectors.
5. GUSD prefers to lease dark fiber routes that contain a homogenous fiber type throughout the segment.
6. Operations and Maintenance Practices – GUSD will require on-going maintenance and operations of the fiber for lease term. When pricing maintenance and operations, the vendors should include an overview of fiber maintenance practices including:
- a. Routine maintenance and inspection.
 - b. Scheduled maintenance windows and scheduling practices for planned outages.
 - c. Fiber monitoring including information on what fiber management software is used, what fiber monitoring system is used, and who performs the monitoring.
 - d. Handling of unscheduled outages and customer problem reports
 - e. What service level agreement is included, and what alternative service levels may be available at additional cost.
 - f. The agreements are in place with applicable utilities and utility contractors for emergency restoration.
 - g. Repair of fiber breaks.
 - h. Replacement of damaged fiber.
 - i. Replacement of fiber which no longer meets specifications.
 - j. Policies for customer notification regarding maintenance.
 - k. Process for changing procedures, including customer notification practices.

The pricing for dark fiber maintenance should include the annual cost per linear foot for dark fiber maintenance and operations.

TELECOMMUNICATION SERVICES – DARK FIBER

470-DF1-17		Gustine Unified School District <u>DARK FIBER - DEDICATED POINT-TO-POINT CONNECTION</u> All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)								
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?
1	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	2-strand SINGLE MODE dark fiber	1							
	"Z" location - Gustine Adult School 685 Wallis Avenue Gustine, CA 95322	2-strand SINGLE MODE dark fiber	1							

Notes

1. _____
2. _____

Time to MIGRATE ALL services (hours): _____
CTF vendor (Yes/No): _____

TELECOMMUNICATION SERVICES – DARK FIBER

470-DF2-17		Gustine Unified School District								
		<u>DARK FIBER - DEDICATED POINT-TO-POINT CONNECTION</u>								
		All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)								
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?
1	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	2-strand SINGLE MODE dark fiber	1							
	"Z" location - Gustine Elementary School 2806 Grove Avenue Gustine, CA 95322	2-strand SINGLE MODE dark fiber	1							

Notes

1. _____
2. _____

Time to MIGRATE ALL services (hours): _____
CTF vendor (Yes/No): _____

TELECOMMUNICATION SERVICES – DARK FIBER

470-DF3-17		Gustine Unified School District <u>DARK FIBER - DEDICATED POINT-TO-POINT CONNECTION</u> All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)								
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?
1	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	2-strand SINGLE MODE dark fiber	1							
	"Z" location - Gustine High School 501 North Avenue Gustine, CA 95322	2-strand SINGLE MODE dark fiber	1							

Notes

1. _____
2. _____

Time to MIGRATE ALL services (hours): _____
CTF vendor (Yes/No): _____

TELECOMMUNICATION SERVICES – DARK FIBER

* Vendors are encouraged to provide pricing for ALL CIR requested below to enable a comprehensive comparison.

470-DF4-17		Gustine Unified School District <u>DARK FIBER - DEDICATED POINT-TO-POINT CONNECTION</u> All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)								
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?
1	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	2-strand SINGLE MODE dark fiber	1							
	"Z" location - Gustine District Office 1500 Meredith Ave Gustine, CA 95322	2-strand SINGLE MODE dark fiber	1							

Notes

1. _____
2. _____

Time to MIGRATE ALL services (hours): _____
CTF vendor (Yes/No): _____

TELECOMMUNICATION SERVICES – DARK FIBER

470-DF5-17		Gustine Unified School District								
		<u>DARK FIBER - DEDICATED POINT-TO-POINT CONNECTION</u>								
		All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)								
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?
1	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	2-strand SINGLE MODE dark fiber	1							
	"Z" location - Wired Data Center 450 West 18th Street Merced, CA 95340	2-strand SINGLE MODE dark fiber	1							

Notes

1. _____
2. _____

Time to MIGRATE ALL services (hours): _____
CTF vendor (Yes/No): _____

TELECOMMUNICATION SERVICES – DARK FIBER

470-DF6-17		Gustine Unified School District <u>DARK FIBER - DEDICATED POINT-TO-POINT CONNECTION</u> All services shall begin 5/1/2018 and end 6/30/2018 (or beyond for contracts up to 5 years)								
Item	From ("A") / To ("Z")	Speed & Services	Qty	Speed (Bid)	\$One-time (NRC)	\$Monthly (MRC)	\$Surchg & Fees	\$Govt Tx & Fees	Circuit Ready Date	E-Rate (Y/N)?
1	"A" location (HUB) - Gustine Middle School 28075 Sullivan Road Gustine, CA 95322	2-strand SINGLE MODE dark fiber	1							
	"Z" location - Merced COE Room D4 632 West 13th Street Merced, CA 95341	2-strand SINGLE MODE dark fiber	1							

Notes

1. _____
2. _____

Time to MIGRATE ALL services (hours): _____
CTF vendor (Yes/No): _____

APPENDIX 1

Please refer your questions regarding this RFP and/or specific item(s) 470-nnn-17 to the person listed below

Dick Chai
Merced County Office of Education
2120 Cooper Avenue
Merced, CA 95348

Telephone: (209) 381-6699
Email: dchai@mcoe.org

APPENDIX 2

E-Rate Bid Assessment Matrix (Gustine Unified School District)

Page 1 of

Funding Year 2017

Project or Service
Description

470- -17

Vendor Scoring (use additional worksheets if necessary)

Selection Criteria	Weight*	Raw Score**	Weighted Score***	Raw Score	Weighted Score	Raw Score	Weighted Score
Prices/Charges	35%						
Meets technical specifications and design	20%						
Prior experience	15%						
SPI Vendor (Yes=5, No=1)	10%						
Impact to GUSD Cash Flow	10%						
Non E-Rate eligible charges	10%						

Overall Ranking

Vendor Selected:
Approved By:
Title:
Date:

Bid Assessment Comments, if needed:	

Notes:

- * The weight of each criterion as determined by GUSD. Percentage weights must add up to 100%. Price must be weighted the heaviest.
- ** Evaluated on a scale of 1 to 5: 1=worst, 5=best, 3=unknown/satisfactory/average (except for "Prices/Charges", "SPI vendor ")
- *** Weight x Raw Score

Bids on Public Works Projects shall be awarded to the lowest RESPONSIVE & RESPONSIBLE bid

© E-Rate Central

GENERAL CONDITIONS

PREPARATION OF BIDS

1. Before submitting a bid, each bidder is expected to thoroughly examine the actual conditions (if applicable), specifications, general conditions, and all other related contractual documents. Failure to do so will be at the bidder's risk, and will not bar the bidder's obligation to perform if a contract is awarded pursuant to this Invitation to Bid. Each bidder must satisfy himself/herself by personal examination and by such other means as he/she may prefer as to the actual conditions and requirements under which the contract will be performed.
2. In order to be considered for award, bids must be returned on forms furnished by the Gustine Unified School District (GUSD). Failure to do so will disqualify the bid. **Return two copies (the original plus one copy) of all bid pages and additional information or supporting documentation.**
3. It is the total responsibility of the bidder to return the bid to the place called for, by the deadline. No bid or modifications received after the time specified in this Invitation to Bid will be considered for award. The GUSD is closed on weekends, holidays, and between 12:00 noon and 1:00 P.M. weekdays, and cannot receive bids during these times.
4. Changes, additions, or any other modifications which are not specifically called for in the bid may cause the bid to be rejected as not being responsive to the Invitation to Bid.
5. All information requested of the bidder shall be entered in the appropriate space on the form. Corrections, if necessary, must be initialed by the person signing the bid, in the margin adjacent to the correction. All bids shall be signed in longhand in ink in all indicated areas. Failure to sign bid documents or initial corrections on bid documents may cause rejection of the bid.
6. Unless otherwise requested by the GUSD, all items supplied pursuant to this bid shall be new and unused.

GENERAL CONDITIONS

APPROVAL OF SUBSTITUTIONS AND ALTERNATIVES FOR "FUNCTIONALLY EQUIVALENT" ITEMS

- Vendors may propose to furnish alternatives or substitutes for a particular item specified in the RFP Documents, provided that such proposed substitution or alternative complies with the requirements of the Specifications relating to substitutions of specified items and the Vendor certifies to the GUSD in writing that the quality, performance capability and functionality (including visual and/or aesthetic effect) of the proposed alternative or substitute will meet or exceed the quality, performance capability and functionality of the item or process specified, and must demonstrate to the GUSD that the use of the substitution or alternative is appropriate and will not result in an increase to the Contract Price. The Vendor shall submit engineering, construction, dimension, visual, aesthetic and performance data, and samples if requested by/to the GUSD to permit proper evaluation of the proposed substitution or alternative. If requested by the GUSD, Vendor shall promptly furnish any additional information or data regarding a proposed substitution or alternative which the GUSD deems reasonably necessary for the evaluation of the proposed substitution or alternative. The Vendor shall not provide, furnish or install any substitution or alternative without the GUSD's review and final action on the proposed substitution or alternative; any alternative or substitution installed or incorporated into the Work without first obtaining GUSD review and final action of the same shall be subject to removal and immediate replacement with the specified item(s) in the RFP. The GUSD decision evaluating the Vendor's proposed substitutions or alternatives shall be final. Neither the Contract Time nor the Contract Price shall be increased on account of any substitution or alternative proposed by the Vendor and which is accepted by the GUSD; provided, however, that in the event a substitution or alternative accepted by the GUSD and purchase, fabrication and/or installation or such accepted substitution or alternative shall be less expensive than the originally specified item, the Contract Price shall be reduced by the actual cost savings realized by the Vendor's furnishing and/or installation of such approved substitution or alternative. The Vendor shall be solely responsible for all costs and fees incurred by the GUSD to review a proposed substitution or alternative, including without limitation fees of the GUSD, of any GUSD consultant(s) and/or governmental agencies to review and/or approve any proposed substitution or alternative. The Vendor shall be solely responsible for any increase in the cost of any accepted substitution or alternative or any Work affected by such alternative or substitution. The foregoing notwithstanding, all requests for the Vendor's review and approval of any proposed substitution or alternative and all engineering and performance data substantiating the equivalency of the proposed substitution or alternative shall be submitted by Vendor by Thursday, December 01, 2016 as specified herein. Any request for approval of proposed alternatives or substitutions submitted thereafter may be rejected summarily. The foregoing process and time limits shall apply to any proposed substitution or alternative regardless of whether the substitute or alternate item is to be provided, furnished or installed by Vendor, any Subcontractor, any Sub-Subcontractor, Material Supplier or Manufacturer.
- Final approval of a functional equivalent system shall be determined at the time of job completion. The filing of Form 486 will remain pending until installation is complete and tested to be functionally equivalent.

Failure to provide the "precise functional equivalent" shall result in the removal of the functional equivalent system at the contractor's expense. In that event, GUSD will not be financially responsible for the payment of the "functional equivalent" system and the labor to install that system.
- Throughout this RFP, technical specifications, attachments and possible amendments, numerous references may have been made to products or services from specific Original Equipment

GENERAL CONDITIONS

Manufacturers (OEMs), generally in the context of providing information about GUSD's existing telecommunications and technology infrastructure. GUSD hereby strongly emphasizes its belief in open and fair competitive bidding compliant with the rules of the E-Rate program as well as all applicable state and local rules. Mention of brands is purely intended to convey required functional or quantitative information about the products and services in use. For each such reference, the phrase "or equivalent functionality" is hereby inserted by reference, especially where a description might be interpreted to convey possible future services sought. GUSD seeks the most cost effective and compatible solutions consistent with the RFP requirements.

4. The following types of equipment must include the specific functions (as stated below) to be compatible with the current network environment and be deemed functionally equivalent
 - a). Network switches must support the following functions
 - i). CDP
 - ii). VTPv3
 - iii). IPv6
 - iv). QoS
 - v). NetFlow
 - b). Routers must support the following functions
 - i). EIGRP
 - ii). QoS
 - iii). NetFlow
 - c). Wireless devices must support the following functions
 - i). Current 802.11 wireless specifications
 - ii). Ability to map Active Directory OU to VLAN
 - iii). QoS
 - iv). Switch port auto configuration for Access Points
 - v). Be manageable by Ruckus ZoneDirector 3000
5. Substitutions that may interfere with manufacturer warranty or support will NOT be permitted

GENERAL CONDITIONS

PRICES

1. All prices and notations must be typed or written in ink. Verify all prices before submission, since they may not be corrected after bids are opened. No oral or telegraphic modification will be considered.
2. Prices shall remain firm and in effect for a minimum of one hundred eighty (180) days after the date of the E-Rate 2017 Funding Commitment Decision Letter, unless a longer period is specified by the vendor (if so, specify on bid forms).

CASH DISCOUNTS

1. Unless otherwise specified, all prices bid shall be considered to be net. Cash discounts will be considered for bid evaluation purposes for timely payment only. Timely payment by the GUSD shall be in no case less than twenty (20) days. Further discounts for payments in less than twenty days may be accepted if determined to be in the best interest of the GUSD, but such discounts shall not be considered for the purpose of bid evaluation.
2. In connection with any cash discount offered, time will be calculated from the date of complete delivery of the supplies, labor, or equipment specified, or from the date correct invoices are received in the GUSD Accounting Office, whichever is later. For the purposes of earning the discount, payment is deemed to be made on the date of mailing of the GUSD warrant.

BID CLARIFICATION, CHANGES, ADDENDA

1. Any request(s) for clarification on or correction to the bid documents must be submitted to the GUSD via mail or e-mail. The contact information is found in Appendix 1 of this document.

The GUSD will not be responsible for oral interpretations.

A copy of the request for clarification and the response thereto will be mailed or e-mailed to all bidders.
2. Changes in the bid documents shall be made by addenda and processed through GUSD Purchasing. The GUSD will not be responsible for oral interpretations. All addenda issued during the time of bidding shall be incorporated into the bid.
3. No changes in the bid documents will be made by GUSD after Thursday, December 01, 2016.

GENERAL CONDITIONS

RENEWAL OF ONGOING SERVICE

1. The GUSD may wish to renew ongoing service for telecommunications and wireless service on a month-to-month basis for up to **two (2) years** following the initial agreement, contractually permissible. Such renewal shall be in writing and subject to availability of funds in subsequent years.

ACTUAL CONDITIONS

1. VENDOR shall be responsible for examining actual site(s) and certify all measurements, specifications, and conditions affecting the work to be performed at the site(s).
2. By submitting a bid, VENDOR warrants that they have made such site examination(s) as they deem necessary as to the condition of the site(s), its accessibility for materials, workers, and utilities, and ability to protect existing surface or subsurface improvements.
3. No claim for allowance of time or money will be allowed as to such matters for any other undiscovered conditions on the site(s).

DELIVERY / RISK OF LOSS OR DAMAGE

1. Unless otherwise requested all items supplied to the GUSD shall be bid F.O.B. destination (U.C.C. 2-319 (1). a.). The bidder is required to absorb all delivery costs. The GUSD shall not be liable for any delivery, storage, demurrage, packing, or freight charges involved in the shipment of the item(s).
2. The Vendor shall be responsible for all transportation, loading, and unloading of materials or equipment associated with the project.
3. The Vendor agrees to assume all risk of loss or damage until the project is accepted by the GUSD.

TAXES

1. State and local taxes and all other applicable taxes are to be included in bids.

GENERAL CONDITIONS

LIABILITIES

1. The Vendor or Vendor shall save, defend, hold harmless, and indemnify the GUSD against any and all liability, claims, and costs of whatsoever kind and nature for injury to or death of any person or persons, and for loss or damage to any property occurring in connection with or in any way incident to or arising out of the occupancy, use, service, operations, or performance of work or supply of material under the terms of this contract, resulting in whole or in part from the negligent acts or omissions of Vendor, and subcontractor, or any employee, agent, or representative of Vendor or subcontractor.
2. The Vendor or Vendor shall hold the GUSD, its officers, agents, servants, and employees harmless from liability of any nature or kind, including the use of any copyrighted or non-copyrighted composition, secret process, patented or unpatented invention, articles, or appliances furnished or used under this bid. The Vendor agrees to defend, at his own expense, any and all actions brought against the GUSD or himself because of unauthorized use of such articles.

BONDS FOR NON-TELECOMMUNICATIONS RELATED ITEMS

1. Bids for non-telecommunication related items must be accompanied by one of the following forms of bidder's security: (1) a cashier's check made payable to the GUSD; (2) a certified check made payable to the GUSD; or (3) a bidder's bond executed by a California admitted surety as defined in Code of Civil Procedure Section 995.120, made payable to the GUSD in the form set forth in the contract documents. Such bidder's security must be in an amount not less than TEN PERCENT (10%) of the maximum amount of bid as a guarantee that the bidder will enter into the proposed contract, if the same is awarded to such bidder, and will provide the required Performance and Payment Bonds and insurance certificates. In the event of failure to enter into said contract or provide the necessary documents, said security will be forfeited.
2. Separate payment and performance bonds, each in an amount equal to ONE HUNDRED PERCENT (100%) of the total contract amount, are required, and shall be provided to the GUSD prior to execution of the contract and shall be in the form set forth in the contract documents.
3. All bonds (Bid, Performance, and Payment) must be issued by a California admitted surety as defined in California Code of Civil Procedure Section 995.120.

INSURANCE

1. The Vendor agrees to maintain insurance adequate for protection from claims under Workers Compensatory Acts, and from claims for damages for personal injury, including death and damage to property, which may arise from operations under the contract.

GENERAL CONDITIONS

2. The Vendor shall not allow any Subcontractor, employee or agent to commence work on this contract or any subcontract until the insurance required of the Vendor, subcontractor, or agent has been obtained.

DEFAULT BY BIDDER

1. In case of default by bidder, the GUSD may procure the articles or services from other sources and may deduct from any moneys due, or that may thereafter become due to the Vendor, the difference between the price named in the contract or Purchase Order and the actual cost thereof to the GUSD. Prices paid by the GUSD shall be considered the prevailing market price at the time such purchase is made.
2. Default by the bidder may be sufficient cause to remove bidder from the approved Vendor list for subsequent bids.
3. Periods of performance may be extended if the facts as to the cause of delay justify such extension in the opinion of the Purchasing Agent.

ATTORNEY FEES / LEGAL FORUM

1. In the event that suit or action is brought by either party in this contract to enforce any of the rights thereunder, the prevailing party shall be entitled to recover such additional sums as the court may adjudge reasonable attorney fees.
2. The parties hereby agree that any legal dispute arising from this agreement shall be settled in the appropriate jurisdiction IN CLOSEST PROXIMITY to Merced County, California.

ASSIGNMENT OF CONTRACT

1. The Vendor shall not assign the whole or any part of this agreement or any payment due or to become due thereunder, without the written consent of the GUSD and all sureties who have executed bonds on behalf of the Vendor in connection with this contract.

WARRANTY

1. The Vendor warrants that the services and items provided shall be merchantable within the meaning of Articles 2313-2317, et. seq. of the California Commercial Code in effect on the date of this offer. In addition to all warranties which may be prescribed by law, the item(s) shall conform to specifications, drawings, and other descriptions and shall be free from defects in materials or workmanship.

GENERAL CONDITIONS

2. The Vendor also warrants that, to the extent the item(s) are not manufactured pursuant to detailed designs furnished by the GUSD, they will be free from defects in design.
3. Such warranties for any equipment provided, including warranties prescribed by law, shall run to GUSD, its successors, assigns, and customers, and to users of the items, for a period of one (1) year, after delivery, or such longer period as may be prescribed by law or by additional agreement.

AWARD OF BID

1. For Public Works projects, GUSD will award bids to the lowest responsive and responsible bidder(s). (P.C.C. 20111). Refer to BID ASSESSMENT section of the RFP for bid assessment criteria.
2. For Non Public Works projects, GUSD may contract with an acceptable party who is one of the three (3) lowest responsible bidders for the procurement, maintenance, or both, of electronic data-processing systems and supporting software in any manner the GUSD deems appropriate (P.C.C. 20118.1). Refer to BID ASSESSMENT section of the RFP for bid assessment criteria.
3. GUSD reserves the right: (1). to award bids received on the basis of individual items or groups of items, or on the entire list of items; (2). to reject any or all bids, or any part thereof; (3). to waive any informality or irregularity in the bid; and (4). to accept the bid that is in the best interest of the GUSD, price and other factors considered

WITHDRAWAL OF BID

1. Any bidder may withdraw his or her bid personally or by written request at any time prior to the scheduled due date and time for receipt of bids.

BID PROTEST PROCEDURE

1. Any Bidder submitting a Bid Proposal to the GUSD may file a protest of the GUSD's intent to award the Contract provided that each and all of the following are complied with:
 - a. The bid protest is in writing;
 - b. The bid protest is filed and received by GUSD's Chief Business Officer, not more than five (5) calendar days following the date of issuance of the GUSD 's Notice of Intent to Award the Contract; and
 - c. The written bid protest sets forth, in detail, all grounds for the bid protest, including without limitation all facts, supporting documentation, legal authorities and argument in

GENERAL CONDITIONS

support of the grounds for the bid protest; any matters not set forth in the written bid protest shall be deemed waived. All factual contentions must be supported by competent, admissible and creditable evidence.

2. Any bid protest not conforming to the foregoing shall be rejected by GUSD as invalid. Provided that a bid protest is filed in strict conformity with the foregoing, the GUSD Chief Business Officer shall review and evaluate the basis of the bid protest. The GUSD Chief Business Officer shall provide the bidder submitting the bid protest a written statement concurring with or denying the bid protest. Based on this statement, the GUSD District Superintendent will render a determination and disposition of a bid protest by taking action to adopt, modify or reject the disposition of a bid protest. A determination by the GUSD District Superintendent relative to a bid protest shall be final and not subject to appeal or reconsideration. All the above requirements, including a final determination by the GUSD District Superintendent, shall be express conditions precedent to the institution of any legal or equitable proceedings relative to this bid. In the event that any such legal or equitable proceedings are instituted and the GUSD is named as a party thereto, the prevailing party(ies) shall recover from the other party(ies), as costs, all attorneys' fees and costs incurred in connection with any such proceeding, including any appeal arising there from.

OSHA COMPLIANCE / MATERIAL SAFETY DATA SHEETS

1. The article(s) covered in this bid must conform to the safety orders of the Division of Occupational Safety and Health of the State of California, and the Federal Occupational Safety and Health Act, whichever is more restrictive.

INSPECTION / ACCEPTANCE

1. All items provided under this bid shall be subject to inspection and test by the GUSD. All items must meet or exceed bid specifications, and/or, at a minimum, be merchantable per the definition of the California Commercial Code. Acceptance shall include (as applicable) complete delivery of all components, installation, training, testing, and other requirements of the contract, as verified by the GUSD.
2. In case any supplies or lots of supplies are defective in material or workmanship or otherwise not in conformity with the requirements of this contract, the GUSD shall have the right either to reject them or to require their correction. Supplies or lots of supplies which have been rejected or required to be corrected shall be removed, or if permitted or requested by the GUSD, corrected in place and at the expense of the Vendor promptly after notice, and shall not thereafter be tendered for acceptance unless the former rejection or requirement of correction is disclosed.
3. If the Vendor fails to promptly replace or correct such supplies or lots of supplies, the GUSD either (1) may, by contract or otherwise, replace or correct such supplies and charge to the Vendor the cost occasioned the GUSD thereby; or (2) may terminate this contract for default as provided in the clause of this contract entitled "Default."
3. Unless the Vendor corrects or replaces such supplies within the delivery schedule, the GUSD may require the delivery of such supplies at a reduction in price which is equitable under the circumstances.

GENERAL CONDITIONS

4. Except as otherwise provided in this contract, acceptance shall be conclusive except as regards latent defects, fraud, or such gross mistakes as amount to fraud

PERMITS AND LICENSES

1. In connection with the furnishing of materials, articles, or services listed herein, the Vendor and all of his or her employees shall secure and maintain in force such licenses and permits as are required by law.
2. All operations, materials, handling, transportation, labeling, and production shall comply with all Federal, State, and Local laws.

INVOICES AND PAYMENTS

1. Unless otherwise specified, the Vendor shall render invoices in triplicate for materials delivered or services performed under this bid to the GUSD Accounting Office, 1500 Meredith Avenue, Gustine, CA 95322. All invoices and packing lists must reference the GUSD Purchase Order number.
2. Terms are net 30 days for the portion to be paid by Gustine Unified School District following acceptance and satisfactory operation of network equipment and services. Gustine Unified School District is not responsible for portion and payment terms as set out by the Schools & Libraries Corporation for E-Rate.
3. All vendor invoices are to be accompanied by the "**CONDITIONAL WAIVER AND RELEASE UPON PAYMENT**" form that is found in **ADDITIONAL DOCUMENTS** section of this RFP.

BID DOCUMENTS AND SAVINGS CLAUSE

1. The complete bid packet may include, as applicable, the Request for Proposal, General Conditions, Specifications, Addenda, or other supplementary information. If this bid has been transmitted or received via computer or electronic media, bidder warrants that the bid submitted is a verbatim copy of hard copy bid on file.
2. Any of the above shall be interpreted to include all of the provisions of the other documents as though fully set out therein. The Vendor should fully acquaint himself or herself with the conditions and terms affecting the performance of this contract.
3. Submission of a bid shall be taken as prima facie evidence of compliance with this provision.

GENERAL CONDITIONS

4. The Vendor agrees that in the event any provision(s) specified herein are finally held, or determined to be, illegal or void, or as being in contravention of any applicable law, the remainder of the agreement shall remain in full force and effect.

PREVAILING WAGE

1. If the CONTRACTOR employs workers and the bid is for a "public project" (i.e., construction) greater than \$1,000 in value, the CONTRACTOR hereby agrees that the project described in this Invitation for Bids is a public work, in accordance with Section 1720-1861 of the California Labor Code, and waives any right to later object or contend that the project or any portion of the project is not a public work.
2. The Director of the Department of Industrial Relations of the State of California, in the manner provided by law, has ascertained the general prevailing wage rate per diem wages and rate of legal holidays and overtime work. CONTRACTOR must pay any labor therein described or classified in an amount not less than the rates specified. Wage rates are available at the at the Department of Industrial Relations (<http://www.dir.ca.gov/dlsr/main.htm>) . However, this does not relieve the CONTRACTOR or Subcontractor from paying the latest up-to-date Wage Rates as set forth by the California Labor Code. Specify that all labor provided in this proposal shall be performed in accord with the California Labor Code.
3. In a timely manner following completion of the project, the CONTRACTOR agrees to provide the GUSD with certified payroll records for each employee of the CONTRACTOR and all subcontractors who worked on the project.
4. The CONTRACTOR understands and agrees that at least the final payment (10% of the contract amount) will be withheld by the GUSD until the contract is complete, and GUSD is in possession of complete certified payroll records for all work performed by the CONTRACTOR and all subcontractors in connection with this contract, and is satisfied that prevailing wages are paid to employees on this project.

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

COMPLIANCE WITH LAWS

1. No contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.
2. No contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.
3. Public Works projects are subject to compliance monitoring and enforcement by the Department of Industrial Relations.
4. Before commencing any portion of the Work, Contractor shall check and review the Drawings and Specifications for such portion for conformance and compliance with all laws, ordinances, codes, rules and regulations of all governmental authorities and public and municipal utilities affecting the construction and operation of the physical plant of the Project, all quasi-governmental and other regulations affecting the construction and operation of the physical plant of the Project, and other special requirements, if any, designated in the Contract Documents. Such checking shall include Title 21 and Title 24 of the California Code of Regulations, California Building Code, local utility, local water connection, local grading and all other applicable agencies. In the event Contractor observes any violation of any law, ordinance, code, rule or regulation, or inconsistency with the Contract Documents, Contractor shall, within five (5) days, notify GUSD in writing of same and shall ensure that any such violation or inconsistency shall be corrected in the manner provided hereunder prior to the construction of that portion of the Project.

The Contractor shall bear all expenses of correcting Work done contrary to said laws, ordinances, rules, and regulations if the Contractor performed same (1) without first consulting the Architect for further instructions regarding said Work or (2) disregarded the Architect's instructions regarding said work.

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

DESIGNATION OF SUBCONTRACTORS

1. Subcontractors shall be licensed pursuant to California law for the trades necessary to perform the work called for in the contract documents.
2. In compliance with the Subletting and Subcontracting Fair Practices Act (California Public Contract Code Sections 4100 et seq.,) and any amendments thereof, each bidder shall set forth below: (a) the name, license number, and location of the place of business of each subcontractor who will perform work or labor or render service to the prime contractor, who will perform work or labor or work or improvement to be performed under this contract, or a subcontractor licensed by the State of California who, under subcontract to the prime contractor, specially fabricates and installs a portion of the work or improvements according to detailed drawings contained in the plans and specifications in an amount in excess of one-half of one percent of the prime contractor's total bid; and (b) the portion and description of the work which will be done by each subcontractor under this Act. The prime contractor shall list only one subcontractor for each such portion as is defined by the prime contractor in this bid. All subcontractors shall be properly licensed by the California State Licensing Board.

If a prime contractor fails to specify a subcontractor, or if a prime contractor specifies more than one subcontractor for the same portion of work to be performed under the contract in excess of one-half of one percent of the prime contractor's total bid, the CONTRACTOR shall be deemed to have agreed that the CONTRACTOR is fully qualified to perform that portion, and that the CONTRACTOR alone shall perform that portion.

No prime contractor whose bid is accepted shall (a) substitute any subcontractor, (b) permit any subcontractor to be voluntarily assigned or transferred or allow the relevant portion of the work to be performed by anyone other than the original subcontractor listed in the original bid, or (c) sublet or subcontract any portion of the work in excess of one-half of one percent of the prime contractor's total bid where the original bid did not designate a subcontractor, except as authorized in the Subletting and Subcontracting Fair Practices Act.

Subletting or subcontracting of any portion of the work in excess of one-half of one percent of the prime contractor's total bid where no subcontractor was designated in the original bid shall only be permitted in cases of public emergency or necessity, and then only after a finding, reduced to writing as a public record, of the authority awarding this contract setting forth the facts constituting the emergency or necessity.

NOTE: If alternate bids are called for and bidder intends to use different or additional subcontractors on the alternates, a separate list of subcontractors must be provided for each such alternate.

**SUPPLEMENTARY CONDITIONS
(PUBLIC WORKS PROJECTS)**

***DESIGNATION OF SUBCONTRACTORS FORM**

This Form Must Be Submitted With Your BID

Description & Portion of Work	Name of Subcontractor	Location & Place of Business	Contactor License Number of Subcontractor	Public Works Contractor Registration Number of Subcontractor

**Add Additional copies of this Form if necessary (all copies must be signed).*

Date: _____

Bidder/Company Name (dba): _____

Bidder/Company Address (Street, City, ZIP): _____

Bid Preparer (officer/agent completing this bid): _____

Signature of Bidder (office/agent completing this bid)

Phone: _____

By Signing Below, the above Bidder acknowledges that NO subcontractor(s) will be used in any of the projects bid on this RFP:

(Signature of Bidder)

Do not sign if sub-contractor have been acknowledged above.

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

WORK OF THE CONTRACTOR OR SUBCONTRACTOR

1. Work of the Contractor or Subcontractor shall include all labor, materials and equipment necessary for the Contractor to fulfill all of its obligations pursuant to the Contract Documents. It shall include the initial obligation of any Contractor or Subcontractor who performs any portion of the Work, to visit the Site of the proposed Work (a continuing obligation after the commencement of the Work), to fully acquaint and familiarize itself with the conditions as they exist and the character of the operations to be carried out under the Contract Documents, and make such investigation as it may see fit so that it shall fully understand the facilities, physical conditions, and restrictions attending the Work under the Contract Documents. Each such Contractor or Subcontractor shall also thoroughly examine and become familiar with the Drawings, Specifications, and associated bid documents before preparing and submitting any bid.

UTILITIES

1. Contractor, except in an emergency, shall contact the appropriate regional notification center at least two working days prior to commencing any excavation if the excavation will be conducted in an area or in a private easement which is known, or reasonably should be known, to contain subsurface installations other than the underground facilities owned or operated by the GUSD, and obtain an inquiry identification number from that notification center. No excavation shall be commenced and carried out by the Contractor unless such an inquiry identification number has been assigned to the Contractor or any subcontractor of the Contractor and the GUSD has been given the identification number by the Contractor. Any damages arising from failure to make appropriate regional notification shall be at the sole risk of Contractor. Any delays caused by failure to make appropriate regional notification shall be at the sole risk of Contractor and shall not be considered for extension of time pursuant to the agreement **OFFER TO THE GUSD**.
2. The GUSD has endeavored to determine the existence of utilities at the Site of the Work from the records of the GUSD of known utilities in the vicinity of the Work. The positions of these utilities as derived from such records are shown in the Contract Documents.

No excavations were made to verify the locations shown for underground utilities. The service connections to these utilities may not be shown on the plans. It shall be the responsibility of the Contractor to determine the exact location of all service connections. The Contractor shall make its own investigations, including exploratory excavations, to determine the locations and type of service connections, prior to commencing work which could result in damage to such utilities. The Contractor shall immediately notify the GUSD's representative as to any utility discovered by Contractor in a different position than shown in the Contract Documents or which is not shown on the Contract Documents.

Contractor shall coordinate its Work with all utilities, including, but not limited to electricity, water, gas, and telephone and meet with said utilities prior to the start of any work.

3. In case it should be necessary to remove, relocate, or temporarily maintain a utility because of interference with the Work, the work on the utility shall be performed and paid for as follows:

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

When it is necessary to remove, relocate or temporarily maintain a service connection, the cost of which is not required to be borne by the owner thereof, the Contractor shall bear all expenses incidental to the work on the service connection. The work on the service connection shall be done in a manner satisfactory to the owner thereof; it being understood that the owner of the service connection has the option of doing such work with his own forces or permitting the work to be done by the Contractor.

When it is necessary to remove, relocate, or temporarily maintain a utility which is in the position shown on the plans, the cost of which is not required to be borne by the owner thereof, the Contractor shall bear all expenses incidental to the work on the utility. The work on the utility shall be done in a manner satisfactory to the owner thereof; it being understood that the owner of the utility has the option of doing such work with his own forces or permitting the work to be done by the Contractor.

When it is necessary to remove, relocate, or temporarily maintain a utility which is not shown on the plans or is in a position different from that shown on the plans and were it in the position shown on the plans would not need to be removed, relocated, or temporarily maintained, and the cost of which is not required to be borne by the owner thereof, the GUSD will make arrangements with the owner of the utility for such work to be done at no cost to the Contractor, or will require the Contractor to do such work in accordance with **CHANGES IN THE WORK** section or will make changes in the alignment and grade of the Work to obviate the necessity to remove, relocate, or temporarily maintain the utility. Changes in alignment and grade will be ordered in accordance with **CHANGES IN THE WORK** section herein.

No representations are made that the obligations to move or temporarily maintain any utility and to pay the cost thereof is or is not required to be borne by the owner of such utility, and it shall be the responsibility of the Contractor to investigate to find out whether said cost is required to be borne by the owner of the utility.

The right is reserved to governmental agencies and to owners of utilities to enter at any time upon any street, alley, right-of-way, or easement for the purpose of making changes in their property made necessary by the Work and for the purpose of maintaining and making repairs to their property.

GUSD'S RIGHT TO CARRY OUT THE WORK

1. If the Contractor defaults or neglects to carry out the Work in accordance with the Contract, including, but not limited to:
 - a. Failure to supply adequate workers on the entire Project or any part thereof;
 - b. Failure to supply a sufficient quantity of materials;
 - c. Failure to perform any provision of this Contract;
 - d. Failure to comply with safety requirements, or due to Contractor is creation of an unsafe condition;
 - e. In the case of bona fide emergency;
 - f. Failure to order materials in a timely manner;
 - g. Failure to prepare deferred-approval items or shop drawings in a timely manner;

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

- h. Failure to comply with Contractor's schedule which would result in a delay to the critical path;
- i. Failure to comply with the Subletting and Subcontracting Fair Practices, Public Contract Code section 4100, et seq.

If the Contractor defaults or neglects to carry out the Work in accordance with the Contract Documents, and fails (within a five-day period after receipt of written notice or a shorter time period expressly stated in the written notice from the GUSD in an emergency situation) to commence and continue correction of such default with diligence and promptness, the GUSD may correct such deficiencies without prejudice to other remedies the GUSD may have, including those set forth in Article 14 after providing five-day written notice to Contractor and Surety. If during this five (5) day period, Surety personally delivers notice to GUSD that it intends to perform such work, GUSD shall allow Surety seven (7) days to perform. In an emergency situation, the GUSD may correct such deficiencies without prejudice to other remedies the GUSD may have, including those set forth in Article 14 after providing 48 hours notice to the Contractor. In either case, the Contractor will be invoiced the cost of correcting such deficiencies, including compensation for additional services and expenses made necessary by such default, or neglect. The invoice amount shall be deducted from the next payment due the Contractor. If payments then or thereafter due the Contractor are not sufficient to cover such amounts, the Contractor shall pay the difference to the GUSD

- 2. Right to Remove - GUSD shall have the right, but not the obligation, to require the removal from the Project of any superintendent, staff member, agent, or employee of any Contractor, Subcontractor, material or equipment supplier.

STAFF

- 1. Notwithstanding other requirements of the contract documents, the Contractor and each Subcontractor shall: (1) furnish a competent and adequate staff as necessary for the proper administration, coordination, supervision, and superintendence of its portion of the Work; (2) organize the procurement of all materials and equipment so that the materials and equipment will be available at the time they are needed for the Work; and (3) keep an adequate force of skilled and fit workers on the job to complete the Work in accordance with all requirements of the Contract.
- 2. Right to Remove - GUSD shall have the right, but not the obligation, to require the removal from the Project of any superintendent, staff member, agent, or employee of any Contractor, Subcontractor, material or equipment supplier.

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

LABOR AND MATERIALS

1. Unless otherwise specified, the Contractor shall provide and pay for labor, material, equipment, tools, construction equipment and machinery, transportation, and other facilities, services and permits necessary for proper execution and completion of the Work whether temporary or permanent and whether or not incorporated or to be incorporated in the Work.
2. Quality - unless otherwise specified, all materials and equipment to be permanently installed in the Project shall be new and shall be of the highest quality or as specifically stated in the technical specifications. The Contractor shall, if requested, furnish satisfactory evidence as to kind and quality of all materials and equipment within ten (10) days of a written request by the GUSD, including furnishing the GUSD with bona fide copies of invoices for materials or services provided on the Project. All labor shall be performed by workers skilled in their respective trades, and shall be of the same or higher quality as with the standards of other installations.
3. Replacement - any work, materials, or equipment, which do not conform to these requirements or the standards set forth in the technical specifications, may be disapproved by the GUSD, in which case, they shall be removed and replaced by the Contractor at no additional cost or extension of time to the GUSD.
4. Delivery of Material - Contractor shall place orders for materials or equipment so that the Work may be completed in accordance with the time frame for the delivery of Work as set forth in **OFFER TO GUSD** agreement. Contractor shall, upon demand from the GUSD, furnish to the GUSD documentary evidence including, but not limited to purchase orders, invoices, bills of materials, work orders and bills of lading, showing that orders have been placed.
5. Liens and Other Security Interests of Subcontractors and Material Suppliers - No material, supplies, or equipment for the Work shall be purchased subject to any chattel mortgage or under a conditional sale or other agreement by which an interest therein or in any part thereof is retained by seller or supplier. Contractor warrants good title to all material, supplies, and equipment installed or incorporated in Work and agrees upon completion of all Work to deliver premises, together with all improvements and appurtenances constructed or placed thereon by it, to GUSD free from any claims, security interests, liens, or charges. Contractor further agrees that neither it nor any person, firm, or corporation furnishing any materials or labor for any Work covered by this Contract shall have any right to place a lien upon the premises or any improvement or appurtenance thereof, except that Contractor may install metering devices or other equipment of a utility company or political subdivision, title to which is commonly retained by the utility company or political subdivision. In event of installation of any such metering device or equipment, Contractor shall advise GUSD as to its owner within five (5) days of such installation in writing, prior to making the installation.
6. Title to Materials - the title to new materials or equipment for the Work of this Contract, and attendant liability for its protection and safety, shall remain with Contractor until incorporated in the Work of this Contract and accepted by the GUSD and Architect; no part of said materials shall be removed from its place of storage, and Contractor shall keep an accurate inventory of all said materials and equipment in a manner satisfactory to the GUSD or its authorized representative.
7. Assemblies - for all material and equipment specified or indicated in the technical specifications, the Contractor shall provide all labor, materials, equipment, and services necessary for complete

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

assemblies and complete working systems. Incidental items not indicated nor mentioned on the technical specifications that can legitimately and reasonably be inferred to belong to the Work described, or be necessary in good practice to provide a complete assembly or system, shall be furnished as though itemized in the Contract Documents in every detail. In all instances, material and equipment shall be installed in strict accordance with each manufacturer's most recent published recommendations and specifications.

8. Noise Control - the Contractor shall be responsible for the installation of noise reducing devices on construction equipment. Contractor shall comply with the requirements of the city and county having jurisdiction with regard to noise ordinances governing construction sites and activities. Construction equipment noise is subject to the control of the Environmental Protection Agency's Noise Control Program (Part 204 of Title 40, Code of Federal Regulations). If school is in session at any point during the progress of the Project, and, in the GUSD's reasonable discretion, the noise from such Work disrupts or disturbs the students or faculty or the normal operation of the school, at the GUSD's request, the Contractor shall schedule the performance of all such Work around normal school hours or make other arrangements so that the Work does not cause such disruption or disturbance. In no event shall Contractor have a right to receive additional compensation or an extension to the contract time as a result of any such rescheduling or the making of such arrangements. These controls shall be implemented during site preparation and construction, if applicable.

WARRANTY

1. The Contractor warrants to the GUSD and Architect that material and equipment furnished under the Contract will be of the highest quality and new unless otherwise required or permitted by the Contract Documents, that the Work will be free from defects not inherent in the quality required or permitted, and that the Work will conform with the requirements of the Contract Documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. Contractor's warranty to GUSD includes, but is not limited to the following representations:
 - a. In addition to any other warranties provided elsewhere, Contractor shall, and hereby does, warrant all Work after the date of Notice of Completion of Work by GUSD and shall repair or replace any or all such work, together with any other work, which may be displaced in so doing that may prove defective in workmanship or materials within a three (3) year period from date of completion as defined in Public Contract Code Section 7107(c) without expense whatsoever to GUSD, ordinary wear and tear, unusual abuse or neglect excepted. GUSD will give notice of observed defects with reasonable promptness. Contractor shall notify GUSD upon completion of repairs.
 - b. In the event of failure of Contractor to comply with above mentioned conditions within one week after being notified in writing, GUSD is hereby authorized to proceed to have defects repaired and made good at expense of Contractor who hereby agrees to pay costs and charges therefore immediately on demand.
 - c. If, in the opinion of the GUSD, defective Work creates a dangerous condition or requires immediate correction or attention to prevent further loss to the GUSD, the GUSD will attempt to give the notice required by this Article. If the Contractor cannot be contacted or does not comply with the GUSD's requirements for correction within a reasonable time as determined by the GUSD, the GUSD may, notwithstanding the provisions of this article,

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

proceed to make such correction or attention which shall be charged against Contractor. Such action by the GUSD will not relieve the Contractor of the guarantee provided in this Article or elsewhere in this Contract.

- d. This Article does not in any way limit the guarantee on any items for which a longer warranty is specified or on any items for which a manufacturer gives a guarantee for a longer period. Contractor shall furnish GUSD all appropriate guarantee or warranty certificates upon completion of the project.

CUTTING AND PATCHING

1. Scope

- a. Contractor shall be responsible for all cutting, fitting, and patching, including associated excavation and backfill, required to complete the Work or to:
 - i. Make several parts fit together properly.
 - ii. Uncover portions of Work to provide for installation of ill-timed Work.
 - iii. Remove and replace defective Work.
 - iv. Remove and replace Work not conforming to requirements of Contract Documents.
 - v. Remove Samples of installed Work as specified for testing.
 - vi. Provide routine penetrations of non-structural surfaces for installation of piping and electrical conduit.
 - vii. Attaching new materials to existing remodeling areas - - including painting (or other finishes) to match existing conditions.
- b. Contractor shall be responsible for ensuring that all trades are coordinated and scheduled so as to ensure the timely and proper execution of the work.
- c. When modifying existing work or installing new Work adjacent to existing work, Contractor shall match, as closely as conditions of Site and materials will allow, the finishes, textures, and colors of the original work, refinishing existing work at no additional cost to GUSD.
- d. All cost caused by defective or ill-timed work shall be borne by Contractor.
- e. Contractor shall be solely responsible for protecting existing work on adjacent properties and shall obtain all required permits for shoring and excavations near property lines.
- f. In addition to Contract requirements, upon written instructions from the GUSD, Contractor shall uncover Work to provide for observations of covered Work in accordance with the Contract; remove samples of installed materials for testing as directed by the GUSD; and remove Work to provide for alteration of existing Work.
- g. Contractor shall not cut or alter Work, or any part of it, in such a way that endangers or compromises the integrity of the Work, the Project, or work of others.

2. Submittals

- a. Prior to any cutting or alterations that may affect the structural safety of Project, or work of others, and well in advance of executing such cutting or alterations, Contractor shall

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

submit written notice to District pursuant to the applicable notice provisions of the Contract Documents, requesting consent to proceed with the cutting or alteration, including the following:

- i. The Work of the District or other trades.
- ii. Structural value or integrity of any element of Project.
- iii. Integrity or effectiveness of weather-exposed or weather-resistant elements or systems.
- iv. Efficiency, operational life, maintenance or safety of operational elements.
- v. Visual qualities of sight-exposed elements.

b. Contractor's Request shall also include:

- i. Identification of Project.
- ii. Description of affected Work.
- iii. Necessity for cutting, alteration, or excavations.
- iv. Affects of Work on District, other trades, or structural or weatherproof integrity of Project.
- v. Description of proposed Work:
 - Scope of cutting, patching, alteration, or excavation.
 - Trades that will execute Work.
 - Products proposed to be used.
 - Extent of refinishing to be done.
- vi. Alternates to cutting and patching.
- vii. Cost proposal, when applicable.
- viii. The scheduled date the Contractor intends to perform the Work and the duration of time to complete the Work.
- ix. Written permission of other trades whose Work will be affected.

3. Quality Assurance

- a. New or existing structural members and elements, including reinforcing bars and seismic bracing, shall not be cut, bored, or drilled except by written authority of the GUSD. Work done contrary to such authority is at the Contractor's risk and subject to replacement at its own expense without reimbursement under the Contract. Schedule delays resulting from Agency approvals for unauthorized work shall be the Contractor's responsibility.
- b. Contractor shall ensure that cutting, fitting, and patching shall achieve security, strength, weather protection, appearance for aesthetic match, efficiency, operational life, maintenance, safety of operational elements, and the continuity of existing fire ratings.
- c. Contractor shall ensure that cutting, fitting, and patching shall successfully duplicate undisturbed adjacent profiles, materials, textures, finishes, colors, and that materials shall match existing construction. Where there is dispute as to whether duplication is successful or has been achieved to a reasonable degree, the District's decision shall be final.

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

4. Payment for Costs

- a. Cost caused by ill-timed or defective Work or Work not conforming to the Contract, including costs for additional services of the GUSD, will be paid by Contractor and/or deducted from the Contract by the GUSD.
- b. The GUSD shall only pay for cost of Work if it is part of the original Contract Price or if a change has been made to the contract in compliance with the provisions of the General Conditions. Cost of Work performed upon instructions from the GUSD, other than defective or nonconforming Work, will be paid by the GUSD on approval of written Change Order. Contractor shall provide written cost proposals prior to proceeding with cutting and patching.

5. Materials

- a. Contractor shall provide for replacement and restoration of Work removed. Contractor shall comply with the Contract and with the Industry Standard(s), for the type of Work, and the Specification requirements for each specific product involved. If not specified, Contractor shall first recommend a product of a manufacturer or appropriate trade association for approval by the GUSD.
- b. Materials to be cut and patched include those damaged by the performance of the Work.

6. Inspection

- a. Contractor shall inspect existing conditions of the Site and the Work, including elements subject to movement or damage during cutting and patching, excavating and backfilling. After uncovering Work, Contractor shall inspect conditions affecting installation of new products.
- b. Contractor shall report unsatisfactory or questionable conditions in writing to District as indicated in the General Conditions and shall proceed with Work as indicated in the General Conditions by District.

7. Preparation

- a. Contractor shall provide shoring, bracing and supports as required to maintain structural integrity for all portions of the Project, including all requirements of the Project.
- b. Contractor shall provide devices and methods to protect other portions of Project from damage.
- c. Contractor shall, provide all necessary protection from weather and extremes of temperature and humidity for the Project, including without limitation, any work that may be exposed by cutting and patching Work. Contractor shall keep excavations free from water.

8. Erection, installation, and application

- a. With respect to performance, Contractor shall:
 - i. Execute fitting and adjustment of products to provide finished installation to comply with and match specified tolerances and finishes.
 - ii. Execute cutting and demolition by methods that will prevent damage to other Work, and provide proper surfaces to receive installation of repairs and new Work.

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

- iii. Execute cutting, demolition excavating, and backfilling by methods that will prevent damage to other Work and damage to settlement.
- b. Contractor shall employ original installer or fabricator to perform cutting and patching for:
 - i. Weather-exposed surfaces and moisture-resistant elements such as roofing, sheet metal, sealants, waterproofing, and other trades.
 - ii. Sight-exposed finished surfaces.
- c. Contractor shall execute fitting and adjustment of products to provide a finished installation to comply with specified products, functions, tolerances, and finishes as shown or specified in the Contract including, without limitation, the Drawings and Specifications.
- d. Contractor shall fit Work airtight to pipes, sleeves, ducts, conduit, and other penetrations through surfaces. Contractor shall conform to all Code requirements for penetrations or the Drawings and Specifications, whichever calls for a higher quality or more thorough requirement. Contractor shall maintain integrity of both rated and non-rated fire walls, ceilings, floors, etc.
- e. Contractor shall restore Work which has been cut or removed. Contractor shall install new products to provide completed Work in accordance with requirements of the Contract Documents and as required to match the surrounding areas and surfaces.
- f. Contractor shall refinish all continuous surfaces to nearest intersection as necessary to match the existing finish to any new finish..

9. Subsequent Removal

Permission to patch any areas or items of the Work shall not constitute a waiver of the GUSD's right to require complete removal and replacement of the areas or items of the Work if, in the opinion of the GUSD, the patching does not satisfactorily restore quality and appearance of the Work or does not otherwise conform to the Contract.

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

CLEANING UP

1. Contractor at all times shall keep premises free from debris such as waste, dust, excess water, storm water runoffs, rubbish, and excess materials and equipment. Contractor shall not leave debris under, in, or about the premises, but shall promptly remove same from the premises and dispose of it in a lawful manner. Upon completion of Work, Contractor shall clean interior and exterior of buildings, including fixtures, equipment, walls, floors, ceilings, roofs, window sills and ledges, horizontal projections, and any areas where debris has collected, so surfaces are free from foreign material or discoloration; Contractor shall clean and polish all glass, plumbing fixtures, equipment, finish hardware and similar finish surfaces. Upon completion of the Work, Contractor shall also remove temporary utilities, fencing, barricades, planking, sanitary facilities and similar temporary facilities from Site.

Contractor shall remove rubbish and debris resulting from the Work on a daily basis. Contractor shall maintain the structures and Site in a clean and orderly condition at all times until acceptance of the project by the GUSD. Contractor shall keep its access driveways and adjacent streets, sidewalks, gutters and drains free of rubbish, debris and excess water by cleaning and removal each day.

2. In addition to the general cleaning, the following special cleaning shall be done at the completion of the work in accordance with the specifications including, but not limited to:
 - a. Remove putty stains from glazing, then wash and polish glazing.
 - b. Remove marks, stains, fingerprints and other soil or dirt from painted, stained or decorated work.
 - c. Remove temporary protection and clean and polish floors and waxed surfaces.
 - d. Clean and polish hardware and plumbing trim; remove stains, dust, dirt, plaster and paint.
 - e. Remove spots, soil, plaster and paint from tile work, and wash tile.
 - f. Clean all fixtures and equipment, remove excess lubrication, clean light fixtures and lamps, polish metal surfaces.
 - g. Vacuum-clean carpeted surfaces.
 - h. Remove debris from roofs, down spout and drainage system.
3. If the Contractor fails to clean up as provided in the Contract Documents, the GUSD may do so, and the cost thereof shall be the responsibility of the Contractor and deducted from the next progress payment.

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

CHANGES IN THE WORK

1. There shall be no change whatsoever in the drawings, specifications, or in the Work without an executed Change Order, Construction Change Directive, or order by the GUSD for a minor change in the Work as herein provided. GUSD shall not be liable for the cost of any extra work or any substitutions, changes, additions, omissions, or deviations from the Drawings and Specifications unless the GUSD has authorized the same and the cost thereof approved in writing by Change Order or executed Construction Change Directive. No extension of time for performance of the Work shall be allowed hereunder unless claim for such extension is made at the time changes in the Work are ordered, and such time duly adjusted in writing in the Change Order. The provisions of the Contract Documents shall apply to all such changes, additions, and omissions with the same effect as if originally embodied in the Drawings and Specifications. Notwithstanding anything to the contrary in this section, all Change Orders shall be prepared and issued by the GUSD and shall become effective when executed by the GUSD.
2. Should any Change Order result in an increase in the Contract price, the cost of such Change Order shall be agreed to, in writing, in advance by Contractor and GUSD and be subject to the monetary limitations set forth in Public Contract Code Section 20118.4. In the event that Contractor proceeds with any change in Work without first notifying GUSD and obtaining the Architect's and GUSD's consent to a Change Order, Contractor waives any claim of additional compensation for such additional work.

CONTRACTOR UNDERSTANDS, ACKNOWLEDGES, AND AGREES THAT THE REASON FOR THIS NOTICE REQUIREMENT IS SO THAT GUSD MAY HAVE AN OPPORTUNITY TO ANALYZE THE WORK AND DECIDE WHETHER THE GUSD SHALL PROCEED WITH THE CHANGE ORDER OR ALTER THE PROJECT SO THAT SUCH CHANGE IN WORK BECOMES UNNECESSARY

ROYALTIES AND PATENTS

1. Contractor shall hold and save the GUSD and its officers, agents, and employees harmless from liability of any nature or kind, including cost and expense, for or on account of any patented or unpatented invention, process, article, or appliance manufactured or used in the performance of the contract, including its use by the GUSD, unless otherwise specifically provided in the contract documents, and unless such liability arises from the sole negligence, or active negligence, or willful misconduct of the GUSD.

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

INDEMNIFICATION

1. Contractor shall defend, indemnify and hold harmless GUSD, the State of California and their officers, employees, agents and independent contractors from all liabilities, claims, actions, liens, judgments, demands, damages, losses, costs or expenses of any kind arising from death, personal injury, property damage or other cause based or asserted upon any act, omission, or breach connected with or arising from the progress of Work or performance of service under this Agreement or the Contract Documents. As part of this indemnity, Contractor shall protect and defend, at its own expense, GUSD, the State of California and their officers, employees, agents and independent contractors from any legal action including attorneys fees or other proceeding based upon such act, omission, breach or as otherwise required by this **INDEMNIFICATION** section.

Furthermore, Contractor agrees to and does hereby defend, indemnify and hold harmless GUSD, the State of California and their officers, employees, agents and independent contractors from every claim or demand made, and every liability, loss, damage, expense or attorneys fees of any nature whatsoever, which may be incurred by reason of:

- a. Liability for (1) death or bodily injury to persons; (2) damage or injury to, loss (including theft), or loss of use of, any property; (3) any failure or alleged failure to comply with any provision of law or the Contract; or (4) any other loss, damage or expense, sustained by any person, firm or corporation or in connection with the Work called for in this Agreement or the Contract, except for liability resulting from the sole or active negligence, or the willful misconduct of the GUSD.
- b. Any bodily injury to or death of persons or damage to property caused by any act, omission or breach of Contractor or any person, firm or corporation employed by Contractor, either directly or by independent contract, including all damages or injury to, loss (including theft), or loss of use of, any property, sustained by any person, firm or corporation, including GUSD, arising out of or in any way connected with Work covered by this agreement **OFFER TO GUSD** or the Contract, whether said injury or damage occurs either on or off GUSD property, but not for any loss, injury, death or damages caused by the sole or active negligence or willful misconduct of the GUSD.
- c. Any dispute between Contractor and Contractor's subcontractors/supplies/sureties, including, but not limited to, any failure or alleged failure of the Contractor (or any person hired or employed directly or indirectly by the Contractor) to pay any Subcontractor or Materialman of any tier or any other person employed in connection with the Work and/or filing of any stop notice or mechanic's lien claims.

CONTRACTOR, at its own expense, cost, and risk, shall defend any and all claims, actions, suits, or other proceedings that may be brought or instituted against the GUSD, its officers, agents or employees, on account of or founded upon any cause, damage, or injury identified herein **INDEMNIFICATION** section and shall pay or satisfy any judgment that may be rendered against the GUSD, its officers, agents or employees in any action, suit or other proceedings as a result thereof.

Contractor shall ensure that its contract with each of its subcontractors contains provisions requiring the subcontractors to defend, indemnify and hold harmless the GUSD and the State of

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

California to a minimum level as set forth in this RFP and consistent with the language of **INDEMNIFICATION** section.

The Contractor's and Subcontractors' obligation to defend, indemnify and hold harmless the GUSD, the State of California and their officers, employees, agents and independent contractors hereunder shall include, without limitation, any and all claims, damages, and costs for the following: (1) any damages or injury to or death of any person, and damage or injury to, loss (including theft), or loss of use of, any property; (2) breach of any warranty, express or implied; (3) failure of the Contractor or Subcontractors to comply with any applicable governmental law, rule, regulation, or other requirement; and (4) products installed in or used in connection with the Work.

TERMINATION OR SUSPENSION OF THE CONTRACT

1. Termination by the contractor for cause
 - a. Grounds for termination - The Contractor may terminate the Contract if the Work is stopped for a period of thirty (30) consecutive days through no act or fault of the Contractor, a Subcontractor, a Sub-subcontractor, their agents or employees, or any other persons performing portions of the Work for whom the Contractor is contractually responsible, for only the following reasons:
 - i. Issuance of an order of a court or other public authority having jurisdiction; or
 - ii. An act of government, such as a declaration of national emergency.
 - b. Notice of Termination - If one of the above reasons exists, the Contractor may, upon written notice of seven (7) additional days to the GUSD, terminate the Contract and recover from the GUSD payment for Work executed and for reasonable costs verified by the Architect with respect to materials, equipment, tools, construction equipment, and machinery, including reasonable overhead, profit, and damages
2. Termination by the GUSD for cause
 - a. Grounds for termination - the GUSD may terminate the Contractor and/or this Contract for the following reasons:
 - i. Persistently or repeatedly refuses or fails to supply enough properly skilled workers or proper materials;
 - ii. Persistently or repeatedly is absent, without excuse, from the job site;
 - iii. Fails to make payment to Subcontractors, suppliers, materialmen, etc.;
 - iv. Persistently disregards laws, ordinances, rules, regulations, or orders of a public authority having jurisdiction;
 - v. Becomes bankrupt or insolvent, including the filing of a general assignment for the benefit of creditors; or
 - vi. Otherwise is in substantial breach of a provision of the Contract.

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

- b. Notice of Termination - when any of the above reasons exist, the GUSD may, without prejudice to any other rights or remedies of the GUSD and after giving the Contractor and the Contractor's surety, if any, written notice of seven (7) days, terminate the Contractor and/or this Contract and may, subject to any prior rights of the surety:
- i. Take possession of the Project and of all material, equipment, tools, and construction equipment and machinery thereon owned by the Contractor;
 - ii. Accept assignment of Subcontracts. Contractor acknowledges and agrees that if the GUSD (in its sole and absolute discretion) decides to takeover completion of the Project, the Contractor agrees to immediately assign all subcontracts to the GUSD which the GUSD has chosen to accept; and
 - iii. Complete the Work by any reasonable method the GUSD may deem expedient, including contracting with a replacement contractor or contractors
- c. Payments Withheld - If the GUSD terminates the Contract for one of the reasons stated in paragraph 2a above, the Contractor shall not be entitled to receive further payment until the Work is complete. All costs associated with the termination and completion of the Project shall be the responsibility of the Contractor and/or its surety.
3. Termination of contract by the GUSD (contractor not at fault)
- a. Termination for Convenience
- GUSD may terminate the Contract upon fifteen (15) calendar days of written notice to the Contractor and use any reasonable method the GUSD deems expedient to complete the project, including contracting with replacement contractor or contractors, if it is found that reasons beyond the control of either the GUSD or Contractor make it impossible or against the GUSD's interest to complete the work. In such a case, the Contractor shall have no claims against the GUSD except: (1) the actual cost for labor, materials, and services performed which may be documented through timesheets, invoices, receipts, or otherwise, and (2) ten percent (10%) profit and overhead, and (3) five percent (5%) termination cost of the total of items (1) and (2). Contractor acknowledges and agrees that if the GUSD (in its sole and absolute discretion) decides to takeover completion of the Project, the Contractor agrees to immediately assign all subcontracts to the GUSD which the GUSD has chosen to accept:
- b. Non-Appropriation of Funds/ Insufficient Funds
- In the event that sufficient funds are not appropriated to complete the Project or the GUSD determines that sufficient funds are not available to complete the Project, GUSD may terminate or suspend the completion of the Project at any time by giving written notice to the Contractor. In the event that the GUSD exercises this option, the GUSD shall pay for any and all work and materials completed or delivered onto the site for which value is received, and the value of any and all work then in progress and orders actually placed which cannot be canceled up to the date of notice of termination. The value of work and materials paid for shall include a factor of fifteen percent (15%) for the Contractor's overhead and profit and there shall be no other costs or expenses paid to Contractor. All work, materials and orders paid for pursuant to this provision shall become the property of the GUSD. GUSD may, without cause, order Contractor in writing to suspend, delay or interrupt the Project in whole or in part for such period of time as GUSD may determine. Adjustment shall be made for increases in the cost of performance of the Agreement caused by suspense, delay or interruption.

SUPPLEMENTARY CONDITIONS (PUBLIC WORKS PROJECTS)

4. Remedies other than termination

If a default occurs, the GUSD may, without prejudice to any other right or remedy, including, without limitation, its right to terminate the Contract pursuant to paragraph 2 above, do any of the following:

- a. Permit the Contractor to continue under this Contract, but make good such deficiencies or complete the Contract by whatever method the GUSD may deem expedient, and the cost and expense thereof shall be deducted from the Contract Price or paid by the Contractor to the GUSD on demand;
- b. If the workmanship performed by the Contractor is faulty or defective materials are provided, erected or installed, then the GUSD may order the Contractor to remove the faulty workmanship or defective materials and to replace the same with work or materials that conform to the Contract Documents, in which event the Contractor, at its sole costs and expense, shall proceed in accordance with the GUSD's order and complete the same within the time period given by the GUSD in its notice to the Contractor; or
- c. Initiate procedures to declare the Contractor a non-responsible bidder for a period of two to five years thereafter.

All amounts expended by the GUSD in connection with the exercise of its rights hereunder shall accrue interest from the date expended until paid to the GUSD at the maximum legal rate. The GUSD may retain or withhold any such amounts from the Contract Price. If the Contractor is ordered to replace any faulty workmanship or defective materials pursuant to Paragraph 4b above, the Contractor shall replace the same with new work or materials approved by the GUSD, and, at its own cost, shall repair or replace, in a manner and to the extent the GUSD shall direct, all work or material that is damaged, injured or destroyed by the removal of said faulty workmanship or defective material, or by the replacement of the same with acceptable work or materials. In no event shall anything in this Paragraph be deemed to constitute a waiver by the GUSD of any other rights or remedies that it may have at law or in equity, it being acknowledged and agreed by the Contractor that the remedies set forth in this Paragraph are in addition to, and not in lieu of, any other rights or remedies that the GUSD may have at law or in equity.

REQUIRED FORMS

CERTIFICATION OF NON-COLLUSION

“NONCOLLUSION AFFIDAVIT TO BE EXECUTED BY BIDDER AND SUBMITTED WITH BID”

State of California)
County of _____) ss.

_____, being first duly sworn, deposes and says that he or she is

_____ of _____ the party making the foregoing bid that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid." (Public Contract Code, Section 7106).

I certify, under penalty of perjury, under the laws of the State of California that the foregoing is true and correct.

Signature

Date

REQUIRED FORMS

VENDOR'S CERTIFICATE REGARDING WORKERS' COMPENSATION

Labor Code Section 3700:

"Every employer except the State shall secure the payment of compensation in one or more of the following ways:

- (a) By being insured against liability to pay compensation in one or more insurers duly authorized to write compensation insurance in this State.
- (b) By securing from the Director of Industrial Relations a certificate of consent to self-insure, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his employees.
- (c) For all political subdivisions of the State, including each member of a pooling arrangement under a joint exercise of powers agreement (but not the State itself), by securing from the Director of Industrial Relations a certificate of consent to self-insure against Workers' Compensation claims, with certificate may be given upon furnishing proof satisfactory to the Director of ability to administer Workers' Compensation claims properly, and to pay Workers' Compensation claims that may become due it employees. On or before May 31, 1979, a political subdivision of the State which, on December 3, 1978, was uninsured for its liability to pay compensation, shall file a properly completed and executed application for a certificate of consent to self-insure against Workers' Compensation claims. The certificate shall be issued and be subject to the provisions of Section 3702.

I am aware of the provision of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of this contract.

NAME: _____

TITLE: _____

SIGNATURE: _____

DATE: _____

(In accordance with Article 5 {commencing at Section 1860}, Chapter 1, Part 7, Division 2 of the Labor Code, the above certificate must be signed and filed with the awarding body prior to performing any work under this contract).

REQUIRED FORMS

CONTRACTOR'S CERTIFICATE REGARDING DRUG-FREE WORKPLACE

This Drug-Free Workplace Certification form is required from all successful bidders pursuant to *the requirements mandated by Government Code Sections 8350 et seq., the Drug-Free Workplace Act of 1990*. The Drug-Free Workplace Act of 1990 requires that every person or organization awarded a contract or grant for the procurement of any property or service from any State agency must certify that it will provide a drug-free workplace by performing certain specified acts. In addition, the Act provides that each contract or grant awarded by a State agency may be subject to suspension of payments or termination of the contract or grant, and the CONTRACTOR or grantee may be subject to debarment from future contracting, if the contracting agency determines that specified acts have occurred.

Pursuant to Government Code Section 8355, every person or organization awarded a contract or grant from a State agency shall certify that it will provide a drug-free workplace by doing all of the following:

Publishing a statement, notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or organization's workplace, and specifying actions which will be taken against employees for violations of the prohibition;

Establishing a drug-free awareness program to inform employees about all of the following:

- a. The dangers of drug abuse in the workplace;
- b. The person's or organization's policy of maintaining a drug-free workplace;
- c. The availability of drug counseling, rehabilitation and employee-assistance programs; and
- d. The penalties that may be imposed upon employees for drug abuse violations;

Requiring that each employee engaged in the performance of the contract or grant be given a copy of the statement required by subdivision (a) and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

I, the undersigned, agree to fulfill the terms and requirements of Government Code Section 8355 listed above and will (a) publish a statement notifying employees concerning the prohibition of controlled substance at the workplace, (b) establish a drug-free awareness program, and (c) require each employee engaged in the performance of the contract be given a copy of the statement required by section 8355(a) and require such employee agree to abide by the terms of that statement.

I also understand that if the GUSD determines that I have either (a) made a false certification herein, or (b) violated this certification by failing to carry out the requirements of Section 8355, that the contract awarded herein is subject to termination, suspension of payments, or both. I further understand that, should I violate the terms of the Drug-Free Workplace Act of 1990, I may be subject to debarment in accordance with the requirements of Sections 8350 et. seq.

REQUIRED FORMS

I acknowledge that I am aware of the provisions of Government Code Sections 8350 et. seq. and hereby certify that I will adhere to the requirements of the Drug-Free Workplace Act of 1990.

Date: _____

Contractor: _____

Signature of Authorized Agent or Representative: _____

REQUIRED FORMS

**CONTRACTOR'S CERTIFICATE REGARDING ALCOHOLIC BEVERAGE and
TOBACCO-FREE CAMPUS POLICY**

The CONTRACTOR agrees that it will abide by and implement the GUSD's Alcoholic Beverage and Tobacco-Free Campus Policy, which prohibits the use of alcoholic beverages and tobacco products, at any time, on GUSD-owned or leased buildings, on GUSD property and in GUSD vehicles. The CONTRACTOR shall procure signs stating "ALCOHOLIC BEVERAGE AND TOBACCO USE IS PROHIBITED" and shall ensure that these signs are prominently displayed in all entrances to school property at all times.

DATE: _____

CONTRACTOR

By: _____
Signature

REQUIRED FORMS

WORKPLACE CONTRACTOR CERTIFICATION REGARDING BACKGROUND CHECKS

_____ certifies that it has performed one of the following:
[Authorized Employee/Agent of Contractor]

- Pursuant to Education Code Section 45125.1, Contractor has conducted criminal background checks, through the California Department of Justice, of all employees providing services to the GUSD, pursuant to the contract/purchase order dated _____, and that none have been convicted of serious or violent felonies, as specified in Penal Code Sections 1192.7(c) and 667.5(c), respectively.

As further required by Education Code Section 45125.1, attached hereto as Attachment "A" is a list of the names of the employees of the undersigned who may come in contact with pupils.

OR

- Pursuant to Education Code Section 45125.2, Contractor will ensure the safety of pupils by one or more of the following methods:
 - (1) The installation of a physical barrier at the worksite to limit contact with pupils.
 - (2) Continual supervision and monitoring of all employees of the entity by an employee of the entity whom the Department of Justice has ascertained has not been convicted of a violent or serious felony.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

DATE: _____

CONTRACTOR

By: _____
Signature

REQUIRED FORMS

**CONTRACTOR CERTIFICATION REGARDING BACKGROUND
CHECKS**

ATTACHMENT "A"

(BELOW INCLUDE ALL NAMES OF EMPLOYEES WHO MAY COME IN CONTACT WITH PUPILS)

REQUIRED FORMS

*** BID GUARANTEE FORM
(in lieu of BID BOND)**

Accompanying this proposal is cash, a cashier's check or a certified check payable to the order of the **Gustine Unified School District** in an amount equal to TEN PERCENT (10%) of the base bid and alternates (\$_____).

This cash or the proceeds of this check shall become the property of said GUSD, if, this proposal shall be accepted by the GUSD through the GUSD's GOVERNING BOARD, and the undersigned fails to execute a contract with and furnish the sureties required by the GUSD within the required time; otherwise, said cash or check is to be returned to the undersigned.

Bidder

REQUIRED FORMS

BID BOND

KNOW ALL MEN BY THESE PRESENTS

that we, the undersigned, _____ (hereafter called "Principal"), and _____ (hereafter called "Surety"), are hereby held and firmly bound unto the Gustine Unified School District (hereafter called "Owner") in the sum of _____ Dollars (\$ _____) for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, successors, and assigns.

SIGNED this _____ day of _____, 20_____.

The condition of the above obligation is such that whereas the Principal has submitted to the Owner a certain Bid, attached hereto and hereby made a part hereof, to enter into a contract in writing.

NOW, THEREFORE,

- a. If said Bid is rejected, or
- b. If said Bid is accepted and the Principal executes and delivers a contract or the attached example Agreement form within five (5) days after acceptance (properly completed in accordance with said Bid), and furnishes bonds for his faithful performance of said Contract and/or for payment of all persons performing labor or furnishing materials in connection therewith,

Then this obligation shall be void; otherwise, the same shall remain in force and effect.

Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the contract, or the call for bids, or the work to be performed thereunder, or the specifications accompanying the same, shall in anyway affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of said contract, or the call for bids, or the work, or to the specifications.

In the event suit is brought upon this bond by the Owner and judgment is recovered, the Surety shall pay all costs incurred by the Owner in such suit, including without limitation, attorneys' fees to be fixed by the court

REQUIRED FORMS

IN WITNESS WHEREOF, Principal and Surety have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, on the day and year first set forth above.

PRINCIPAL: _____

ATTEST: (if individual, two witnesses are required)

By: _____

Title: _____

ATTEST: (if corporation)

By: _____

Title: _____
(Corporate Seal)

SURETY: _____

ATTEST:

By: _____

Title: _____
(Corporate Seal)

REQUIRED FORMS

IMPORTANT: Surety companies executing bonds must possess a certificate of authority from the California Insurance Commissioner authorizing them to write surety insurance defined in California Insurance Code Section 105, and if the work or project is financed, in whole or in part, with federal, grant, or loan funds, it must also appear on the Treasury Department's most current list (Circular 570 as amended).

THIS IS A REQUIRED FORM

Any claims under this bond may be addressed to:

(Name and address of Surety):

Name: _____

Address: _____

City: _____ State: _____ Zipcode: _____

Name and address of agent or representative for service of process in California (if different from above):

Name: _____

Address: _____

City: _____ State: _____ Zipcode: _____

Telephone number of Surety and agent or representative for service of process in California:

Telephone Number: _____

REQUIRED FORMS

LABOR AND MATERIAL PAYMENT BOND (CALIFORNIA PUBLIC WORKS)

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, the GUSD (sometimes referred to hereinafter as "Obligee") has awarded to _____ (hereinafter designated as the "Principal" or "Contractor"), an agreement for the work described as follows: (Project Name: _____) (hereinafter referred to as the "Public Work"); and

WHEREAS, said Contractor is required to furnish a bond in connection with said Contract, and pursuant to California Civil Code Section 9550;

NOW, THEREFORE, We, _____, the undersigned Contractor, as Principal; and _____, a corporation organized and existing under the laws of the State of _____, and duly authorized to transact business under the laws of the State of California, as Surety, are held and firmly bound unto the GUSD and to any and all persons, companies, or corporations entitled by law to file stop notices under California Civil Code Section 9100, or any person, company, or corporation entitled to make a claim on this bond, in the sum being not less than ONE HUNDRED PERCENT (100%) of the total amount payable by said Obligee under the terms of said Contract, for which payment will and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if said Principal, its heirs, executors, administrators, successors, or assigns, or subcontractor, shall fail to pay any person or persons named in Civil Code Section 9100; or fail to pay for any materials, provisions, or other supplies, used in, upon, for, or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or for amounts due under the Unemployment Insurance Code, with respect to work or labor thereon of any kind; or shall fail to deduct, withhold, and pay over to the Employment Development Department, any amounts required to be deducted, withheld, and paid over by Unemployment Insurance Code Section 13020 with respect to work and labor thereon of any kind, then said Surety will pay for the same, in an amount not exceeding the amount herein above set forth, and in the event suit is brought upon this bond, also will pay such reasonable attorneys' fees as shall be fixed by the court, awarded and taxed as provided in California Civil Code Section 9550 et seq.

This bond shall inure to the benefit of any person named in Civil Code Section 9100 giving such person or his/her assigns a right of action in any suit brought upon this bond.

It is further stipulated and agreed that the Surety of this bond shall not be exonerated or released from the obligation of the bond by any change, extension of time for performance, addition, alteration or modification in, to, or of any contract, plans, or specifications, or agreement pertaining or relating to any scheme or work of improvement herein above described; or pertaining or relating to the furnishing of labor, materials, or equipment therefor; nor by any change or modification of any terms of payment or extension of time for payment pertaining or relating to any scheme or work of improvement herein above described; nor by any rescission or attempted rescission of the contract, agreement or bond; nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such contract or agreement or under the bond; nor by any fraud practiced by any person other than the claimant seeking to recover on the bond; and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given; and under no circumstances shall the Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of contract between the Obligee and the Contractor

REQUIRED FORMS

or on the part of any obligee named in such bond; that the sole condition of recovery shall be that the claimant is a person described in California Civil Code Section 9100, and who has not been paid the full amount of his or her claim; and that the Surety does hereby waive notice of any such change, extension of time, addition, alteration or modification herein mentioned.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__.

PRINCIPAL/CONTRACTOR:

By: _____

SURETY:

By: _____
Attorney-in-Fact

REQUIRED FORMS

IMPORTANT: THIS IS A REQUIRED FORM.

Surety companies executing bonds must possess a certificate of authority from the California Insurance Commissioner authorizing them to write surety insurance defined in California Insurance Code Section 105, and if the work or project is financed, in whole or in part, with federal, grant or loan funds, Surety's name must also appear on the Treasury Department's most current list (Circular 570 as amended).

Any claims under this bond may be addressed to:

(Name and Address of Surety)

(Name and Address of agent or representative for service for service of process in California)

Telephone: _____

Telephone: _____

STATE OF CALIFORNIA

)
) ss.
)

COUNTY OF _____

On _____ before me, _____
(insert name and title of the officer)

a Notary Public in and for said State, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument as the Attorney-in-Fact of the _____ (Surety) and acknowledged to me that he/she/they subscribed the name of the _____ (Surety) thereto and his own name as Attorney-in-Fact on the executed instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(SEAL)

Notary Public in and for said State

Commission expires: _____

NOTE: A copy of the power-of-attorney to local representatives of the bonding company must be attached hereto.

REQUIRED FORMS

CONTRACT PERFORMANCE BOND (CALIFORNIA PUBLIC WORKS)

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, GUSD (sometimes referred to hereinafter as "Obligee") has awarded to _____ (hereinafter designated as the "Principal" or "Contractor"), an agreement for the work described as follows: (Project Name: _____) (hereinafter referred to as the "Public Work"); and

WHEREAS, the work to be performed by the Contractor is more particularly set forth in that certain contract for said Public Work dated _____, (hereinafter referred to as the "Contract"), which Contract is incorporated herein by this reference; and

WHEREAS, the Contractor is required by said Contract to perform the terms thereof and to provide a bond both for the performance and guaranty thereof.

NOW, THEREFORE, we, _____, the undersigned Contractor, as Principal, and _____, a corporation organized and existing under the laws of the State of _____, and duly authorized to transact business under the laws of the State of California, as Surety, are held and firmly bound unto the GUSD in the sum being not less than 100% (ONE HUNDRED PERCENT) of the total amount payable by said Obligee under the terms of said Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the bounded Contractor, his or her heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions, and agreements in said Contract and any alteration thereof made as therein provided, on his or her part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their intent and meaning; and shall faithfully fulfill guarantees of all materials and workmanship; and indemnify, defend and save harmless the Obligee, its officers and agents, as stipulated in said Contract, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

The Surety, for value received, hereby stipulates and agrees that it shall not be exonerated or released from the obligation of this bond (either by total exoneration or pro tanto) by any change, extension of time, alteration in or addition to the terms of the contract or to the work to be performed there under or the specifications accompanying the same, nor by any change or modification to any terms of payment or extension of time for any payment pertaining or relating to any scheme of work of improvement under the contract. Surety also stipulates and agrees that it shall not be exonerated or released from the obligation of this bond (either by total exoneration or pro tanto) by any overpayment or underpayment by the Obligee that is based upon estimates approved by the Architect. The Surety stipulates and agrees that none of the aforementioned changes, modifications, alterations, additions, extension of time or actions shall in any way affect its obligation on this bond, and it does hereby waive notice of any such changes, modifications, alterations, additions or extension of time to the terms of the contract, or to the work, or the specifications as well notice of any other actions that result in the foregoing.

REQUIRED FORMS

Whenever Principal shall be, and is declared by the Obligees to be, in default under the Contract, the Surety shall promptly either remedy the default, or shall promptly complete the Contract through its agents or independent contractors, subject to acceptance and approval of such agents or independent contractors by Obligees as hereinafter set forth, in accordance with its terms and conditions and to pay and perform all obligations of Principal under the Contract, including, without limitation, all obligations with respect to warranties, guarantees and the payment of liquidated damages; or, at Obligees's sole discretion and election, Surety shall obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Obligees of the lowest responsible bidder, arrange for a contract between such bidder and the Obligees and make available as Work progresses (even though there should be a default or succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the "balance of the Contract price" (as hereinafter defined), and to pay and perform all obligations of Principal under the Contract, including, without limitation, all obligations with respect to warranties, guarantees and the payment of liquidated damages. The term "balance of the Contract price," as used in this paragraph, shall mean the total amount payable to Principal by the Obligees under the Contract and any modifications thereto, less the amount previously paid by the Obligees to the Principal, less any withholdings by the Obligees allowed under the Contract.

Surety expressly agrees that the Obligees may reject any agent or contractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Principal. Unless otherwise agreed by Obligees, in its sole discretion, Surety shall not utilize Principal in completing the Contract nor shall Surety accept a bid from Principal for completion of the work in the event of default by the Principal.

No final settlement between the Obligees and the Contractor shall abridge the right of any beneficiary hereunder, whose claim may be unsatisfied.

Surety shall remain responsible for all patent and latent defects that arise out of or relate to the Contractor's failure and/or inability to properly complete the Public Work as required by the Contract and the Contract Documents. The obligation of the Surety hereunder shall continue so long as any obligation of the Contractor remains.

Contractor and Surety agree that if the Obligees is required to engage the services of an attorney in connection with enforcement of the bond, Contractor and Surety shall pay Obligees's reasonable attorneys' fees incurred, with or without suit, in addition to the above sum.

In the event suit is brought upon this bond by the Obligees and judgment is recovered, the Surety shall pay all costs incurred by the Obligees in such suit, including reasonable attorneys' fees to be fixed by the Court.

REQUIRED FORMS

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__.

PRINCIPAL/CONTRACTOR:

By: _____

SURETY:

By: _____
Attorney-in-Fact

The rate of premium on this bond is _____ per thousand.

The total amount of premium charged: \$ _____ (This must be filled in by a corporate surety).

REQUIRED FORMS

IMPORTANT: THIS IS A REQUIRED FORM

Surety companies executing bonds must possess a certificate of authority from the California Insurance Commissioner authorizing them to write surety insurance defined in California Insurance Code Section 105, and if the work or project is financed, in whole or in part, with federal, grant or loan funds, Surety's name must also appear on the Treasury Department's most current list (Circular 570 as amended).

Any claims under this bond may be addressed to:

(Name and Address of Surety)

(Name and Address of agent or representative for service for service of process in California)

Telephone: _____

Telephone: _____

STATE OF CALIFORNIA

)

COUNTY OF _____)

ss.

On _____ before me, _____
(insert name and title of the officer)

On _____, before me, _____, a Notary

Public in and for said State, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument as the Attorney-in-Fact of the _____ (Surety) and acknowledged to me that he/she/they subscribed the name of the _____ (Surety) thereto and his own name as Attorney-in-Fact on the executed instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(SEAL)

Notary Public in and for said State

Commission expires: _____

NOTE: A copy of the power-of-attorney to local representatives of the bonding company must be attached hereto.

REQUIRED FORMS

GUARANTEE

Guarantee for _____ We hereby guarantee that the _____, which we have installed in (Project Name: _____) has been done in accordance with the Contract Documents, including without limitation, the drawings and specifications, and that the work as installed will fulfill the requirements included in the bid documents. The undersigned and its surety agree to repair or replace any or all such work, together with any other adjacent work, which may be displaced in connection with such replacement, that may prove to be defective in workmanship or material within a period of _____ (_____) years from the date of the Notice of Completion of the above-mentioned structure by GUSD, ordinary wear and tear and unusual abuse or neglect excepted.

In the event the undersigned or its surety fail to comply with the above-mentioned conditions within a reasonable period of time, as determined by the GUSD, but not later than ten (10) days after being notified in writing by the GUSD, the undersigned and its surety authorize the GUSD to proceed to have said defects repaired and made good at the expense of the undersigned and its surety, who will pay the costs and charges therefor upon demand. The undersigned and its surety shall be jointly and severally liable for any costs arising from the GUSD's enforcement of this Guarantee.

Countersigned

(Proper Name)

(Proper Name)

By: _____

By: _____

(Signature of Subcontract or Contractor)

(Signature of General Contractor if for Subcontractor)

Representatives to be contacted for service:

Name: _____

Address: _____

Phone Number: _____

REQUIRED FORMS

**CONTRACTOR'S CERTIFICATE
REGARDING PAYMENT OF PREVAILING WAGE**

(This certification must be completed if bidding on a "public works project")

Labor Code Section 1771:

"Except for public works projects of one thousand dollars (\$1,000) or less, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in this chapter, shall be paid to all workers employed on public works...."

I am aware of the provision of Section 1771 et. Seq. of the Labor Code which require every employer to pay employees prevailing wage for public works projects, in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of this contract.

NAME: _____

TITLE: _____

SIGNATURE: _____

DATE: _____

The above certificate must be signed and filed with the awarding body prior to performing any work under this contract.

Gustine Unified School District
1500 Meredith Avenue
Gustine, CA 95322
Telephone: (209) 854-3784

REQUIRED FORMS

INSURANCE DOCUMENTS & ENDORSEMENTS

The following insurance endorsements and documents must be provided to the GUSD within five (5) calendar days after receipt of notification of award. If the apparent low bidder fails to provide the documents required below, the GUSD may award the contract to the next lowest responsible and responsive bidder or release all bidders, and the bidder's bid security will be forfeited. All insurance provided by the bidder shall fully comply with the requirements set forth in Article 11 of the General Conditions.

1. General Liability Insurance: Certificate of Insurance with all specific insurance coverages set forth in Article 11 of the General Conditions, proper Project description, designation of the GUSD as the Certificate Holder, a statement that the insurance provided is primary to any insurance obtained by the GUSD and minimum of 30 days' cancellation notice. Bidder shall also provide required additional insured endorsement(s) designating all parties required in Article 11 of the General Conditions. The additional insured endorsement shall be an ISO CG 20 10 (11/85), or an ISO CG 20 10 (10/93 or 07/04) and ISO CG 20 37 (10/93 or 07/04) or their equivalent as determined by the GUSD in its sole discretion.

Incidents and claims are to be reported to the insurer at:

Attn: _____
(Title) (Department)

(Company)

(Street Address)

(City) (State) (Zip Code)

(_____)
(Telephone Number)

2. Workers' Compensation/ Employer's Liability Insurance: Certificate of Workers' Compensation Insurance meeting the coverages and requirements set forth in Article 11 of the General Conditions, minimum of 30 days' cancellation notice, proper Project description, waiver of subrogation and any applicable endorsements.

REQUIRED FORMS

3. Automobile Liability Insurance: Certificate of Automobile Insurance meeting the coverages and requirements set forth in Article 11 of the General Conditions, minimum 30 days' cancellation notice, any applicable endorsements and a statement that the insurance provided is primary to any insurance obtained by the GUSD.

Incidents and claims are to be reported to the insurer at:

Attn: _____
(Title) (Department)

(Company)

(Street Address)

(City) (State) (Zip Code)

(_____) _____
(Telephone Number)

DATE: _____

CONTRACTOR

By: _____
Signature

REQUIRED FORMS

CONDITIONAL WAIVER AND RELEASE UPON PAYMENT
CALIFORNIA CIVIL CODE SECTION 3262 (D)(3)

Upon receipt by the undersigned of a check from Gustine Unified School District in the sum of \$ payable to _____ (*hereinafter Payee*) and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the Payee has on the job specified on Payee's invoice number _____ (*hereinafter Job*). This release covers the final payment to the undersigned for all labor, services, equipment or material furnished on this Job, except for disputed claims for additional work in the amount of \$ _____. Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

Dated: _____ Payee: _____

By: _____

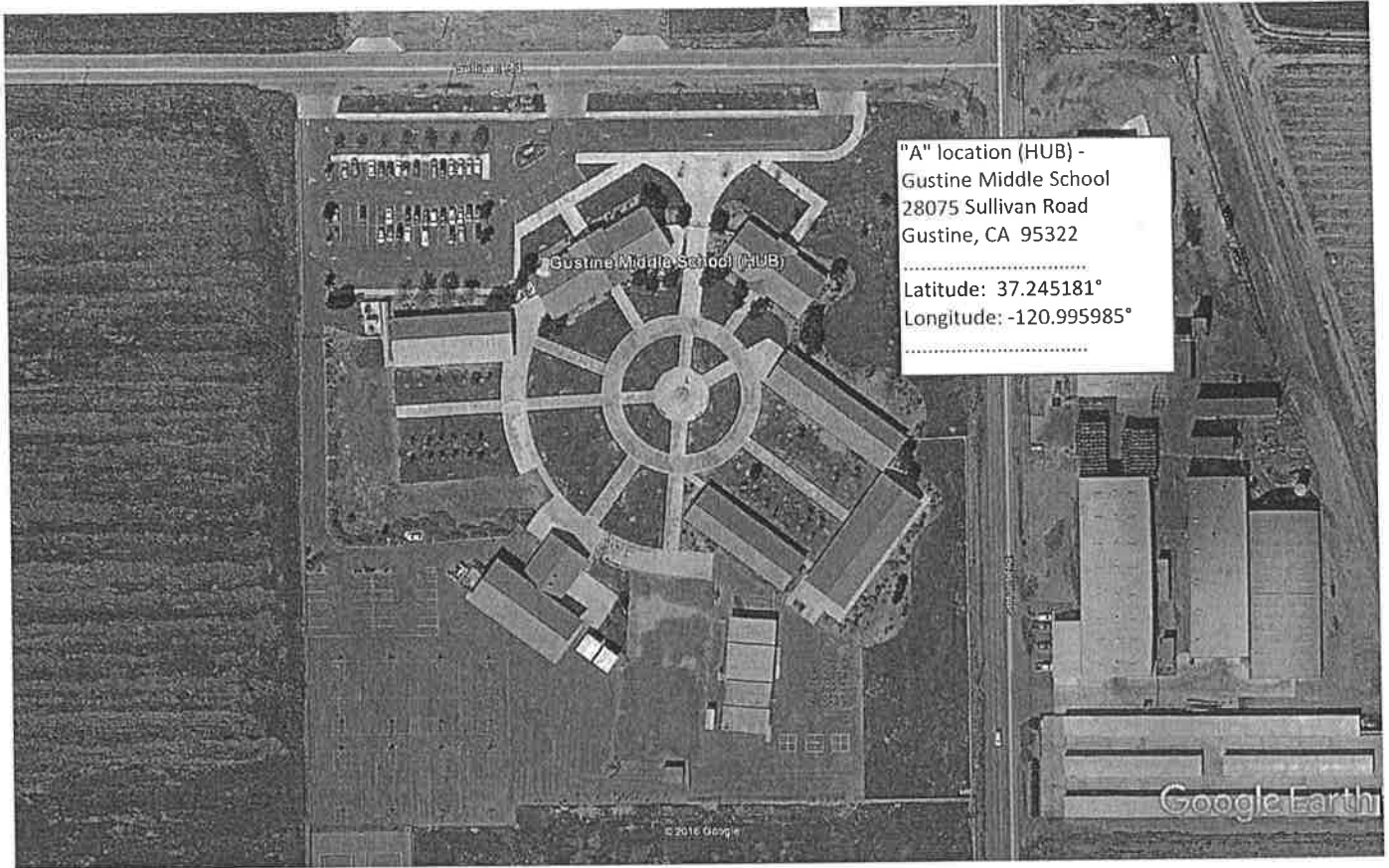
Title: _____

NOTE: CIVIL CODE 3262 (d)(3) PROVIDES: *Where the claimant is required to execute a waiver and release in exchange for, or in order to induce the payment of, a final payment and the claimant is not, in fact, paid in exchange for the waiver and release or a single payee check or joint payee check is given in exchange for the waiver and release, the waiver and release shall follow substantially the form set forth above.*

RETURN ALL BIDS TO:

*Lizett Aguilar, Chief Business Officer
Gustine Unified School District
1500 Meredith Avenue
Gustine, CA 95322
Telephone: (209) 854-3784*

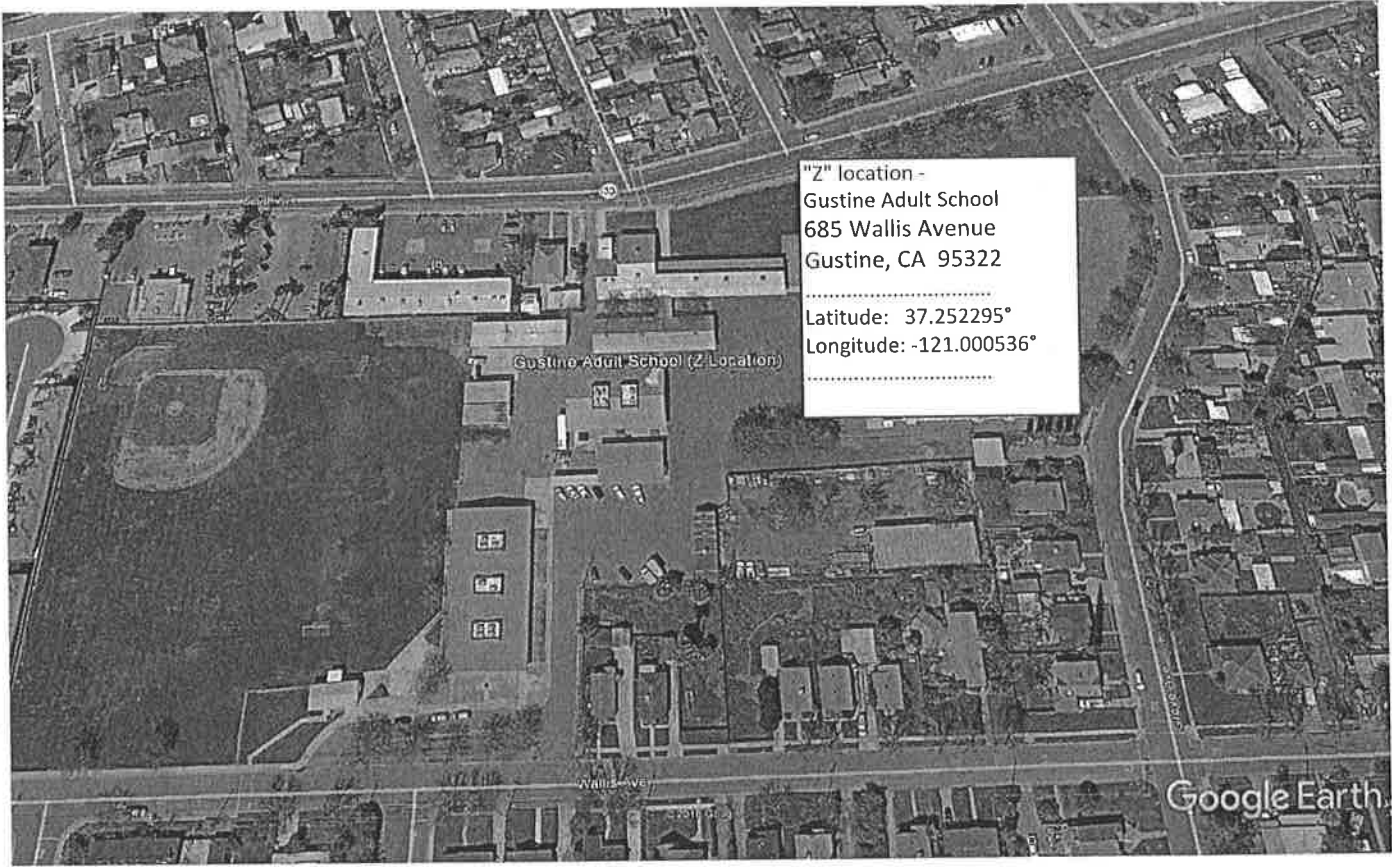
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"A" location (HUB) -
Gustine Middle School
28075 Sullivan Road
Gustine, CA 95322
.....
Latitude: 37.245181°
Longitude: -120.995985°
.....

Google Earth





"Z" location -
Gustine Adult School
685 Wallis Avenue
Gustine, CA 95322
.....
Latitude: 37.252295°
Longitude: -121.000536°
.....

Google Earth





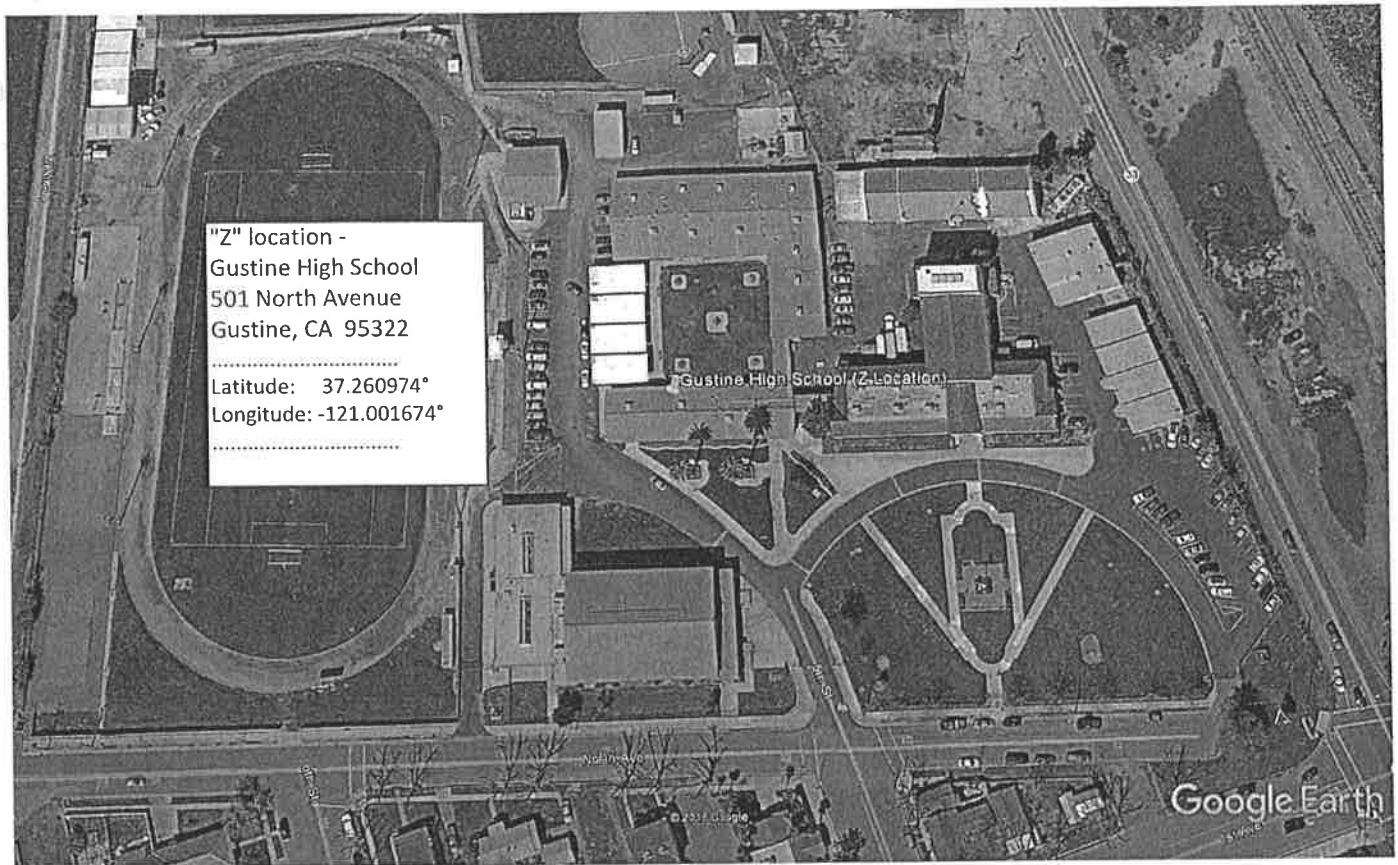
"Z" location -
Gustine Elementary School
2806 Grove Avenue
Gustine, CA 95322

Latitude: 37.248999°
Longitude: -120.998247°

Google Earth

Google Earth





Google Earth

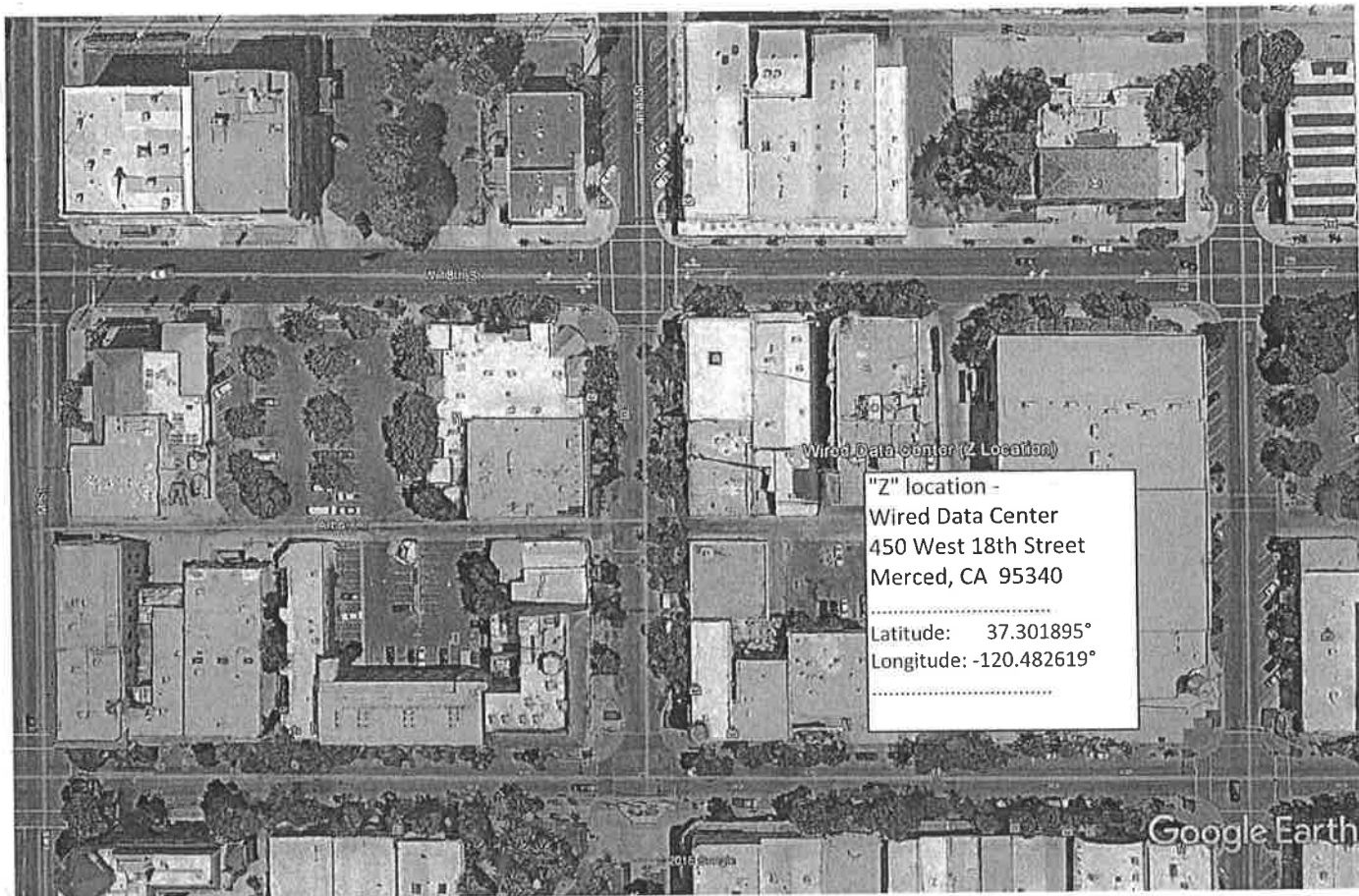
feet
meters





Google Earth

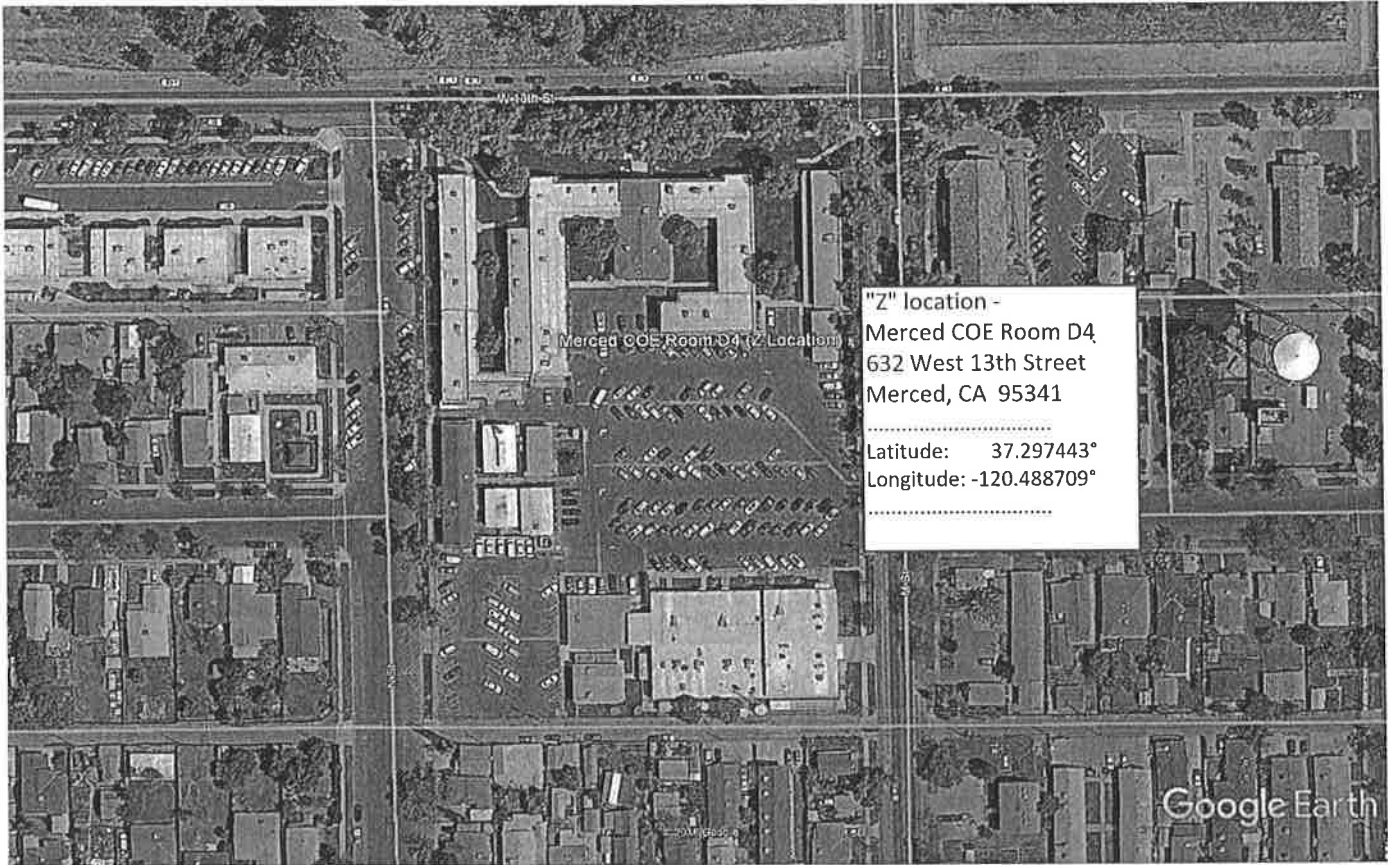




Google Earth

feet
meters





Google Earth





Google Earth

feet
km





Google Earth

Google Earth



GUSTINE UNIFIED SCHOOL DISTRICT

Meeting of the Board of Trustees

MEETING DATE:

November 9, 2016

AGENDA ITEM TITLE: Resolution No. 2016-17-04 - Resolution authorizing issuance and sale of GO Bonds, 2014 Election, 2016 Series B Not to exceed \$5,500,000

AGENDA SECTION: Action

PRESENTED BY: Bill Morones

SUMMARY:

Attached is a Resolution authorizing the second series of bonds under the District's 2014 bond election for Board approval. As Jon Isom explained at the October board meeting, the expedited sale of this second series of bonds will provide many benefits to the school district and will save the taxpayers interest as well. The Resolution should be approved by the Board with a roll call vote.

Also attached is the Preliminary Official Statement (POS) in its current draft form for review by the Board in connection with the approval of the issuance of the Bonds. This draft POS is informational material in relation to the second series of bonds. The POS is the document that gets presented to potential bondholders during the bond sale.

In addition, a current draft of the Bond Purchase Agreement is also attached for the Board's review. The Bond Purchase Agreement is between the District and Stifel, Nicolaus & Company, as underwriter for the Bonds. This document will be approved by the Board pursuant to the Bond Resolution.

FISCAL IMPACT: None

BUDGET CATEGORY: None

RECOMMENDED ACTION: Approve

RESOLUTION NO. 2016-17-04

RESOLUTION OF THE BOARD OF EDUCATION OF
GUSTINE UNIFIED SCHOOL DISTRICT,
AUTHORIZING THE ISSUANCE AND SALE OF ITS
GENERAL OBLIGATION BONDS, 2014 ELECTION, 2016 SERIES B
IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED
FIVE MILLION FIVE HUNDRED THOUSAND DOLLARS

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RESOLUTION OF THE BOARD OF EDUCATION OF
GUSTINE UNIFIED SCHOOL DISTRICT,
AUTHORIZING THE ISSUANCE AND SALE OF ITS
GENERAL OBLIGATION BONDS, 2014 ELECTION, 2016 SERIES B
IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED
FIVE MILLION FIVE HUNDRED THOUSAND DOLLARS

WHEREAS, the issuance of not to exceed \$14,000,000 aggregate principal amount of general obligation bonds (the "Authorization") of Gustine Unified School District (the "District"), County of Merced (the "County"), State of California was authorized at an election (the "Election") held in said District on November 4, 2014, the proceeds of which are to be used for the financing of the acquisition, construction, equipping, furnishing and improvement of certain capital facilities of the District (the "Project"); and

WHEREAS, the Merced County Registrar of Voters has certified to the effect that the official canvass of returns for the Election reflected that 55% or more of the votes cast on the District's bond measure submitted to the voters at the Election (the "Measure") were cast in favor of the Measure, and such result has been entered in the minutes of the Board of Education of the District (the "Board"); and

WHEREAS, the District has previously issued its \$4,000,000 Gustine Unified School District General Obligation Bonds, 2014 Election, 2016 Series B such that \$10,000,000 aggregate principal amount of general obligation bonds of the District remain for issuance under the Authorization; and

WHEREAS, the Board has determined the need for issuance of one or more series of its general obligation bonds under the Authorization in an aggregate principal amount not to exceed Five Million Five Hundred Thousand Dollars (\$5,500,000) in order to finance certain costs of the Project; and

WHEREAS, the Board has elected to proceed under Section 53506 *et seq.* of the Government Code of the State of California; and

NOW THEREFORE, IT IS ORDERED by the Board of Education of Gustine Unified School District as follows:

SECTION 1. Definitions. The following terms shall for all purposes of this Resolution have the following meanings:

"Authorized Investments" shall mean legal investments authorized by Section 53601 of the Government Code of the State of California, but only to the extent that the same are acquired at Fair Market Value.

"Authorizing Law" shall mean, collectively, (i) Section 53506 *et seq.* of the Government Code of the State of California, as amended and (ii) Article XIII A of the California Constitution.

"Beneficial Owner" means any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds, including persons holding Bonds through nominees or depositories including, but not limited to, through the Nominee.

"Bond Counsel" and "Disclosure Counsel" means the law firm of Dannis Woliver Kelley, as Bond Counsel to the District and a firm of nationally recognized standing with respect to the issuance of municipal obligations.

"Bond Insurer" shall mean any financial guaranty company that guarantees the scheduled payments of Principal and interest on the Bonds when due.

"Bond Insurance Policy" shall mean a policy of municipal bond insurance which guarantees the scheduled payments of Principal and interest on the Bonds when due.

"Bond Obligation" shall mean from time to time as of the date of calculation the Principal Amount thereof.

"Bond Purchase Agreement" shall mean the Bond Purchase Agreement, by and between the District and the Underwriter, relating to the Bonds.

"Bond Register" shall mean the records of the Paying Agent held on behalf of the District listing the names and address of the Owners of the Bonds.

"Bonds" shall mean the Gustine Unified School District General Obligation Bonds, (County of Merced) 2014 Election, 2016 Series B, as further designated as one or more series of Bonds, issued and delivered pursuant to this Resolution.

"Bond Year" shall mean the twelve-month period commencing August 1 in any year and ending on the last day of July in the next succeeding year, both dates inclusive, or as otherwise set forth in the Bond Purchase Agreement; provided, however, that the first Bond Year shall commence on the day the Bonds are issued and shall end on July 31, 2017, both dates inclusive, or as otherwise set forth in the Bond Purchase Agreement.

"Business Day" shall mean a day that is not a Saturday, Sunday or a day on which banking institutions in the State or the State of New York and the New York Stock Exchange are authorized or required to be closed.

"Code" shall mean the Internal Revenue Code of 1986, as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds.

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement of the District for the benefit of the Owners of the Bonds.

"Costs of Issuance" shall mean all of the costs of issuing the Bonds, including but not limited to, all printing and document preparation expenses in connection with this Resolution, the Bonds and the Official Statement pertaining to the Bonds and any and all other agreements, instruments, certificates or other documents prepared in connection therewith; financial advisor fees; rating agency fees and related travel expenses; auditor's fees; CUSIP service bureau charges; legal fees and expenses of counsel with respect to the financing; the initial fees and expenses of the Paying Agent; fees for credit enhancement relating to the Bonds, if any; and other fees and expenses incurred in connection with the issuance of the Bonds, to

the extent such fees and expenses are approved by the District but excluding Underwriter's discount.

"County" shall mean the County of Merced, California.

"County Office of Education" shall mean the Office of Education of the County of Merced and such other persons as may be designated by the County Office of Education to perform the operational and disbursement functions hereunder.

"Debt Service" shall have the meaning given to that term in Section 22(c) of this Resolution.

"Debt Service Fund" shall mean the Debt Service Fund established pursuant to Section 22(a) of this Resolution.

"Depository" shall mean DTC and its successors and assigns or if (a) the then Depository resigns from its functions as securities depository of the Bonds, or (b) the District discontinues use of the Depository pursuant to this Resolution, any other securities depository that agrees to follow procedures required to be followed by a securities depository in connection with the Bonds and that is selected by the District.

"DTC" shall mean The Depository Trust Company, New York, New York, and its successors and assigns.

"Excess Earnings Fund" shall mean the Excess Earnings Fund established pursuant to Section 23 of this Resolution.

"Fair Market Value" means the price at which a willing buyer would purchase the 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 Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the 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 Code, (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, or (iv) any commingled investment fund in which the District and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment. To the extent required by the Regulations, the term "investment" will include a hedge.

"Fiscal Year" shall mean the twelve-month period commencing on July 1 of each year and ending on the following June 30 or any other fiscal year in effect for the District.

"Interest Payment Date" shall mean February 1 and August 1, commencing February 1, 2017, in each year, or as otherwise specified in the Bond Purchase Agreement, commencing on the date specified in the Bond Purchase Agreement.

"Moody's" shall mean Moody's Investors Service, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any

reason, the term "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

"Nominee" shall mean the nominee of the Depository which may be the Depository, as determined from time to time by the Depository.

"Outstanding" when used with reference to the Bonds, shall mean, as of any date, Bonds theretofore issued or thereupon being issued under this Resolution except:

- (i) Bonds canceled at or prior to such date;
- (ii) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Section 16 hereof;
- (iii) Bonds for the payment or redemption of which funds or eligible securities in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Bonds), in accordance with Section 42 of this Resolution.

"Owner" shall mean the registered owner, as indicated in the registration books kept by the Paying Agent pursuant to this Resolution, of any Bond.

"Participant" shall mean a member of or participant in the Depository.

"Paying Agent" shall mean U.S. Bank National Association, its successors or assigns, acting in the capacity of paying agent, registrar, authenticating agent and transfer agent.

"Pledged Moneys" shall have the meaning given to that term in Section 21 of this Resolution.

"Principal" or "Principal Amount" shall mean, as of any date of calculation, with respect to the principal amount thereof.

"Principal Payment Date" shall mean August 1 in each year, or as otherwise specified in the Bond Purchase Agreement, commencing on the date specified in the Bond Purchase Agreement.

"Record Date" shall mean the close of business on the fifteenth calendar day of the month next preceding an Interest Payment Date.

"Regulations" shall mean applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Resolution" shall mean this Resolution of the Board providing for the issuance and sale of the Bonds.

"S&P" shall mean Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any reason, the term "S&P" shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

"Securities Depositories" shall mean The Depository Trust Company, 55 Water Street, New York, New York 10041, Fax (212) 855-1000; 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 certificate of the District delivered to the Paying Agent.

"State" shall mean the State of California.

"Superintendent" shall mean the Superintendent of the District.

"Superintendent of Schools" shall mean the Superintendent of Schools of the County.

"Supplemental Resolution" shall mean any resolution supplemental to, or amendatory of, this Resolution, adopted by the Board in accordance with the terms hereof.

"Tax Certificate" shall mean a certificate as to arbitrage of the District delivered in connection with the issuance of the Bonds.

"Transfer Amount" shall mean the aggregate Principal Amount thereof.

"Treasurer" shall mean the Treasurer-Tax Collector of the County of Merced or any authorized deputy thereof.

"Underwriter" shall mean Stifel, Nicolaus & Company, Incorporated.

SECTION 2. Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders, and vice versa. Except where the context otherwise requires, words importing the singular shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

SECTION 3. Authority for this Resolution. This Resolution is adopted pursuant to the provisions of the Authorizing Law.

SECTION 4. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall own the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the District and the Owners from time to time of the Bonds; and the pledge made in this Resolution shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, all of which, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof.

SECTION 5. Terms and Conditions of Sale. The Board hereby approves of the sale of the Bonds on a negotiated basis to the Underwriter. The District has determined that conditions in the municipal marketplace are sufficiently complex that the increased flexibility the Underwriter can provide in structuring and planning the sale of the Bonds dictates sale on a negotiated basis. The Bonds shall be sold at a negotiated sale upon the direction of the Superintendent or the Chief Business Officer of the District, or any designee thereof (each, an "Authorized Officer"). The costs of sale of the Bonds, consisting of Costs of Issuance, not including any fees for credit enhancement or Underwriter's discount, are estimated at \$140,000 or two and one half percent (2.50%) of the principal amount of the

Bonds. The Bonds shall be sold pursuant to the terms and conditions set forth in the Bond Purchase Agreement, as described below.

SECTION 6. Designation of Finance Team. The Board hereby confirms the designation of Stifel, Nicolaus & Company, Incorporated, as underwriter, Isom Advisors, a Division of Urban Futures Incorporated, Walnut Creek, California, as Financial Advisor and the law firm of Dannis Woliver Kelley as Bond Counsel and Disclosure Counsel to the District in connection with the authorization and issuance of the Bonds. An Authorized Officer is hereby authorized to execute a legal services agreement with members of the finance team.

SECTION 7. Terms of Bonds. The Bonds shall be dated their date of delivery (or such other date as may be designated in the Bond Purchase Agreement). The Bonds shall bear interest at rates not to exceed the maximum rate permitted by law, payable on the dates as may be set forth in the Bond Purchase Agreement, and payable upon maturity, shall mature on August 1 of each of the years as set forth in the Bond Purchase Agreement, or such other maturity date as may be set forth in the Bond Purchase Agreement, through a date no later than 40 years after the date of issuance of the Bonds, provided, however, that for any Bonds that have a maturity greater than 30 years, an Authorized Officer shall make a finding that the useful life of the facility financed with the Bonds equal or exceeds the maturity date of the Bonds, or otherwise upon such other terms and conditions as shall be established for the Bonds by the Bond Purchase Agreement. The Bond Purchase Agreement may provide for the purchase of Bonds in any combination of the foregoing structures and shall provide for optional, mandatory sinking fund and other types and terms of redemption for the Bonds as shall prove most advantageous in marketing said Bonds for the District.

SECTION 8. Approval of Bond Purchase Agreement. The Superintendent or any Authorized Officer, in consultation with Bond Counsel and such other officers of the District as shall be authorized by the Board, are hereby authorized and directed to issue and deliver the Bonds and to establish the final Principal Amount thereof, provided, however, that such combined Principal Amount (in one or more series) as of the date of delivery shall not exceed the maximum aggregate Principal Amount of \$5,500,000. The form of the Bond Purchase Agreement attached hereto as Exhibit B is hereby approved. The Authorized Officer, or any authorized deputy, and such other officers of the District as may be authorized by the Board are, and each of them acting alone is, authorized and directed to execute and deliver the Bond Purchase Agreement for and in the name and on behalf of the District, with such additions, changes or corrections therein as the officer executing the same on behalf of the District may approve, in his/her discretion, as being in the best interests of the District, such approval to be conclusively evidenced by such officer's execution thereof, and any other documents required to be executed thereunder, and to deliver the same to the Underwriter. The Authorized Officer, or any authorized deputy, and such other officers of the District as may be authorized by the Board are, and each of them acting alone hereby is, authorized and directed to negotiate with the Underwriter the interest rates on the Bonds and the purchase price of the Bonds to be paid by the Underwriter, which purchase price shall reflect an Underwriter's discount of not to exceed one and fifteen hundredths percent (1.15%) (not including original issue discount or any Costs of Issuance to be paid by the Underwriter) of the Principal Amount thereof. Final terms of the Bonds shall be as set forth in the Bond Purchase Agreement.

SECTION 9. Official Statement. The Board hereby approves the form of Preliminary Official Statement relating to the Bonds, on file with the Clerk of the Board and to be used and distributed, together with an Official Statement in connection with the sale of the Bonds, in each case with such changes as are approved by the Authorized Officer. An Authorized Officer and such other officers of the District as may be authorized by the Board

are, and each of them acting alone hereby is, authorized to deliver copies of the Preliminary Official Statement and the Official Statement with such changes therein as such officer shall approve, in his or her discretion, as being in the best interests of the District. Upon approval of such changes by such officer, the Preliminary Official Statement shall be "deemed final" as of its date except for the omission of certain information as provided in and pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule") and an Authorized Officer is authorized to execute a certificate to that effect. Any Authorized Officer is hereby authorized and directed to execute such Official Statement with such changes therein, deletions therefrom and modifications thereto as such Authorized Officer may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 10. Authorization of Officers. The officers of the District and their authorized representatives are, and each of them acting alone is, hereby authorized to execute any and all documents and do and perform any and all acts and things, from time to time, consistent with this Resolution and necessary or appropriate to carry the same into effect and to carry out its purpose.

SECTION 11. Use of Bond Proceeds. Bonds of the District shall be issued in the name of the District in an aggregate initial Principal Amount not to exceed \$5,500,000, and proceeds of the Bonds shall be applied to finance the construction, acquisition, furnishing and equipping of District property and facilities, as authorized at the Election by the Measure, which shall be incorporated herein by this reference as though fully set forth in this Resolution.

SECTION 12. Designation and Form; Payment.

(a) An issue of Bonds of one or more series entitled to the benefit, protection and security of this Resolution is hereby authorized in an aggregate initial Principal Amount not to exceed \$5,500,000. Such Bonds shall be general obligations of the District, payable as to Principal, premium, if any, and interest from *ad valorem* taxes to be levied upon all of the taxable property in the District without limitation as to rate or amount (except certain personal property which is taxable at limited rates). The Bonds shall be designated "Gustine Unified School District General Obligation Bonds, 2014 Election, 2016 Series B" with such additional series designations as may be necessary or advisable in order to market the Bonds, as set forth in the Bond Purchase Agreement. The Bonds shall be subject to redemption as further set forth in the Bond Purchase Agreement, pursuant to this Resolution.

(b) The form of the Bonds shall be substantially in conformity with the standard form of registered school district bonds, a copy of which is attached hereto as Exhibit A and incorporated herein by this reference.

(c) Principal, premium, if any, and interest with respect to any Bond are payable in lawful money of the United States of America. Principal and premium, if any, is payable upon surrender thereof at maturity or earlier redemption at the office designated by the Paying Agent.

SECTION 13. Description of Bonds.

(a) The Bonds shall be issued in fully registered form, without coupons, in denominations of \$5,000 or any integral multiple thereof. The Bonds shall be dated and

shall mature on the dates, in the years and in the Principal Amounts, and interest shall be computed at the rates, set forth in the Bond Purchase Agreement.

(b) Interest on each Bond shall accrue from its dated date as set forth in the Bond Purchase Agreement. Interest on Bonds shall be computed using a year of 360 days comprised of twelve 30-day months and shall be payable on each Interest Payment Date to the Owner thereof as of the close of business on the Record Date. Interest with respect to each Bond will be payable from the Interest Payment Date next preceding the date of registration thereof, unless (i) it is registered after the close of business on any Record Date and before the close of business on the immediately following Interest Payment Date, in which event interest with respect thereto shall be payable from such following Interest Payment Date; or (ii) it is registered prior to the close of business on the first Record Date, in which event interest shall be payable from its dated date; provided, however, that if at the time of registration of any Bond interest with respect thereto is in default, interest with respect thereto shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment. Payments of interest on the Bonds will be made on each Interest Payment Date by check or draft of the Paying Agent sent by first-class mail, postage prepaid, to the Owner thereof on the Record Date, or by wire transfer to any Owner of \$1,000,000 or more of such Bonds, to the account specified by such Owner in a written request delivered to the Paying Agent on or prior to the Record Date for such Interest Payment Date; provided, however, that payments of defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date fixed therefor by the Paying Agent which shall not be more than 15 days and not less than ten days prior to the date of the proposed payment of defaulted interest.

SECTION 14. Book-Entry System.

(a) The Bonds shall be initially issued in the form of a separate single fully registered Bond (which may be typewritten) for each of the maturities of the Bonds within each series. Upon initial issuance, the ownership of each such Bond certificate shall be registered in the Bond Register in the name of the Nominee as nominee of the Depository. Except as provided in subsection (c) hereof, all of the Outstanding Bonds shall be registered in the Bond Register in the name of the Nominee and the Bonds may be transferred, in whole but not in part, only to the Depository, to a successor Depository or to another nominee of the Depository or of a successor Depository. Each Bond certificate shall bear a legend substantially to the following effect: "UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), 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."

With respect to Bonds registered in the Bond Register in the name of the Nominee, the District shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds a beneficial interest in the Bonds. Without limiting the immediately preceding sentence, the District shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any beneficial ownership interest in the Bonds, (ii) the delivery to any Participant, Beneficial Owner or any other person, other than the Depository, of any

notice with respect to the Bonds, including any redemption notice, (iii) the selection by the Depository and the Participants of the beneficial interests in the Bonds to be redeemed in part, or (iv) the payment to any Participant, Beneficial Owner or any other person, other than the Depository, of any amount with respect to Principal of, premium, if any, and interest on, the Bonds. The District may treat and consider the person in whose name each Bond is registered in the Bond Register as the absolute Owner of such Bond for the purpose of payment of Principal of, premium, if any, and interest on, such Bond, for the purpose of giving Redemption Notices and other notices with respect to such Bond, and for all other purposes whatsoever, including, without limitation, registering transfers with respect to the Bonds.

The Paying Agent shall pay all Principal of, premium, if any, and interest on, the Bonds only to the respective Owners, as shown in the Bond Register, and all such payments shall be valid hereunder with respect to payment of Principal of, premium, if any, and interest on, the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a Bond evidencing the obligation to make payments of Principal of, premium, if any, and interest, pursuant to this Resolution. Upon delivery by the Depository to the Paying Agent and the District of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions hereof with respect to Record Dates, the word "Nominee" in this Resolution shall refer to such new nominee of the Depository.

(b) If at any time the Depository notifies the District that it is unwilling or unable to continue as Depository with respect to the Bonds or if at any time the Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Depository is not appointed by the Superintendent within 90 days after the District receives notice or becomes aware of such condition, as the case may be, subsection (a) hereof shall no longer be applicable and the District shall issue new bonds representing the Bonds as provided below. In addition, the District may determine at any time that the Bonds shall no longer be represented by book-entry securities and that the provisions of subsection (a) hereof shall no longer apply to the Bonds. In any such event, the District shall execute and deliver certificates representing the Bonds as provided below. Certificated securities issued in exchange for book-entry securities pursuant to this subsection shall be registered in such names and delivered in such denominations as the Depository shall instruct the District. The District shall then deliver certificated securities representing the new bonds to the persons in whose names such Bonds are so registered.

If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or cause to be prepared a new fully-registered book-entry security for each of the maturities of Bonds, registered in the name of such successor or substitute securities depository or its nominee, or make such other arrangements as are acceptable to the District and such securities depository and not inconsistent with the terms of this Resolution.

(c) Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to Principal of, premium, if any, and interest on, such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the letter of representation from the District to the Depository or as otherwise instructed by the Depository.

(d) The initial Depository under this Resolution shall be DTC. The initial Nominee shall be Cede & Co., as nominee of DTC.

SECTION 15. Execution of the Bonds.

(a) The Bonds shall be executed in the name of the District by the manual or facsimile signature of the President of the Board and the manual or facsimile signature of the Secretary of the Board or by a deputy of either of such officers. In case any one or more of the officers who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been issued by the District, such Bonds may, nevertheless, be issued, as herein provided, as if the persons who signed or sealed such Bonds had not ceased to hold such offices. Any of the Bonds may be signed and sealed by such persons as at the time of the execution of such Bonds shall be duly authorized to hold or shall hold the proper offices in the District, although at the date borne by the Bonds such persons may not have been so authorized or have held such offices.

(b) The Bonds shall bear thereon a certificate of authentication executed manually by the Paying Agent. Only such Bonds as shall bear thereon such certificate of authentication duly executed by the Paying Agent shall be entitled to any right or benefit under this Resolution and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Paying Agent. Such certificate of the Paying Agent upon any Bond shall be conclusive evidence that the Bond so authorized has been duly authenticated and delivered under this Resolution and that the Owner thereof is entitled to the benefit of this Resolution.

SECTION 16. Transfer and Exchange. The transfer of any Bond may be registered upon surrender of such Bond to the Paying Agent. Such Bond shall be endorsed or accompanied by delivery of the written instrument of transfer shown in Exhibit A hereto, duly executed by the Owner or his duly authorized attorney, and payment of such reasonable transfer fees as the Paying Agent may establish. Upon such registration of transfer, a new Bond or Bonds, of like tenor and maturity in the same Transfer Amount and in authorized denominations, will be executed and delivered to the transferee in exchange therefor.

The Paying Agent shall deem and treat the person in whose name any Outstanding Bond shall be registered upon the Bond Register as the absolute Owner of such Bond, whether the Principal, premium, if any, or interest with respect to such Bond shall be overdue or not, for the purpose of receiving payment of Principal, premium, if any, and interest with respect to such Bond and for all other purposes, and any such payments so made to any such Owner or upon his order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and the District or the Paying Agent shall not be affected by any notice to the contrary.

Bonds may be exchanged at the office of the Paying Agent for Bonds of like tenor, maturity and Transfer Amount of other authorized denominations. All Bonds surrendered in any such exchange shall thereupon be cancelled by the Paying Agent. The Paying Agent may charge the Owner a reasonable sum for each new Bond executed and delivered upon any exchange (except in the case of the first exchange of any Bond in the form in which it is originally delivered, for which no charge shall be imposed) and the Paying Agent may require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

The Paying Agent shall not be required to register the transfer or exchange of any Bond (i) during the period beginning at the close of business on any Record Date through the close of business on the immediately following Interest Payment Date, or (ii) that has been called or is subject to being called for redemption, during a period beginning at the opening of

business 15 days before any selection of Bonds to be redeemed through the close of business on the applicable redemption date, except for the unredeemed portion of any Bond to be redeemed only in part.

SECTION 17. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated, the Paying Agent, at the expense of the Owner, shall deliver a new Bond of like date, interest rate, maturity, Transfer Amount, series and tenor as the Bond so mutilated in exchange and substitution for such mutilated Bond, upon surrender and cancellation thereof. All Bonds so surrendered shall be cancelled. If any Bond shall be destroyed, stolen or lost, evidence of such destruction, theft or loss may be submitted to the Paying Agent and if such evidence is satisfactory to the Paying Agent that such Bond has been destroyed, stolen or lost, and upon furnishing the Paying Agent with indemnity satisfactory to the Paying Agent and complying with such other reasonable regulations as the Paying Agent may prescribe and paying such expenses as the Paying Agent may incur the Paying Agent shall, at the expense of the Owner, execute and deliver a new Bond of like date, interest rate, maturity, Transfer Amount and tenor in lieu of and in substitution for the Bond so destroyed, stolen or lost. Any new Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the District, whether or not the Bonds so alleged to be destroyed, stolen or lost are at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Bonds issued under this Resolution in any moneys or securities held by the Paying Agent for the benefit of the Owners of the Bonds.

SECTION 18. Bond Register. The Paying Agent shall keep or cause to be kept at its office sufficient books for the registration and registration of transfer of the Bonds. Upon presentation for registration of transfer, the Paying Agent shall, as above provided and under such reasonable regulations as it may prescribe subject to the provisions hereof, register or register the transfer of the Bonds, or cause the same to be registered or cause the registration of the same to be transferred, on such books.

SECTION 19. Unclaimed Money. All money which the Paying Agent shall have received from any source and set aside for the purpose of paying or redeeming any of the Bonds shall be held in trust for the respective Owners of such Bonds, but any money which shall be so set aside or deposited by the Paying Agent and which shall remain unclaimed by the Owners of such Bonds for a period of one year after the date on which any payment or redemption with respect to such Bonds shall have become due and payable shall be transferred to the general fund of the District; provided, however, that the Paying Agent, before making such payment, shall cause notice to be mailed to the Owners of such Bonds, by first class mail, postage prepaid, after a date in said notice, which date shall not be less than 90 days prior to the date of such payment, to the effect that said money has not been claimed and that after a date named therein, any unclaimed balance of said money then remaining will be transferred to the general fund of the District. Thereafter, the Owners of such Bonds shall look only to the general fund of the District for payment of such Bonds.

SECTION 20. Application of Proceeds. Upon the sale of the Bonds, the District intends to deposit or cause to be deposited the net proceeds of the Bonds into the Building Fund (the "Building Fund") which is hereby established for the account of the District and shall be administered by the County Office of Education. Money in the Building Fund shall be disbursed for the payment of the costs of acquiring and constructing the Project. At such time that no amounts remain on deposit in Building Fund, the County Office of Education may close the Building Fund.

SECTION 21. Payment and Security for the Bonds. The Board of Supervisors of the County shall annually at the time of making the levy of taxes for County purposes, levy a continuing direct *ad valorem* tax for the Fiscal Year upon the taxable property in the District without limitation as to rate or amount (except for certain personal property which is taxable at limited rates) in an amount at least sufficient, together with moneys on deposit in the Debt Service Fund and available for such purpose, to pay the Principal of, premium, if any, and interest on each Bond as each becomes due and payable in the next succeeding Bond Year. The tax levy may include an allowance for an annual reserve, established for the purpose of avoiding fluctuating tax levies. The District hereby pledges as security for the Bonds and the interest thereon and the County shall deposit or cause to be deposited in the District's Debt Service Fund, the proceeds from the levy of the aforementioned tax which the County receives (the "Pledged Moneys"). The Pledged Moneys shall be used to pay the Principal of, premium, if any, and interest on the Bonds when and as the same shall become due and payable. The Bonds are the general obligations of the District and do not constitute an obligation of the County except as provided in this Resolution. No part of any fund or account of the County is pledged or obligated to the payment of the Bonds or the interest thereon. Other than the Pledged Moneys, no funds or accounts of the District are pledged to payment of the Bonds.

SECTION 22. Debt Service Fund.

(a) The District shall deposit or cause to be deposited any accrued interest and any original issue premium received by the District from the sale of the Bonds in the fund established and designated as the "Gustine Unified School District, General Obligation Bonds, 2014 Election, 2016 Series B Debt Service Fund" (the "Debt Service Fund") to be administered by the County of Merced and used only for the payment of the Principal of, premium, if any, and interest on the Bonds.

(b) All Pledged Moneys shall be deposited upon collection by the County into the Debt Service Fund and used for the payment of the Principal of, premium, if any, and interest on the Bonds.

(c) The County shall transfer or cause to be transferred from the Debt Service Fund to the Paying Agent, an amount, in immediately available funds, sufficient to pay all the Principal of, premium, if any, and interest on the Bonds (collectively, the "Debt Service") on such Interest Payment Date. Debt Service on the Bonds shall be paid by the Paying Agent in the manner provided by law for the payment of Debt Service.

(d) The District shall cause moneys to be transferred to the Excess Earnings Fund to the extent needed to comply with the Tax Certificate. Any amounts on deposit in the Debt Service Fund when there are no longer any Bonds Outstanding shall be transferred to the general fund of the District.

SECTION 23. Establishment and Application of Excess Earnings Fund. The District shall establish a special fund designated "Gustine Unified School District General Obligation Bonds, 2014 Election, 2016 Series B, Excess Earnings Fund" (the "Excess Earnings Fund") which shall be administered by the County Office of Education for the account of the District and which shall be kept separate and apart from all other funds and accounts held hereunder. The District shall deposit, or cause to be deposited, moneys to the Excess Earnings Fund in accordance with the provisions of the Tax Certificate. Amounts on deposit in the Excess Earnings Fund shall only be applied to payments made to the United States or otherwise transferred to other accounts or funds established hereunder in accordance with the Tax Certificate.

SECTION 24. Payment of Costs of Issuance. The District may pay, or cause to be paid, Costs of Issuance using proceeds of the Bonds or, to the extent available, original issue premium derived from the sale of the Bonds and applied for that purpose as provided in the Bond Purchase Agreement.

SECTION 25. Establishment of Additional Funds and Accounts. If at any time it is deemed necessary or desirable by the District, the County Office of Education may establish additional funds under this Resolution and/or accounts within any of the funds or accounts established hereunder.

SECTION 26. Redemption. The Bonds shall be subject to redemption as provided in the Bond Purchase Agreement.

SECTION 27. Selection of Bonds for Redemption. Whenever provision is made in this Resolution or in the Bond Purchase Agreement for the redemption of the Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District given at least 45 days prior to the date designated for such redemption, shall select Bonds for redemption in such order as the District may direct, or, in the absence of such direction, in inverse order of maturity within a series. Within a maturity, the Paying Agent shall select Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof.

SECTION 28. Notice of Redemption. When redemption is authorized or required pursuant to this Resolution or the Bond Purchase Agreement, the Paying Agent, upon written instruction from the District given at least 45 days prior to the date designated for such redemption, shall give notice (a "Redemption Notice") of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the Principal Amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed the redemption price, together with the interest accrued to the redemption date, and that from and after such date interest with respect thereto shall cease to accrue or accrete and be payable.

The Paying Agent shall take the following actions with respect to such Redemption Notice:

(a) At least 30 but not more than 60 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Bonds designated for redemption by first class mail, postage prepaid, at their addresses appearing on the Bond Register. Notice of redemption may be given on a conditional basis in contemplation of a refunding of the Bonds.

(b) In the event that the Bonds shall no longer be held in book-entry only form, at least two days before the date of the notice required by clause (a) of this Section, such Redemption Notice shall be given by (i) first class mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to each of the Securities Depositories.

(c) In the event that the Bonds shall no longer be held in book-entry only form, at least two days before the date of notice required by clause (a) of this Section, such Redemption Notice shall be given by (i) first class mail, postage prepaid, or (ii) overnight delivery service, to the Municipal Securities Rulemaking Board.

Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear the CUSIP number identifying, by series and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the Debt Service Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the Principal of, interest, and any premium due on the Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

SECTION 29. Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in Transfer Amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

SECTION 30. Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside for the payment of their redemption price, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided above, together with interest to such redemption date, shall be held by the Paying Agent so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of Section 27, 28 and 29 shall be cancelled upon surrender thereof and delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be cancelled by the Paying Agent upon written notice by the District given to the Paying Agent.

SECTION 31. Paying Agent, Appointment and Acceptance of Duties.

(a) The Board hereby consents to and confirms the appointment of U.S. Bank National Association to act as Paying Agent for the Bonds under this Resolution. All fees

and expenses incurred for services of the Paying Agent shall be the sole responsibility of the District. The Paying Agent shall have a corporate trust office in San Francisco or Los Angeles, California.

(b) Unless otherwise provided, the office of the Paying Agent designated by the Paying Agent shall be the place for the payment of Principal of, premium, if any, and interest on the Bonds.

SECTION 32. Liability of Paying Agent. The Paying Agent makes no representations as to the validity or sufficiency of this Resolution or of any Bonds issued hereunder or as to the security afforded by this Resolution, and the Paying Agent shall incur no liability in respect hereof or thereof.

SECTION 33. Evidence on Which Paying Agent May Act. The Paying Agent, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Resolution, shall examine such instrument to determine whether it conforms to the requirements of this Resolution and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent may consult with counsel, who may or may not be counsel to the District, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Resolution in good faith and in accordance therewith.

SECTION 34. Compensation. 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 its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Resolution. In no event shall the Paying Agent be required to expend its own funds hereunder.

The fees and expenses of the Paying Agent not paid from the proceeds of the sale of the Bonds shall be paid each year from the Debt Service Fund, insofar as permitted by law, including specifically by Section 15232 of the Education Code.

SECTION 35. Ownership of Bonds Permitted. The Paying Agent or the Underwriter may become the Owner of any Bonds.

SECTION 36. Resignation or Removal of Paying Agent and Appointment of Successor.

(a) The Paying Agent initially appointed hereunder may resign from service as Paying Agent and any Authorized Officer may remove such Paying Agent or any subsequent Paying Agent as provided in the respective Paying Agent's service agreement. Without further action by the District, if at any time the Paying Agent shall resign or be removed, an Authorized Officer shall appoint a successor Paying Agent, which shall be a bank or trust company doing business in and having a corporate trust office in San Francisco or Los Angeles, California, with at least \$50,000,000 in net assets. The Paying Agent shall keep accurate records of all funds administered by it and of all Bonds paid and discharged by it. Such records shall be provided, upon reasonable request, to the District in a format mutually agreeable to the Paying Agent and the District. Such successor Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to

the District a written acceptance thereof. Resignation or removal of the Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

(b) In the event of the resignation or removal of the Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor.

(c) In the event of the merger, acquisition or consolidation of the Paying Agent, the Paying Agent shall pay over, assign and deliver any moneys held by it to its successor who shall assume the responsibilities of Paying Agent hereunder unless the successor shall be removed by the District in which case all funds shall be paid at the direction of an Authorized Officer.

SECTION 37. Investment of Certain Funds. Moneys held in all funds and accounts established hereunder shall be invested and reinvested by the Treasurer in Authorized Investments to the fullest extent practicable as shall be necessary to provide moneys when needed for payments to be made from such funds or accounts. Nothing in this Resolution shall prevent any investment securities acquired as investments of funds held hereunder from being issued or held in book-entry form on the books of the Department of the Treasury of the United States. All investment earnings on amounts on deposit in the Excess Earnings Fund, the Debt Service Fund and the Building Fund shall remain on deposit in such funds.

The proceeds from the sale of the Bonds (net of premium, if any) will be deposited in the County of Merced treasury to the credit of the Building Fund. Any premium or accrued interest received by the District from the sale of the Bonds will be deposited in the Debt Service Fund. Earnings on the investment of moneys in either fund will be retained in that fund and used only for the purposes to which that fund may lawfully be applied. Moneys in the Building Fund may only be applied for the purposes for which the Bonds were approved. Moneys in the Debt Service Fund may only be applied to make payments of interest, principal and premium, if any, on bonds of the District.

All funds held in the Building Fund and the Debt Service Fund will be invested by the Treasurer at the direction of the District. All funds held in the Building Fund by the Treasurer under this Resolution will be invested pursuant to applicable law and the investment policy of the County of Merced, unless otherwise directed in writing by the District. At the written direction of the District, all or any portion of the Building Fund may be invested in the Local Agency Investment Fund in the treasury of the State, and all or any portion of the Building Fund may be invested on behalf of the District in investment agreements, including guaranteed investment contracts, which comply with the requirements of each rating agency then rating the Bonds necessary in order to maintain the then-current rating on the Bonds, provided that the Treasurer will be a signatory to any such investment agreement.

The District covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Resolution, or otherwise containing gross proceeds of the Bonds (within the meaning of section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Resolution or the Code) at Fair Market Value. Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code shall be valued at their present value (within the meaning of section 148 of the Code).

SECTION 38. Valuation and Sale of Investments. Obligations purchased as an investment of moneys in any fund or account shall be deemed at all times to be a part of such fund or account. Profits or losses attributable to any fund or account shall be credited or charged to such fund or account.

SECTION 39. Supplemental Resolutions With Consent of Owners. This Resolution, and the rights and obligations of the District and of the Owners of the Bonds issued hereunder, may be modified or amended at any time by a Supplemental Resolution adopted by the District with the written consent of Owners owning at least 60% in aggregate Bond Obligation of the Outstanding Bonds, exclusive of Bonds, if any, owned by the District; provided, however, that if a Bond Insurance Policy is in effect, and provided that the Bond Insurer, if any, complies with its obligations thereunder, the Bond Insurer shall be deemed to be the sole Owner of the Bonds for purposes of this sentence. Notwithstanding the foregoing, no such modification or amendment shall, without the express consent of the Owner of each Bond affected, reduce the Principal Amount of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which Principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification thereof or hereof. No such Supplemental Resolution shall change or modify any of the rights or obligations of any Paying Agent without its written assent thereto. Notwithstanding anything herein to the contrary, no such consent shall be required if the Owners are not directly and adversely affected by such amendment or modification.

SECTION 40. Supplemental Resolutions Effective Without Consent of Owners. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the District may be adopted, which, without the requirement of consent of the Owners, shall be fully effective in accordance with its terms:

- (a) To add to the covenants and agreements of the County or the District in this Resolution, other covenants and agreements to be observed by the County or the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;
- (b) To add to the limitations and restrictions in this Resolution, other limitations and restrictions to be observed by the County or the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;
- (c) To confirm as further assurance, any pledge under, and the subjection 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;
- (d) To cure any ambiguity, supply any omission, or cure to correct any defect or inconsistent provision in this Resolution;
- (e) To make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds; or
- (f) To amend or supplement this Resolution in any other respect, provided such Supplemental Resolution does not, in the opinion of nationally recognized bond counsel, adversely affect the interests of the Owners.

SECTION 41. Effect of Supplemental Resolution. Any act done pursuant to a modification or amendment so consented to shall be binding upon the Owners of all the

Bonds and shall not be deemed an infringement of any of the provisions of this Resolution, whatever the character of such act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent relating to such specified matters has been given, no Owner shall have any right or interest to object to such action or in any manner to question the propriety thereof or to enjoin or restrain the District or any officer or agent of either from taking any action pursuant thereto.

SECTION 42. Defeasance. If any or all Outstanding Bonds shall be paid and discharged in any one or more of the following ways:

(a) by well and truly paying or causing to be paid the Principal of and interest on all Bonds Outstanding, as and when the same become due and payable;

(b) by depositing with the Paying Agent, in trust, at or before maturity, cash which, together with the amounts then on deposit in the Debt Service Fund plus the interest to accrue thereon without the need for further investment, is fully sufficient to pay all Bonds Outstanding on their redemption date or at maturity thereof, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment; or

(c) by depositing with an institution to act as escrow agent selected by the District and which meets the requirements of serving as Paying Agent pursuant to this Resolution, in trust, lawful money or noncallable direct obligations issued by the United States Treasury (including State and Local Government Series Obligations) or obligations which are unconditionally guaranteed by the United States of America and described under Section 149(b) of the Code and Regulations which, in the opinion of nationally recognized bond counsel, will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds, in such amount as will, together with the interest to accrue thereon without the need for further investment, be fully sufficient, in the opinion of a verification agent satisfactory to the District, to pay and discharge all Bonds Outstanding on their redemption date or at maturity thereof, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment;

then all obligations of the District and the Paying Agent under this Resolution with respect to such Outstanding Bonds shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid to the Owners of the Bonds all sums due thereon, and the obligation of the District to pay to the Paying Agent amounts owing to the Paying Agent hereunder.

SECTION 43. Tax Covenants. The District hereby covenants that it shall not, directly or indirectly, use or permit the use of any proceeds of any of the Bonds, or of any of the property financed or refinanced with the proceeds of the Bonds, or other funds of the District, or take or omit to take any action that would cause the Bonds to be deemed "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). To that end, the District shall comply with all requirements of Section 148 of the Code and all regulations of the United States Department of the Treasury promulgated thereunder to the extent that such requirements are in effect and applicable to the Bonds.

The District further covenants and agrees to comply with the requirements of the Tax Certificate to be executed and delivered in connection with the delivery of the Bonds to the original purchasers thereof.

SECTION 44. Bond Insurance. All or a portion of the Bonds may be sold with bond insurance or other form of credit enhancement, if an Authorized Officer, in consultation with the Underwriter and the Financial Advisor, determines that the savings to the District resulting from the purchase of such bond insurance exceeds the cost thereof.

SECTION 45. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the terms of the Continuing Disclosure Agreement in substantially the form attached as an appendix to the Preliminary Official Statement. Any Underwriter, any Owner or any Beneficial Owner 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 and the Continuing Disclosure Agreement.

[Remainder of this page intentionally left blank.]

The foregoing resolution #2016-17-04 was, on the 9th of November, 2016, adopted by the Board of Education of the Gustine Unified School District at a regular meeting by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

Clerk of the Board of Education of the Gustine
Unified School District

By: _____
Crickett Brinkman, Clerk

EXHIBIT A
FORM OF BOND

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), 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.

UNITED STATES OF AMERICA

STATE OF CALIFORNIA

GUSTINE UNIFIED SCHOOL DISTRICT
(COUNTY OF MERCED, CALIFORNIA)
GENERAL OBLIGATION BONDS, 2014 ELECTION, 2016 SERIES B

\$ _____ No. _____

Interest Rate	Maturity Date	Dated Date	CUSIP
____%	August 1, 20__	_____, 2016	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The Gustine Unified School District (the "District") of the County of Merced, State of California, for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owner set forth above the Principal Amount set forth above, on the Maturity Date set forth above, together with interest thereon from the dated date set forth above until the Principal Amount hereof shall have been paid or provided for, in accordance with the Resolution hereinafter referred to, at the interest rate set forth above. Interest on this Bond is payable on _____ 1, 20__, and semiannually thereafter on the first day of February and August (each, an "Interest Payment Date") in each year to the registered owner hereof from the Interest Payment Date next preceding the date on which this Bond is registered (unless it is registered after the close of business on the fifteenth calendar day of the month preceding any Interest Payment Date (a "Record Date") and before the close of business on the immediately following Interest Payment Date, in which event it shall bear interest from such following Interest Payment Date, or unless this Bond is registered prior to the close of business on _____ 15, 201_, in which event it shall bear interest from its date; provided, however, that if at the time of registration of this Bond interest with respect hereto is in default, interest with respect hereto shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment). The Principal

Amount hereof is payable at the office of U.S. Bank National Association, as paying agent (the "Paying Agent"), in St. Paul, Minnesota. The interest hereon is payable by check or draft mailed by first class mail to each registered owner, at his address as it appears on the registration books kept by the Paying Agent as of the Record Date.

The Bonds of this issue are comprised of \$_____ Principal Amount of Bonds. This Bond is issued by the District under and in accordance with the provisions of (i) Section 53506 *et seq.* of the California Government Code (the "Act") and (ii) Article XIII A of the California Constitution, and pursuant to a resolution adopted by the Board of Education of the District on _____, 2015 (the "Resolution"). Reference is hereby made to the Resolution, a copy of which is on file at the office of the District, for a description of the terms on which the Bonds are delivered, and the rights thereunder of the registered owners of the Bonds and the rights and duties of the Paying Agent and the District, to all of the provisions of which the registered owner of this Bond, by acceptance hereof, assents and agrees. All capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the Resolution. The Bonds were authorized by a vote of 55% or more of the qualified electors of the District voting on the proposition at a general election held therein to determine whether such Bonds should be issued.

This Bond is a general obligation of the District, payable as to both Principal and interest from *ad valorem* taxes which, under the laws now in force, may be levied without limitation as to rate or amount upon all of the taxable property in the District. Neither the payment of the Principal of this Bond, or any part thereof, nor any interest or premium hereon constitute a debt, liability or obligation of the County.

This Bond is issued in fully registered form and is nonnegotiable. Registration of this Bond is transferable by the registered owner hereof, in person or by his attorney duly authorized in writing, at the aforesaid offices of the Paying Agent, but only in the manner, subject to the limitations, and upon payment of the charges, provided in the Resolution and upon surrender and cancellation of this Bond. Upon such registration of transfer, a new Bond or Bonds, of like tenor and maturity in the same Transfer Amount and in authorized denominations will be issued to the transferee in exchange herefor. The District and the Paying Agent may treat the registered owner hereof as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary.

The Bonds maturing on or before August 1, 20__ shall not be subject to redemption prior to their maturity dates. The Bonds maturing on or before August 1, 20__ may be redeemed prior to their respective stated maturity dates, at the option of the District, from any source of available funds, on August 1, 20__ or on any date thereafter as a whole, or in part, at the principal amount thereof, together with interest accrued thereon to the date of redemption, without premium.

The Bonds maturing on August 1, 20__, are subject to mandatory sinking fund redemption, in part by lot, on August 1 in each of the years and in the principal amounts set forth in the following schedule, at a redemption price of par, plus accrued interest to the date fixed for redemption:

Mandatory Sinking Fund
Payment Date (August 1)

Mandatory Sinking Fund Payment

The rights and obligations of the District and of the owners of the Bonds may be modified or amended at any time by a supplemental resolution adopted by the District with the written consent of owners of at least 60% in aggregate Bond Obligation of the Outstanding Bonds, exclusive of Bonds, if any, owned by the District; provided, however, that no such modification or amendment shall, without the express consent of the registered owner of each Bond affected, reduce the Principal Amount of any Bond, reduce the interest rate payable thereon, extend its maturity or the times for paying interest thereon or change the monetary medium in which the Principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification hereof.

A supplemental resolution of the District may be adopted, which, without the requirement of consent of the registered owners, shall be fully effective in accordance with its terms: (1) to add to the covenants and agreements of the District in the Resolution, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (2) to add to the limitations and restrictions in the Resolution, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (3) to confirm as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by the Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under the Resolution; (4) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Resolution; (5) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds or (6) to amend or supplement the Resolution in any other respect, provided such supplemental resolution does not, in the opinion of nationally recognized bond counsel, adversely affect the interests of the owners.

If this Bond is called for redemption and the Principal Amount of this Bond plus premium, if any, and accrued interest due with respect hereto are duly provided therefor as specified in the Resolution, then interest shall cease to accrue with respect hereto from and after the date fixed for redemption.

This Bond shall not become valid or obligatory for any purpose until the Certificate of Authentication hereon endorsed shall have been dated and executed manually by the Paying Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED, that an election was duly and legally called, held and conducted, and the notices thereof duly given, and the results thereof canvassed and declared in accordance with the provisions of the Education Code of the State and that all of the proceedings of the Board of Education of the District in the matter of the issuance of this Bond were regular and in strict accordance with the provisions of the Act and of the Constitution of the State of California, and that the total bonded indebtedness of the District, including the issue of which this Bond is a part, does not exceed any limit prescribed by law.

IN WITNESS WHEREOF, Gustine Unified School District has caused this Bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signature of the President of the Board of Education of the Gustine Unified School District, and to be countersigned by the manual or facsimile signature of the Secretary of the Board of Education of the Gustine Unified School District.

GUSTINE UNIFIED SCHOOL DISTRICT

By: _____
President of the Board of Education

Countersigned:

By: _____
Secretary of the Board of Education

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Resolution of the Board of Education of the Gustine Unified School District.

DATED: November 9, 2016

U.S. BANK NATIONAL ASSOCIATION, as
Paying Agent

By: _____
Authorized Officer

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered owner hereby sells, assigns and transfers unto

Name of Transferee: _____

Address for Payment of Interest: _____

Social Security Number or other Tax Identification No.: _____

the within-mentioned Bond and hereby irrevocably constitutes and appoints attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

Registered Owner

Dated:

NOTICE: The signature on this Assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature _____
guaranteed

[Bank, Trust Company or Firm]

By _____
Authorized Officer

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

EXHIBIT B
FORM OF BOND PURCHASE AGREEMENT

Preliminary Official Statement for sale of GO Bonds

NEW ISSUE – BOOK ENTRY ONLY

RATING:
Standard & Poor's: " _ " (See "RATING" herein.)

In the opinion of Dannis Woliver Kelley, Bond Counsel to the District, under existing law, interest on the Bonds is exempt from personal income taxes of the State of California, and, assuming continuing compliance after the date of initial delivery of the Bonds with certain covenants contained in the Resolution authorizing the Bonds and subject to the matters set forth under "TAX MATTERS" herein, interest on the Bonds for federal income tax purposes under existing statutes, regulations, published rulings, and court decisions will be excludable from the gross income of the owners thereof pursuant to section 103 of the Internal Revenue Code of 1986, as amended to the date of initial delivery of the Bonds, and will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals or, except as described herein, corporations. The District has designated the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. See "TAX MATTERS" herein.

\$ _____^{*}
GUSTINE UNIFIED SCHOOL DISTRICT
(Merced County, California)
GENERAL OBLIGATION BONDS, 2014 ELECTION, 2016 SERIES B
(Bank Qualified)

Dated: Date of Delivery

Due: August 1, as shown on inside cover.

The Gustine Unified School District (Merced County, California) General Obligation Bonds, 2014 Election, 2016 Series B (the "Bonds") are being issued by the Gustine Unified School District (the "District") to finance the acquisition, construction, furnishing and equipping of District facilities and to pay certain costs of issuance associated therewith, as more fully described herein under the caption "THE PROJECTS." The Bonds were authorized at an election within the District held on November 4, 2014 (the "Election") at which at least fifty-five percent of the registered voters voting on the proposition voted to authorize the issuance and sale of \$14,000,000 aggregate principal amount of general obligation bonds of the District (the "Authorization"). The Bonds are the second series of general obligation bonds issued pursuant to the Authorization and are issued on a parity basis with all of the outstanding general obligation bonds of the District.

The Bonds are general obligations of the District only and are not obligations of the County of Merced (the "County"), the State of California or any of its other political subdivisions. The Board of Supervisors of the County has the power and is obligated to levy and collect *ad valorem* property taxes for each fiscal year upon the taxable property of the District in an amount at least sufficient, together with other moneys available for such purpose, to pay the principal of, and premium, if any, and interest on each Bond as the same becomes due and payable.

Interest on the Bonds is payable on February 1 and August 1 of each year, commencing February 1, 2017. See "THE BONDS" herein.

The Bonds will be issued in book-entry form only, in denominations of \$5,000 or integral multiples thereof. The Bonds will be initially registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). Purchasers will not receive certificates representing their interests in the Bonds. Payments on the Bonds will be made by U.S. Bank National Association, as 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 – Book-Entry Only System."

The Bonds are subject to optional and mandatory redemption prior to maturity as described herein. See "THE BONDS – Redemption" herein.

The District has applied for a policy of municipal bond insurance

MATURITY SCHEDULE
On Inside Cover

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Bonds will be offered when, as and if issued and received by the Underwriter subject to the approval of legality by Dannis Woliver Kelley, Long Beach, California, Bond Counsel, and certain other conditions. Dannis Woliver Kelley, Long Beach, California, is acting as Disclosure Counsel for the District. Certain legal matters will be passed upon for the Underwriter by Kutak Rock LLP, Denver, Colorado. It is anticipated that the Bonds will be available for delivery in definitive form in New York, New York, through the facilities of DTC on or about December 22, 2016.

STIFEL LOGO

The Date of this Official Statement is: _____, 2016.

^{*} Preliminary; subject to change.

MATURITY SCHEDULE

\$ _____
Gustine Unified School District
(Merced County, California)
General Obligation Bonds, 2014 Election, 2016 Series B

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP¹</u> <u>(403355)</u>
--------------------------------------	-----------------------------------	--------------------------------	--------------	---

\$ _____ % Term Bonds due August 1, 20__ – Yield _____ % CUSIP¹ 403355 _____

ato dealer, broker, salesperson or other person has been authorized by the Gustine Unified School District (the “District”) to provide any information or to make any representations other than as contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by the District. This Official Statement does not constitute an offer to sell, the solicitation of an offer to buy, nor shall 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.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly described herein, are intended solely as such and are not to be construed as a representation of facts.

The information and expressions of opinion herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof.

¹ Copyright 2016, American Bankers Association. CUSIP data herein is provided by Standard and Poor’s CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service. The CUSIP number is provided for convenience of reference only. Neither the District nor the Underwriter takes any responsibility for the accuracy of such CUSIP number.

Although certain information set forth in this Official Statement has been provided by the County of Merced, the County of Merced has not approved this Official Statement and is not responsible for the accuracy or completeness of the statements contained in this Official Statement except for the information set forth under the caption "THE MERCED COUNTY POOLED INVESTMENT FUND."

The Underwriter has provided the following sentence for inclusion in this Official Statement. "The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, 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."

In connection with this offering, the Underwriter may over-allot or effect transactions which stabilize or maintain the market price of the Bonds offered hereby at levels above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the Bonds to certain securities dealers, institutional investors, banks or others at prices lower or higher than the public offering prices stated on the inside cover page hereof and said public offering prices may be changed from time to time by the Underwriter.

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.

GUSTINE UNIFIED SCHOOL DISTRICT
Merced County, State of California

Board of Education

Patricia Rocha, *President*
Linetta Borrelli, *Clerk*
Crickett Brinkman, *Member*
Ernie Longoria, *Member*
Loretta Rose, *Member*

District Administrators

Bill Morones, *Superintendent*
Lizett Aguilar, *Chief Business Officer*

SPECIAL SERVICES

Bond Counsel and Disclosure Counsel

Dannis Woliver Kelley
Long Beach, California

Financial Advisor

Isom Advisors, a Division of Urban Futures Incorporated
Walnut Creek, California

Paying Agent, Transfer Agent, Registration Agent

U.S. Bank National Association
San Francisco, California

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\$ _____*

GUSTINE UNIFIED SCHOOL DISTRICT
(Merced County, California)
GENERAL OBLIGATION BONDS, 2014 ELECTION, 2016 SERIES B
(BANK QUALIFIED)

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, including the cover page, inside cover and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

The Gustine Unified School District (the "District") proposes to issue \$ _____* aggregate principal amount of its General Obligation Bonds, 2014 Election, 2016 Series B (the "Bonds") under and pursuant to a bond authorization (the "Authorization") for the issuance and sale of not more than \$14,000,000 of general obligation bonds approved by 55% or more of the qualified voters of the District voting on the proposition at a general election held on November 4, 2014 (the "Election"). Subsequent to the issuance of the Bonds, \$ _____* aggregate principal amount of bonds will remain for issuance pursuant to the Authorization.

Proceeds from the sale of the Bonds will be used to finance the acquisition, construction, furnishing and equipping of District facilities and to pay certain costs of issuance associated therewith. See "THE PROJECTS" herein.

Registration

U.S. Bank National Association will act as the initial registrar, transfer agent and paying agent for the Bonds (the "Paying Agent"). As long as The Depository Trust Company, New York, New York ("DTC") is the registered owner of the Bonds and DTC's book entry-method is used for the Bonds, the Paying Agent will send any notice of redemption or other notices to owners only to DTC. See "THE BONDS - Description of the Bonds" herein.

The District

The District was unified on January 25, 1971 and consists of an area of approximately 224 square miles in the western portion of Merced County (the "County"). The District is comprised of the city of Gustine and unincorporated areas of the County including the community of Santa Nella. The District is located approximately 102 miles south of the City of Sacramento and 105 miles southeast of the City of San Francisco in the northern central valley of the State of California (the "State"). The District operates six schools including two elementary schools providing kindergarten through fifth grade education services, one middle school providing sixth through eighth grade education services, one high school, one continuation school and one adult school. The District's estimated average daily attendance ("ADA") for fiscal year 2016-17 is 1,793 students and the District has a 2016-17 total assessed valuation of \$ _____. The District's audited financial statements for the fiscal year ended June 30, 2015 are attached hereto as APPENDIX B. For further information concerning the District, see the caption "GUSTINE UNIFIED SCHOOL DISTRICT" herein.

* Preliminary; subject to change.

Sources of Payment for the Bonds

The Bonds are general obligations of the District payable solely from *ad valorem* property taxes. The Board of Supervisors of the County is empowered and obligated to annually levy *ad valorem* property taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except certain personal property which is taxable at limited rates), for the payment of principal and interest on the Bonds when due. See "SECURITY FOR THE BONDS" and "TAX BASE FOR REPAYMENT OF THE BONDS" herein

Continuing Disclosure

The District has covenanted that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement executed by the District in connection with the Bonds. See "THE BONDS – Continuing Disclosure Agreement," "CONTINUING DISCLOSURE" herein and APPENDIX D – FORM OF CONTINUING DISCLOSURE AGREEMENT hereto.

Bank Qualified

The District has designated the Bonds as "qualified tax-exempt obligations," thereby allowing certain financial institutions that are holders of such qualified tax-exempt obligations to deduct a portion of such institution's interest expense allocable to such qualified tax-exempt obligations, all as determined in accordance with Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Professionals Involved in the Offering

Dannis Woliver Kelley, Long Beach, California, is acting as Bond Counsel and Disclosure Counsel to the District with respect to the Bonds. U.S. Bank National Association, San Francisco, California is acting as registrar, transfer agent and paying agent for the Bonds. Isom Advisors, A Division of Urban Futures Incorporated, Walnut Creek, California, is acting as Financial Advisor to the District in connection with the issuance of the Bonds. Kutak Rock LLP, Denver, Colorado, is acting as counsel to the Underwriter with respect to the Bonds. Dannis Woliver Kelley, U.S. Bank National Association and Isom Advisors will receive compensation from the District contingent upon the sale and delivery of the Bonds.

Forward Looking Statements

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "budget" or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information regarding the District herein. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

Closing Date

The Bonds are offered when, as and if issued, subject to approval as to their legality by Bond Counsel. It is anticipated that the Bonds in book-entry form will be available for delivery through the facilities of DTC on or about _____, 2016.

THE BONDS**Authority for Issuance**

The Bonds are general obligations of the District. The Bonds are being issued by the District under the provisions of Title 5, Division 2, Part 1, Chapter 3, Article 4.5 of the Government Code of the State of California (the "Government Code") (commencing with Section 53506) and pursuant to a resolution of the Board of Education of the District adopted on _____, 2016 (the "Resolution").

Purpose of Issue

The net proceeds of the Bonds will be used to finance certain capital improvements for the District as specified in the District bond proposition submitted at the Election, which includes modernizing outdated classrooms, restrooms and school facilities; repairing or replacing leaky roofs; increasing student access to computers and modern technology; improving P.E. fields and facilities for school and community use; and upgrading outdated heating, ventilation, and air-conditioning systems. See "THE PROJECTS" herein.

Description of the Bonds

The Bonds will be dated their date of delivery and will be issued only as fully registered bonds in denominations of \$5,000 principal amount or integral multiples thereof.

The Bonds will be issued in fully registered form and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the Owners or registered owners shall mean Cede & Co. as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds.

So long as Cede & Co. is the registered owner of the Bonds, principal of and interest or premium, if any, on the Bonds are payable by wire transfer or New York Clearing House or equivalent next-day funds or by wire transfer of same day funds by U.S. Bank National Association, as paying agent (the "Paying Agent"), to Cede & Co., as nominee for DTC. DTC is obligated, in turn, to remit such amounts to the DTC Participants (as defined herein) for subsequent disbursement to the Beneficial Owners. See "APPENDIX E – BOOK-ENTRY ONLY SYSTEM" herein.

Payment of the Bonds

Interest on the Bonds is payable commencing February 1, 2017, and semiannually thereafter on February 1 and August 1 of each year (each, an "Interest Payment Date"). The Bonds shall be issued in fully registered form, without coupons, in denominations of \$5,000 or any integral multiple thereof.

Interest on each Bond shall accrue from its dated date at the interest rates applicable thereto as set forth on the inside cover page hereof. Interest shall be computed using a year of 360 days comprised of

twelve 30-day months and shall be payable on each Interest Payment Date to the Owner thereof as of the close of business on the fifteenth calendar day of the month next preceding an Interest Payment Date (the "Record Date"). Interest will be payable from the Interest Payment Date next preceding the date of registration thereof, unless (i) it is registered during the period from the 16th day of the month immediately preceding any Interest Payment Date to that Interest Payment Date, in which event interest with respect thereto shall be payable from such Interest Payment Date; or (ii) it is registered prior to the close of business on January 15, 2017, in which event interest shall be payable from its Dated Date; provided, however, that if at the time of registration of any Bond interest with respect thereto is in default, interest with respect thereto shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment. Payments of interest will be made on each Interest Payment Date by check or draft of the Paying Agent sent by first-class mail, postage prepaid, to the Owner thereof on the Record Date, or by wire transfer to any Owner of \$1,000,000 or more of such Bonds, to the account specified by such Owner in a written request delivered to the Paying Agent on or prior to the Record Date for such Interest Payment Date; provided, however, that payments of defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date fixed therefor by the Paying Agent which shall not be more than 15 days and not less than ten days prior to the date of the proposed payment of defaulted interest.

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__, may be redeemed before maturity at the option of the District, from any source of available funds, on any date on or after August 1, 20__5 at a redemption price of par, plus accrued interest to the date of redemption, without premium.

Mandatory Redemption. The Bonds maturing on August 1, 20__ are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 2035, at a redemption price equal to the principal amount thereof as of the date set for such redemption, without premium. The principal amount to be so redeemed and the dates therefore and the final payment date is as indicated in the following table:

Mandatory Sinking Fund Payment Date (August 1)	Principal Amount to be Redeemed
--	------------------------------------

In the event that a portion of the Bonds maturing on August 1, 20__ is optionally redeemed prior to maturity, the remaining mandatory sinking fund payments shown above shall be reduced proportionately, or as otherwise directed by the District, in integral multiples of \$5,000 principal amount of such Bonds optionally redeemed.

Selection of Bonds for Redemption

Whenever provision is made for the redemption of Bonds and less than all outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District given at least 45 days prior

* Preliminary: subject to change.

to the date designated for such redemption, shall select Bonds for redemption in such order as the District may direct. Within a maturity, the Paying Agent shall select Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple thereof.

Notice of Redemption

When redemption is authorized, the Paying Agent, upon written instruction from the District given at least 45 days prior to the date designated for such redemption, shall give notice of the redemption of the Bonds at least 30 but not more than 60 days prior to the redemption date to the respective Owners of Bonds designated for redemption by first class mail, postage prepaid. Such redemption notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the principal amount, as appropriate, of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such redemption notice shall further state that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed the redemption price, together with the interest accrued to the redemption date in the case of Bonds, and that from and after such date interest with respect thereto shall cease to accrue and be payable.

Right to Rescind Notice of Redemption

• The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the Debt Service Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of and interest and any premium due on the Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

Effect of Notice of Redemption

Notice having been given as required in the Resolution, and the moneys for redemption (including the interest to the applicable date of redemption) having been set aside for payment of the redemption price, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed, together with interest to such redemption date, shall be held by the Paying Agent so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given, then from and after such redemption date, interest on the Bonds to be redeemed shall cease to accrue and become payable.

Transfer and Exchange

Any Bond may be exchanged for Bonds of like tenor, series, maturity and principal amount upon presentation and surrender at the principal office of the Paying Agent, 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. A Bond may be transferred on the Bond Register only upon presentation and surrender of such Bond at the principal office of the Paying Agent together with an assignment executed by the Owner or a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new Bond or Bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the principal amount of the Bond surrendered and bearing interest at the same rate and maturing on the same date.

Defeasance

If any or all Outstanding Bonds shall be paid and discharged in any one or more of the following ways: (a) by well and truly paying or causing to be paid the principal of and interest on all Bonds Outstanding, as and when the same become due and payable; (b) by depositing with the Paying Agent, in trust, at or before maturity, cash which, together with the amounts then on deposit in the Debt Service Fund plus the interest to accrue thereon without the need for further investment, is fully sufficient to pay all Bonds Outstanding on their redemption date or at maturity thereof, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment; or (c) by depositing with an institution to act as escrow agent selected by the District and which meets the requirements of serving as Paying Agent pursuant to the Resolution, in trust, lawful money or noncallable direct obligations issued by the United States Treasury (including State and Local Government Series Obligations) or obligations which are unconditionally guaranteed by the United States of America and described under Section 149(b) of the Code and Regulations which, in the opinion of nationally recognized bond counsel, will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds, in such amount as will, together with the interest to accrue thereon without the need for further investment, be fully sufficient, in the opinion of a verification agent satisfactory to the District, to pay and discharge all Bonds Outstanding at maturity thereof, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment; then all obligations of the District and the Paying Agent under the Resolution with respect to such Outstanding Bonds shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid to the Owners of the Bonds all sums due thereon, and the obligation of the District to pay to the Paying Agent amounts owing to the Paying Agent under the Resolution.

Book-Entry Only System

The Bonds will be issued under a book-entry system, evidencing ownership of the Bonds in Principal Amounts or integral multiples thereof, with no physical distribution of Bonds made to the public. DTC will act as depository for the Bonds, which will be immobilized in their custody. The Bonds will be registered in the name of Cede & Co., as nominee for DTC. For further information regarding DTC and the book entry system, see APPENDIX E hereto.

Continuing Disclosure Agreement

In accordance with the requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission, the District will enter into a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") in the form of APPENDIX D hereto, on or prior to the sale of the Bonds in which the District will undertake, for the benefit of the Beneficial Owners of the Bonds, to provide certain information as set forth therein. See "CONTINUING DISCLOSURE" herein and APPENDIX D – FORM OF CONTINUING DISCLOSURE AGREEMENT hereto.

SOURCES AND USES OF FUNDS

The proceeds of the Bonds are expected to be applied as follows:

Sources of Funds

Principal Amount of Bonds
Net Original Issue Premium
Total Sources

Uses of Funds

Deposit to Building Fund
Deposit to Debt Service Fund
Costs of Issuance⁽¹⁾
Total Uses

⁽¹⁾ Payment of bond insurance premium, if any, Underwriter's discount, Bond and Disclosure Counsel fees, financial advisory fees, rating agency fees and other costs of issuance.

District Investments

The Merced County Treasurer-Tax Collector (the "Treasurer") manages, in accordance with California Government Code Section 53600 *et seq.*, funds deposited with the Treasurer by school and community college districts located in the County, various special districts, and some cities within the State of California. State law generally requires that all moneys of the County, school and community college districts and certain special districts located in the County be held in the County's pooled investment fund (the "Pooled Investment Fund").

The composition and value of investments under management in the Pooled Investment Fund vary from time to time depending on cash flow needs of the County and public agencies invested in the pool, maturity or sale of investments, purchase of new securities, and due to fluctuations in interest rates generally. For a further discussion of the Pooled Investment Fund, see the caption "THE MERCED COUNTY POOLED INVESTMENT FUND" herein.

The net proceeds from the sale of the Bonds (other than premium) shall be paid to the County to the credit of the Gustine Unified School District Building Fund (the "Building Fund") established pursuant to the Resolution and shall be disbursed for the payment of the costs of acquiring and constructing the Projects (as described below). Any premium or accrued interest received by the District from the sale of the Bonds will be deposited in the Debt Service Fund. Earnings on the investment of moneys in either the Building Fund or the Debt Service Fund will be retained in the respective fund and used only for the purposes to which the respective fund may lawfully be applied. Moneys in the Debt Service Fund may only be applied to make payments of principal of and interest, and premium, if any, on bonds of the District. All funds held in the Building Fund and the Debt Service Fund will be invested by the Treasurer at the direction of the District.

DEBT SERVICE SCHEDULE

The following table summarizes the principal and interest payments on the Bonds, assuming no optional redemption.

Bond Year Ending August 1	Principal	Interest	Total Debt Service
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
Total			

SECURITY FOR THE BONDS

General

The Bonds are general obligations of the District, and the Board of Supervisors of the County has the power and is obligated to levy and collect *ad valorem* taxes upon all property within the District subject to taxation by the County, without limitation as to rate or amount (except certain personal property which is taxable at limited rates) for payment of both principal of and interest on the Bonds. The District received authorization to issue \$14,000,000 principal amount of general obligation bonds pursuant to an election of the qualified electors within the District on November 4, 2014. Subsequent to the issuance of the Bonds, \$_____* aggregate principal amount of general obligation bonds will remain for issuance under the Authorization.

* Preliminary: subject to change.

Property Taxation System

Property tax revenues result from the application of the appropriate tax rate to the total assessed value of taxable property in the District. School districts receive property taxes for payment of voter-approved bonds as well as for general operating purposes.

Local property taxation is the responsibility of various county officers. School districts whose boundaries extend into more than one county are treated for property tax purposes as separate jurisdictions in each county in which they are located. For each school district located in a county, the county assessor computes the value of locally assessed taxable property. Based on the assessed value of property and the scheduled debt service on outstanding bonds in each year, the county auditor-controller computes the rate of tax necessary to pay such debt service, and presents the tax rolls (including rates of tax for all taxing jurisdictions in the county) to the county board of supervisors for approval. The county treasurer and tax collector prepares and mails tax bills to taxpayers and collects the taxes. In addition, the treasurer and tax collector, as *ex officio* treasurer of each school district located in the county, holds school district funds, including taxes collected for payment of school bonds, and is charged with payment of principal and interest on the bonds when due.

Restrictions on use of *Ad Valorem* Taxes and Statutory Lien on Debt Service – Senate Bill 222

Under State law, school districts may levy *ad valorem* taxes (in addition to their share of the 1% county tax to pay operating expenses) only to pay principal of and interest on general obligation bonds that, like the Bonds, are approved at an election to finance specified projects or are bonds issued to refund such general obligation bonds. Moreover, State law provides that the *ad valorem* taxes may be levied to pay the principal of and interest on bonds and for no other purpose. Consequently, under State law, the District is not authorized to divert revenue from *ad valorem* taxes levied to pay the Bonds to a purpose other than payment of the Bonds.

Pursuant to Section 53515 of the State Government Code, effective January 1, 2016 and added by California Senate Bill 222 (2015), the Bonds will be secured by a statutory lien on all revenues received pursuant to the levy and collection of *ad valorem* property taxes for the payment thereof. The lien automatically attaches, without further action or authorization by the Board, and is valid and binding from the time the Bonds are executed and delivered. The revenues received pursuant to the levy and collection of the *ad valorem* property tax will be immediately subject to the lien, and such lien will be enforceable against the District, its successor, transferees and creditors, and all other parties asserting rights therein, irrespective of whether such parties have notice of the lien and without the need for physical delivery, recordation, filing or further act.

THE PROJECTS

The District intends to apply the net proceeds of the Bonds to finance the acquisition, construction, furnishing and equipping of District facilities in accordance with the bond proposition approved at the Election which includes the ballot measure and a project list.

The “Strict Accountability in Local School Construction Bonds Act of 2000,” known as Proposition 39, comprising Section 15264 *et seq.* of the Education Code, controls the method by which the District will expend Bond proceeds on its capital improvements. Prior to the Election, the District prepared and submitted to the Board for approval a master list of capital improvement projects to be built, acquired, constructed or installed with the proceeds of the Bonds (the “Project List”). The following description includes, in relevant part, the Project List. The District will prioritize and will not undertake to complete all components of the Project List, a portion of which is printed below.

Project List

Bond proceeds will be expended to repair, modernize, replace, renovate, expand, construct, acquire, equip, furnish and otherwise improve the classrooms and school facilities of the District's existing schools, new school sites, and other district-owned properties to provide equity among campuses, improved facilities, and upgraded 21st century technology.

Unless otherwise noted, the projects in the Bond Project List are authorized to be completed at each or any of the District's sites, as shall be approved by the Board of Trustees.

Gustine High School (First Built in 1913) Renovation, Repair and Upgrade Projects

- Repair or replace leaky roofs, soffits, floors and ceilings.
- Repair and replace deteriorating plumbing.
- Upgrade inadequate electrical systems.
- Replace outdated heating, ventilation and air-conditioning systems.
- Upgrade and renovate restrooms.
- Increase student access to computers and modern technology.
- Install energy efficient systems including "green" building projects and sustainable building practices to promote energy-efficiency (e.g., windows, lighting, skylights, electrical systems panel, HVAC etc.).
- Improve P.E. fields and facilities for school and community use.
- Make student health and safety improvements, replace fire alarms and communication systems, and abate/remove hazardous materials including lead paint and asbestos.
- Improve campus security including doors, fencing, alarms, and cameras.
- Address unforeseen conditions revealed by construction/modernization (such as plumbing or gas line breaks, dry rot, seismic, structural, etc.).
- Other improvements required to comply with existing building codes, including the Field Act, and handicapped access requirements of the Americans with Disabilities Act.

Gustine Middle School (First Built in 2006) Renovation, Repair and Upgrade Projects

- Construct new classrooms.
- Replace/upgrade outdated temporary portable classrooms with new classrooms.
- Make student health and safety improvements, replace fire alarms and communication systems, and abate/remove hazardous materials.
- Increase student access to computers and modern technology and upgrade inadequate electrical/data systems.
- Improve campus security including doors, fencing, alarms, and cameras.
- Install energy efficient systems including "green" building projects and sustainable building practices to promote energy-efficiency (e.g., windows, lighting, skylights, electrical systems panel, HVAC etc.).
- Improve P.E. fields and facilities for school and community use; construct a new multipurpose room/gym.

- Address unforeseen conditions revealed by construction/modernization (such as plumbing or gas line breaks, dry rot, seismic, structural, etc.).
- Other improvements required to comply with existing building codes, including the Field Act, and handicapped access requirements of the Americans with Disabilities Act.

Gustine Elementary School (Rebuilt in 2001) Renovation, Repair and Upgrade Projects

- Improve playgrounds and playfields for school and community use.
- Make student health and safety improvements including replacing phone/communication systems and providing security cameras.
- Other improvements required to comply with existing building codes, including the Field Act, and handicapped access requirements of the Americans with Disabilities Act.

Romero Elementary School (Built in 1963) Renovation, Repair and Upgrade Projects

- Replace outdated temporary portable classrooms with new classrooms.
- Upgrade and renovate restrooms, classrooms, and the kitchen.
- Replace lighting and outdated heating, ventilation and air-conditioning systems.
- Improve student access to computers and modern technology.
- Make student health and safety improvements, replace fire alarms and communication systems, and abate/remove hazardous materials including asbestos.
- Upgrade playgrounds and playfields for school and community use.
- Improve campus security including doors, fencing, alarms, and cameras.
- Address unforeseen conditions revealed by construction/modernization (such as plumbing or gas line breaks, dry rot, seismic, structural, etc.).
- Other improvements required to comply with existing building codes, including the Field Act, and handicapped access requirements of the Americans with Disabilities Act.

Old Gustine Middle School (Built in 1974) Renovation, Repair and Upgrade Projects

- Upgrade and renovate the old gymnasium, restrooms, and lockers for school and community use.

The District intends to apply the proceeds of the Bonds to finance _____, but may lawfully apply the proceeds to any of the aforementioned projects.

TAX BASE FOR REPAYMENT OF THE BONDS

The information in this section describes ad valorem property taxation, assessed valuation, and other measures of the tax base of the District. The Bonds are payable solely from ad valorem taxes levied and collected by the County on taxable property in the District. The District's general fund is not a source for the repayment of the Bonds.

Ad Valorem Property Taxation

Taxes are levied for each fiscal year on taxable real and personal property which is situated in the County as of the preceding January 1. However, upon a change in ownership of property or completion of new construction, State law permits an accelerated recognition and taxation of increases in real property assessed valuation (known as a "floating lien date"). For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate parts of the

assessment roll. The "secured roll" is that part of the assessment roll containing property secured by a lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Other property is assessed on the "unsecured roll."

The County levies a 1% property tax on behalf of all taxing agencies in the County. The taxes collected are allocated on the basis of a formula established by State law enacted in 1979. Under this formula, the County and all other taxing entities receive a base year allocation plus an allocation on the basis of "situs" growth in assessed value (new construction, change of ownership, inflation) prorated among the jurisdictions which serve the tax rate areas within which the growth occurs. Tax rate areas are specifically defined geographic areas which were developed to permit the levying of taxes for less than county-wide or less than city-wide special and school districts. In addition, the County levies and collects additional approved property taxes and assessments on behalf of any taxing agency within the County.

Property taxes on the secured roll are due in two installments, on November 1 and February 1. 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 secured by the assessee's fee ownership of land with respect to which taxes are delinquent is declared tax-defaulted on or about June 30. Those properties on the secured roll that become tax-defaulted on June 30 of the fiscal year that are not secured by the assessee's fee ownership of land are transferred to the unsecured roll and are then subject to the Treasurer's enforcement procedures (*i.e.*, seizures of money and property, liens and judgments). Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus a penalty of one and one-half percent per month to the time of redemption. If taxes are unpaid for a period of five years or more, the tax-defaulted property is subject to sale by the Treasurer.

Property taxes on the unsecured roll are currently due as of the January 1 lien date prior to the commencement of a fiscal year and become delinquent, if unpaid, on August 31. A 10% penalty attaches to delinquent taxes on property on the unsecured roll and an additional penalty of one and one-half percent per month begins to accrue on November 1. 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 recordation 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, bank accounts or possessory interests belonging or assessed to the taxpayer.

Assessed Valuations

The assessed valuation of property in the District is established by the County Assessor, except for public utility property which is assessed by the State Board of Equalization. Assessed valuations are reported at 100% of the full value of the property, as defined in Article XIII A of the California Constitution. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES" herein.

The State Constitution currently requires a credit of \$7,000 of the taxable value of an owner-occupied dwelling for which application has been made to the County Assessor. The revenue estimated to be lost to local taxing agencies due to the exemption is reimbursed from State sources. Reimbursement is based upon total taxes due upon such exempt value and is not reduced by any amount for estimated or actual delinquencies. Current law also provides, upon application, a basis exemption of \$100,000 increased by inflation for veterans with specified disabilities or for unmarried spouses of deceased veterans. The exemption may be raised to \$150,000 if the applicant meets the income limit of \$40,000.

In addition, certain classes of property such as cemeteries, free public libraries and museums, public schools, churches, colleges, not-for-profit hospitals and charitable institutions are exempt from property taxation and do not appear on the tax rolls. No reimbursement is made by the State for such exemptions.

The following tables presents the historical assessed valuation in the District since fiscal year 2000-01. The District's total assessed valuation is \$_____ for fiscal year 2016-17.

GUSTINE UNIFIED SCHOOL DISTRICT
Summary of Assessed Valuations
Fiscal Years 2002-03 Through 2016-17

Fiscal Year	Local Secured	Utility	Unsecured	Total	Annual % Change
2002-03	\$561,095,872	\$731,245	\$20,477,979	\$582,305,096	6.4%
2003-04	613,691,547	756,083	20,870,261	635,317,891	9.1
2004-05	647,858,932	761,759	24,422,382	673,043,073	5.9
2005-06	730,945,748	867,118	22,035,157	753,848,023	12.0
2006-07	805,714,029	771,618	24,746,775	831,232,422	10.3
2007-08	867,267,296	771,618	22,378,181	889,873,957	7.1
2008-09	878,054,846	228,480	22,482,301	900,765,627	1.2
2009-10	792,243,547	228,480	28,716,170	821,188,197	(8.8)
2010-11	746,497,352	228,480	31,330,235	778,056,067	(5.3)
2011-12	730,187,747	462,676	34,511,453	765,161,876	(1.7)
2012-13	741,571,150	462,676	43,988,669	786,022,495	2.7
2013-14	794,893,898	462,676	44,683,213	840,039,787	6.9
2014-15	859,538,348	543,701	51,466,521	911,548,570	8.5
2015-16					
2016-17					

Source: California Municipal Statistics, Inc.

Economic and other factors beyond the District's control, such as general market decline in property values, disruption in financial markets that may reduce availability of financing for purchasers of property, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by the State and local agencies and property used for qualified education, hospital, charitable or religious purposes); or the complete or partial destruction of the taxable property caused by a natural or manmade disaster, such as earthquake, flood or toxic contamination, could cause a reduction in the assessed value of taxable property within the District. Any such reduction would result in a corresponding increase in the annual tax rate levied by the County to pay the debt service with respect to the Bonds. See "SECURITY FOR THE BONDS."

Appeals of Assessed Valuations

Pursuant to California Proposition 8 of November 1978 ("Proposition 8"), property owners may apply for a reduction of their property tax assessment by filing a written application, in a form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board. County assessors may independently reduce assessed values as well based upon the factors described in the paragraph above or reductions in the fair market value of the taxable property. In most cases, an appeal is filed because the applicant believes that present market conditions (such as lower

residential home sale 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. Such reductions are subject to yearly reappraisals and may be adjusted back to their original values 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. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES – Article XIII A of the California Constitution."

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.

County assessors, at their discretion, may also, from time to time, review certain property types purchased between specific time periods (e.g., all single family homes and condominiums purchased shortly prior to widespread declines in the fair market value of residential real estate within the Counties, as occurred between 2009 and 2011) and may proactively, temporarily reduce the assessed value of qualifying properties to Proposition 8 assessed values without owner appeal therefor.

A property that has been reassessed under Proposition 8, whether pursuant to owner appeal or due to county assessor review, is subsequently reviewed annually to determine its lien date value. Assuming no change in ownership or new construction, and if and as market conditions improve, the assessed value of a property with a Proposition 8 assessed value in place may increase as of each property tax lien date by more than the standard annual inflationary factor growth rate allowed under Article XIII A (currently, a 2% annual maximum) until such assessed value again equals the Article XIII A base year value for such property as adjusted for inflation and years of ownership, at which point such property is again taxed pursuant to Article XIII A and base year values may not be increased by more than the standard Article XIII A annual inflationary factor growth rate. A change in ownership while a property is subject to a Proposition 8 reassessment assessed valuation will cause such assessed valuation to become fixed as a new Article XIII A base year value for such property. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES – Article XIII A of the California Constitution" herein. 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

No assurance can be given that property tax appeals and reassessments in the future will not significantly reduce the assessed valuation of property within the District.

Assessed Valuation by Land Use

The table below sets forth an analysis of the assessed valuation of the taxable property within the District by land use.

**GUSTINE UNIFIED SCHOOL DISTRICT
2016-17 Assessed Valuation and Parcels by Land Use**

	<u>2016-17 Assessed Valuation⁽¹⁾</u>	<u>% of Total</u>	<u>No. of Parcels</u>	<u>% of Total</u>
<u>Non-Residential:</u>				

⁽¹⁾ Local secured assessed valuation, excluding tax-exempt property.
Source: California Municipal Statistics, Inc.

Assessed Valuation of Single Family Homes

The following table sets forth ranges of assessed valuations of single family homes in the District for fiscal year 2016-17.

**GUSTINE UNIFIED SCHOOL DISTRICT
Per Parcel 2016-17 Assessed Valuation of Single Family Homes**

⁽¹⁾ Improved single family residential parcels. Excludes condominiums and parcels with multiple family units.
Source: California Municipal Statistics, Inc.

Largest Taxpayers

The table below sets forth the largest local secured taxpayers within the District in fiscal year 2016-17.

**GUSTINE UNIFIED SCHOOL DISTRICT
2016-17 Largest Total Secured Taxpayers**

<u>Property Owner</u>	<u>Primary Land Use</u>	<u>Assessed Valuation</u>	<u>Total⁽¹⁾</u>
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⁽¹⁾ 2016-17 local secured assessed valuation: \$ _____
Source: California Municipal Statistics, Inc.

The top 20 taxpayers (on the secured roll) for 2016-17 account for ___% of the total secured assessed value in the District which is \$_____. According to California Municipal Statistics, Inc., the largest secured taxpayer in the District for 2016-17 was _____, accounting for ___% of the total secured assessed value in the District. No other secured taxpayer accounted for more than [2]% of the total secured assessed value in the District. The more property (by assessed value) owned by a single taxpayer, the more tax collections are exposed to weakness, if any, in such taxpayer's financial situation and ability or willingness to pay property taxes in a timely manner.

Tax Rates

The following table sets forth typical tax rates levied in Tax Rate Areas in the County within the District for fiscal years 2012-13 through 2016-17:

**GUSTINE UNIFIED SCHOOL DISTRICT
Typical Tax Rate per \$100 Assessed Valuation
(TRA 74-003¹)**

	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
General Tax Rate	\$1.000000	\$1.000000	\$1.000000		
Yosemite Community College District	.028800	.027800	.021800		
Gustine Drainage	<u>(.026700)²</u>	<u>(.026700)²</u>	<u>(.026700)²</u>		
Total Tax Rate	\$1.002100	\$1.001100	\$0.995100		

⁽¹⁾ The 2016-17 assessed valuation of TRA 74-003 is \$_____.

⁽²⁾ Gustine Drainage District collects a benefit assessment rather than its share of the 1% County-wide assessment. Accordingly, the tax rate reflects the return of Gustine Drainage District's portion of the 1% County-wide assessment.

Source: California Municipal Statistics, Inc.

The Teeter Plan

The Board of Supervisors of the County in 1993 approved the implementation of 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 for the County, the County apportions secured property taxes on an accrual basis when due (irrespective of actual collections) to its local political subdivisions, including the District, for which the County acts as the tax-levying or tax-collecting agency.

The Teeter Plan for the County is applicable to all tax levies for which the County acts as the tax-levying or tax-collecting agency, or for which the County Treasury is the legal depository of tax collections.

Under the Teeter Plan, the District will receive 100% of its *ad valorem* property tax levied with respect to the Bonds irrespective of actual delinquencies in the collection of property taxes by the County.

The Teeter Plan of the County is to remain in effect unless the Board of Supervisors of the County orders its discontinuance or unless, prior to the commencement of any fiscal year of the County (which commences on July 1), the Board of Supervisors of the County receives a petition for its discontinuance joined in by a resolution adopted by at least two-thirds of the participating revenue districts in the County. In the event the Board of Supervisors of the County orders discontinuance of its Teeter Plan, only those secured property taxes actually collected would be allocated to political subdivisions (including the District) for which the County acts as the tax-levying or tax-collecting agency.

In addition, if the delinquency rate for all *ad valorem* property taxes levied within the District exceeds 3%, the Board of Supervisors can terminate the Teeter Plan with respect to the District. In the event that the Teeter Plan were terminated with regard to the secured tax roll, the amount of the levy of *ad valorem* property taxes would depend upon the collection of *ad valorem* property taxes and delinquency rates experienced with respect to the parcels within the District.

The District is not aware of any petitions for the discontinuance of the Teeter Plan now pending in the County.

Direct and Overlapping Debt

Numerous local agencies that provide public services overlap the District's service area. These local agencies have outstanding debt in the form of general obligation, lease revenue and special assessment bonds. The following table shows the District's estimated direct and overlapping bonded debt. The statement excludes self-supporting revenue bonds, tax allocation bonds and non-bonded capital lease obligations. The District has not reviewed this table and there can be no assurance as to the accuracy of the information contained in the table; inquiries concerning the scope and methodology of procedures carried out to compile the information presented should be directed to California Municipal Statistics, Inc.

The following table is a statement of the District's direct and estimated overlapping bonded debt as of ____, 2016:

**GUSTINE UNIFIED SCHOOL DISTRICT
DIRECT AND OVERLAPPING BONDED INDEBTEDNESS**

Source: California Municipal Statistics Inc.

DISTRICT FINANCIAL INFORMATION

The information in this section concerning the operations of the District and the District's finances 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 and 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 approved by the voters pursuant to all applicable laws and State Constitutional requirements, and required to be levied by the County on all taxable property within the District in an amount sufficient for the timely payment of principal and interest on the Bonds. See "SECURITY FOR THE BONDS" and "TAX BASE FOR REPAYMENT OF THE BONDS" herein.

State Funding of Education

On June 27, 2013, the State adopted a new method for funding school districts commonly known as the "Local Control Funding Formula." The Local Control Funding Formula will be implemented in stages, beginning in fiscal year 2013-14 and will be fully implemented in fiscal year 2020-21. Prior to adoption of the Local Control Funding Formula, the State used a revenue limit system described below.

Local Control Funding Formula. State Assembly Bill 97 (Stats. 2013, Chapter 47) ("AB 97"), enacted as a part of the 2013-14 State Budget (defined below) enacted the Local Control Funding Formula beginning in fiscal year 2013-14, which replaced the revenue limit funding system and many categorical programs. See "-Revenue Limit Funding System" below. The Local Control Funding Formula distributes resources to schools through a guaranteed base revenue limit funding grant (the "Base Grant") per unit of ADA. The average Base Grant is \$7,643 per unit of ADA, which is \$2,375 more than the average revenue limit. Additional supplemental funding is made available based on the proportion of English language learners, low-income students and foster youth. The Local Control Funding Formula replaces the existing revenue limit funding system and many categorical programs. The District expects revenues to increase as a result of the implementation of the Local Control Funding Formula.

The primary component of AB 97, as amended by SB 91, is the implementation of the Local Control Funding Formula ("LCFF"), which replaces the revenue limit funding system for determining State apportionments, as well as the majority of State categorical program funding. State allocations will be provided on the basis of target base funding grants per unit of ADA (a "Base Grant") assigned to each of four grade spans. Full implementation of the LCFF is expected to occur over a period of several fiscal years. Beginning in fiscal year 2013-14, an annual transition adjustment is required to be calculated for each school district, equal to such district's proportionate share of appropriations included in the State budget to close the gap between the prior-year funding level and the target allocation following full implementation of the LCFF. In each year, school 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.

For the District, the Base Grants per unit of ADA for each grade span are as follows: (i) \$6,952 for grades K-3; (ii) \$7,056 for grades 4-6; (iii) \$7,266 for grades 7-8; and (iv) \$8,419 for grades 9-12. Beginning in fiscal year 2013-14, and in each subsequent year, the Base Grants are to be adjusted for cost-of-living increases by applying the implicit price deflator for government goods and services. Following full implementation of the LCFF, the provision of cost-of-living-adjustments will be subject to appropriation for such adjustment in the annual State budget. The differences among Base Grants are linked to differentials in statewide average revenue limit rates by district type, and are intended to recognize the generally higher costs of education at higher grade levels.

The Base Grants for 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 early grades and the provision of career technical education in high schools. Following full implementation of the LCFF, and unless otherwise collectively bargained for, school districts serving students in grades K-3 must maintain an average class enrollment of 24 or fewer students in grades K-3 at each school site in order to continue receiving the adjustment to the K-3 Base Grant. Such school districts must also make progress towards this class size reduction goal in proportion to the growth in their funding over the implementation period. Additional add-ons are also provided to school districts that received categorical block grant funding pursuant to the Targeted Instructional Improvement and Home-to-School Transportation programs during fiscal year 2012-13.

School districts that serve students of limited English proficiency (“EL” students), students from low income families that are eligible for free or reduced priced meals (“LI” students) and foster youth are eligible to receive additional funding grants. Enrollment counts are unduplicated, such that students may not be counted as both EL and LI (foster youth automatically meet the eligibility requirements for free or reduced priced meals and are not discussed separately herein). A supplemental grant add-on (each, a “Supplemental Grant”) is authorized for school districts that serve EL/LI students, equal to 20% of the applicable Base Grant multiplied by such districts’ percentage of unduplicated EL/LI student enrollment. School districts whose EL/LI populations exceed 55% of their total enrollment are eligible for a concentration grant add-on (each, a “Concentration Grant”) equal to 50% of the applicable Base Grant multiplied by the percentage of such district’s unduplicated EL/LI student enrollment in excess of the 55% threshold.

The following table sets forth the ADA by grade span, enrollment and the percentage of EL/LI enrollment for fiscal years 2015-16 through the current year and projections for fiscal years 2017-18 and 2018-19.

ADA, ENROLLMENT AND ENGLISH LANGUAGE/LOW INCOME ENROLLMENT
Fiscal Years 2015-16 through 2017-18
Gustine Unified School District

Fiscal Year	ADA				Total Enrollment	% of EL/LI Enrollment
	K-3	4-6	7-8	9-12		
2015-16	532.39	390.50	285.18	570.87	1,888	78.79%
2016-17					1,887	77.93
2017-18 ¹					1,878	80.85
2018-19 ¹					1,860	80.85

¹ Projected.

Source: The District.

For certain school districts that would have received greater funding levels under the prior revenue limit system, the LCFF provides for a permanent economic recovery target (“ERT”) add-on, equal to the difference between the revenue limit allocations such districts would have received under the prior system in fiscal year 2020-21, and the target LCFF allocations owed to such districts in the same year. To derive the projected funding levels, the LCFF assumes the discontinuance of deficit revenue limit funding, implementation of a 1.94% COLA in fiscal years 2014-15 through 2020-21, and restoration of categorical funding to pre-recession levels. The ERT add-on will be paid incrementally over the implementing period of the LCFF. The District does not qualify for the ERT add-on.

The sum of a school district's adjusted Base, Supplemental and Concentration Grants will be multiplied by such district's P-2 ADA for the current or prior year, whichever is greater (with certain adjustments applicable to small school districts). This funding amount, together with any applicable ERT or categorical block grant add-ons, will yield a district's total LCFF allocation. Generally, the amount of annual State apportionments received by a school district will amount to the difference between such total LCFF allocation and such district's share of applicable local property taxes. Most school districts receive a significant portion of their funding from such State apportionments. As a result, decreases in State revenues may significantly affect appropriations made by the Legislature to school districts.

Certain school districts, known as "basic aid" districts, have allocable local property tax collections that equal or exceed such districts' total LCFF allocation, and result in the receipt of no State apportionment aid. Basic aid school districts receive only special categorical funding, which is deemed to satisfy the "basic aid" requirement of \$120 per student per year guaranteed by Article IX, Section 6 of the State Constitution. The implication for basic aid districts is that the legislatively determined allocations to school districts, and other politically determined factors, are less significant in determining their primary funding sources. Rather, property tax growth and the local economy are the primary determinants. The District does not currently qualify as basic aid, and does not expect to in future fiscal years.

Accountability. The State Board of Education has promulgated regulations regarding the expenditure of supplemental and concentration funding, including a requirement that school districts increase or improve services for EL/LI students in proportion to the increase in funds apportioned to such district on the basis of the number and concentration of such EL/LI students, as well as the conditions under which school district can use supplemental or concentration funding on a school-wide or district-wide basis.

School districts are also required to adopt local control and accountability plans ("LCAPs") disclosing annual goals for all students, as well as certain numerically significant student subgroups, to be achieved in eight areas of State priority identified by the LCFF. LCAPs may also specify additional local priorities. LCAPs must specify the actions to be taken to achieve each goal, including actions to correct identified deficiencies with regard to areas of State priority. LCAPs are required to be adopted every three years, beginning in fiscal year 2014-15, and updated annually thereafter. The State Board of Education has developed and adopted a template LCAP for use by school districts.

Support and Intervention. AB 97, as amended by SB 91, establishes a new system of support and intervention to assist school districts meet the performance expectations outlined in their respective LCAPs. School districts must adopt their LCAPs (or annual updates thereto) in tandem with their annual operating budgets, and not later than five days thereafter submit such LCAPs or updates to their respective county superintendents of schools. On or before August 15 of each year, a county superintendent may seek clarification regarding the contents of a district's LCAP (or annual update thereto), and the district is required to respond to such a request within 15 days. Within 15 days of receiving such a response, the county superintendent can submit non-binding recommendations for amending the LCAP or annual update, and such recommendations must be considered by the respective school district at a public hearing within 15 days. A district's LCAP or annual update must be approved by the county superintendent by October 8 of each year if the superintendent determines that (i) the LCAP or annual update adheres to the State template, and (ii) the district's budgeted expenditures are sufficient to implement the actions and strategies outlined in the LCAP.

A school district is required to receive additional support if its respective LCAP or annual update thereto is not approved, if the district requests technical assistance from its respective county superintendent, or if the district does not improve student achievement across more than one State priority for one or more student subgroups. Such support can include a review of a district's strengths and

weaknesses in the eight State priority areas, or the assignment of an academic expert to assist the district identify and implement programs designed to improve outcomes. Assistance may be provided by the California Collaborative for Educational Excellence, a state agency created by the LCFF and charged with assisting school districts achieve the goals set forth in their LCAPs. On or before October 1, 2015, the State Board of Education is required to develop rubrics to assess school district performance and the need for support and intervention.

The State Superintendent of Public Instruction (the "State Superintendent") is further authorized, with the approval of the State Board of Education, to intervene in the management of persistently underperforming school districts. The State Superintendent may intervene directly or assign an academic trustee to act on his or her behalf. In so doing, the State Superintendent is authorized (i) to modify a district's LCAP, (ii) impose budget revisions designed to improve student outcomes, and (iii) stay or rescind actions of the local governing board that would prevent such district from improving student outcomes; provided, however, that the State Superintendent is not authorized to rescind an action required by a local collective bargaining agreement.

Revenue Limit Funding System. Prior to the implementation of the Local Control Funding Formula, annual State apportionments of basic and equalization aid to school districts for general purposes were computed up to a revenue limit (described below) per unit of ADA. Generally, such apportionments amounted to the difference between the District's revenue limit and the District's local property tax allocation. Revenue limit calculations were adjusted annually in accordance with a number of factors designed primarily to provide cost of living increases and to equalize revenues among all of the same type of California school districts (i.e., unified, high school or elementary). State law also provided for State support of specific school related programs, including summer school, adult education, deferred maintenance of facilities, pupil transportation, portable classrooms and other capital outlays and various categorical aids.

The State revenue limit was calculated three times a year for each school district. The first calculation was performed for the February 20th First Principal Apportionment, the second calculation for the June 25th Second Principal Apportionment, and the final calculation for the end of the year Annual Principal Apportionment. Calculations were reviewed by the County Office of Education and submitted to the State Department of Education to review the calculations for accuracy, calculate the amount of State aid owed to such school district and notify the State Controller of the amount, who then distributed the State aid.

The calculation of the amount of State aid a school district was entitled to receive each year was a five-step process. First, the prior year State revenue limit per ADA was established, with recalculations as are necessary for adjustments for equalization or other factors. Second, the adjusted prior year State revenue limit per ADA was inflated according to formulas based on the implicit price deflator for government goods and services and the statewide average State revenue limit per ADA for the school districts. Third, the current year's State revenue limit per ADA for each school district was multiplied by such school district's ADA for either the current or prior year, whichever is greater. Fourth, revenue limit add ons were calculated for each school district if such school district qualified for the add ons. Add ons included the necessary small school district adjustments, meals for needy pupils and small school district transportation, and were added to the State revenue limit for each qualifying school district. Finally, local property tax revenues were deducted from the State revenue limit to arrive at the amount of State aid based on the State revenue limit each school district was entitled to for the current year

Revenue Sources

Major revenue sources of the District's general fund are described below.

Revenue Limit Sources and LCFF. State funding under the LCFF consists of Base Grants and supplemental grants. For the 2014-15 fiscal year, the District received \$13,882,685 from LCFF sources, constituting approximately 83.5% of its general fund revenue and for 2015-16, the District estimates that it received \$16,372,759 from LCFF sources, constituting 81.7% of its general fund revenue.. For the 2016-17 fiscal year, the District has budgeted the receipt of \$_____ from the LCFF constituting approximately ____% of its budgeted general fund revenue.

Other State Revenues. In addition to the LCFF, the District receives substantial other State revenues (“State Sources”). State Sources equaled approximately 8.3% of total general fund revenues in 2014-15, are estimated at approximately 12.7% of such revenues in 2015-16, and are budgeted to equal approximately ____% of such revenues in 2016-17.

Federal Revenues. The federal government provides funding for several District programs, including special education programs, programs under the Educational Consolidation and Improvement Act, and specialized programs such as Drug-Free Schools and No Child Left Behind. The federal revenues, most of which are restricted, equaled approximately 5.8% of total general fund revenues in 2014-15, approximately 4.7% of such revenues in 2015-16, and are budgeted to equal approximately ____% of such revenues in 2016-17.

Other Local Revenues. In addition to property taxes, the District receives additional local revenues. These other local revenues equaled approximately 2.4% of total general fund revenues in 2014-15, approximately 0.9% of such revenues in 2015-16, and are budgeted to equal approximately ____% of such revenues in 2016-17.

Developer Fees. The District maintains a fund, separate and apart from the general fund, to account for developer fees collected by the District. In 2016-17, residential development is assessed a fee of [\$3.36] per square foot, and commercial development is assessed a fee of [\$0.54] per square foot. The following table lists the annual developer fees generated since fiscal year 2010-11.

**DISTRICT DEVELOPER FEES
Fiscal Years 2010-11 through 2015-16
Gustine Unified School District**

Fiscal Year	Developer Fees Collected
2010-11	\$391,094
2011-12	192,234
2012-13	330,644
2013-14	229,579
2014-15	
2015-16	

Source: The District.

Budget Procedures

State Budgeting Requirements. The District is required by provisions of the State Education Code to maintain a balanced budget each year, in which the sum of expenditures and the ending fund balance cannot exceed the sum of revenues and the carry-over fund balance from the previous year. The State Department of Education imposes a uniform budgeting and accounting format for school districts.

The budget process for school districts was substantially amended by Assembly Bill 1200 ("AB 1200"), which became State law on October 14, 1991. Portions of AB 1200 are summarized below.

School districts must adopt a budget on or before July 1 of each year. The budget must be submitted to the county superintendent within five days of adoption or by July 1, whichever occurs first. A district may be on either a dual or single budget cycle. The dual budget option requires a revised and readopted budget by September 1 that is subject to State-mandated standards and criteria. The revised budget must reflect changes in projected income and expenses subsequent to July 1. The single budget is only readopted if it is disapproved by the county office of education, or as needed. The District is on a single budget cycle and adopts its budget on or before July 1.

For both dual and single budgets submitted on July 1, the county superintendent will 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, will determine if the budget allows the district to meet its current obligations and will determine if the budget is consistent with a financial plan that will enable the district to meet its multi-year financial commitments. On or before August 15, the county superintendent will approve, conditionally approve or disapprove the adopted budget for each school district. Budgets will be disapproved if they fail the above standards. The district board must be notified by August 15 of the county superintendent's recommendations for revision and reasons for the recommendations. The county superintendent may assign a fiscal advisor or appoint a committee to examine and comment on the superintendent's recommendations. The committee must report its findings no later than August 20. Any recommendations made by the county superintendent must be made available by the district for public inspection. No later than August 20, the county superintendent must notify the Superintendent of Public Instruction of all school districts whose budget has been disapproved.

For all dual budget options and for single and dual budget option districts whose budgets have been disapproved, the district must revise and readopt its budget by September 8, reflecting changes in projected income and expense since July 1, including responding to the county superintendent's recommendations. The county superintendent must determine if the budget conforms with the standards and criteria applicable to final district budgets and not later than October 8, will approve or disapprove the revised budgets. If the budget is disapproved, the county superintendent will call for the formation of a budget review committee pursuant to Education Code Section 42127.1. Until a district's budget is approved, the district will operate on the lesser of its proposed budget for the current fiscal year or the last budget adopted and reviewed for the prior fiscal year.

Interim Financial Reports. Under the provisions of AB 1200, each school district is required to file interim certifications with the county office of education 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 fiscal year. The county office of education 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 subsequent two fiscal years. A negative certification is assigned to any school district that will be 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.

The District has filed positive certifications for each reporting period in the last five years.

General Fund Budget. The District's general fund adopted budgets for fiscal years 2013-14 through 2016-17, audited actuals for the fiscal years 2012-13 through 2014-15 and projected results for

fiscal year 2015-16 based on the unaudited financial results and for fiscal year 2016-17 based on the First Interim Report, are set forth on the following page.

GENERAL FUND BUDGETING
Fiscal Years 2012-13 through 2016-17
Gustine Unified School District

	Adopted Budget 2012-13	Audited Actuals 2012-13	Adopted Budget 2013-14	Audited Actuals 2013-14 ¹	Adopted Budget 2014-15	Audited Actuals 2014-15	Adopted Budget 2015-16	Unaudited Actuals 2015-16	Adopted Budget 2016-17	First Interim Report 2016-17
REVENUES										
Revenue Limit/LCFF Sources	\$8,053,533	\$8,904,179	\$9,057,997	\$12,027,527	\$13,660,557	\$13,882,685	\$16,029,559	\$16,372,759	\$17,396,518	
Federal	875,645	984,302	996,570	871,371	950,168	966,666	1,041,137	939,150	1,058,290	
Other State	2,697,297	2,818,327	2,588,500	1,346,589	751,982	1,027,945	1,997,824	2,534,938	1,762,014	
Other Local	<u>180,615</u>	<u>282,829</u>	<u>174,443</u>	<u>238,943</u>	<u>91,826</u>	<u>390,815</u>	<u>134,648</u>	<u>185,611</u>	<u>136,883</u>	
Total Revenues	11,807,090	12,989,637	12,817,510	14,484,430	15,454,533	16,268,111	19,203,168	20,032,459	20,353,705	
EXPENDITURES										
Certificated Salaries	5,817,663	6,284,157	6,192,391	6,483,554	7,135,356	7,247,735	7,497,858	7,512,940	8,637,823	
Classified Salaries	1,534,514	1,631,704	1,711,313	1,853,025	1,879,453	2,048,160	2,127,498	2,097,435	2,391,674	
Employee Benefits	2,530,871	2,517,261	2,543,070	2,429,442	3,151,100	3,004,258	3,151,351	3,672,737	3,745,615	
Books and Supplies	855,931	726,543	1,073,705	838,304	1,193,132	1,061,285	1,731,879	1,258,762	1,738,397	
Services, Other Operating Expenses	1,525,225	1,768,521	1,548,224	2,125,197	1,723,875	2,107,163	2,305,482	2,622,916	2,670,702	
Other Outgo	88,459	103,184	737,072	--	822,052	897,116	798,496	122,448	509,924	
Capital Outlay	16,000	170,540	184,446	132,528	217,334	425,051	489,663	953,144	938,747	
Direct support/indirect costs	--	--	(39,116)	(43,556)	(39,116)	(54,560)	(39,116)	(38,777)	(42,919)	
Debt Service - Principal	251,000	706	--	--	--	--	--	--	--	
Debt Service - Interest	<u>331,000</u>	<u>250,386</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	
Total Expenditures	12,950,663	13,453,002	13,951,105	14,615,479	15,894,688	16,736,208	18,063,111	18,201,604	20,589,964	
EXCESS (DEFICIENCY) OR REVENUES OVER (UNDER) EXPENDITURES	(1,143,573)	(463,365)	(1,133,595)	(131,049)	(440,155)	(468,097)	1,140,057	1,830,854	(236,259)	
OTHER FINANCING SOURCES (USES)										
Interfund Transfers in	--	--	--	10,832	--	250,882	--	--	--	
Interfund transfers out	<u>--</u>	<u>--</u>	<u>(44,465)</u>	<u>(193,751)</u>	<u>(192,697)</u>	<u>(228,316)</u>	<u>(192,697)</u>	<u>(128,164)</u>	<u>(192,697)</u>	
Total Other Financing Sources and Uses	--	--	(44,465)	(182,919)	(192,697)	23,566	(192,697)	(128,164)	(192,697)	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources	(1,143,573)	(463,365)	(1,178,060)	(313,968)	(632,852)	(444,531)	947,360	\$1,702,691	(428,956)	
Fund Balance, July 1	4,131,263	4,131,263	2,271,365	3,048,276	2,258,409	2,734,308	1,735,658	2,266,595	3,969,286	
Fund Balance, June 30	<u>\$2,987,690</u>	<u>\$3,667,898</u>	<u>\$1,093,305</u>	<u>\$2,734,308</u>	<u>\$1,625,558</u>	<u>\$2,289,777</u>	<u>2,683,018</u>	<u>\$3,969,286</u>	<u>\$3,540,330</u>	

Source: The District.

¹ 2013-14 Audited Actuals do not tie to 2013-14 Audit shown on the following page because the 2013-14 Audited Actuals do not include i) on behalf of payments of \$332,106, ii) financial activity of the Special Reserve for Other than Capital Outlay Projects and iii) proceeds from capital leases, all of which are included in the 2013-14 Audit.

Comparative Financial Statements

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. Audited financial statements for the District for the fiscal year ended June 30, 2013, and prior fiscal years are on file with the District and available for public inspection at the Office of the Superintendent of the District, 1500 Meredith Avenue, Gustine, California 95322. See APPENDIX C hereto for the 2014-15 Audited Financial Statements of the District.

The following tables reflect the District's audited general fund revenues, expenditures and fund balances from fiscal year 2011-12 to fiscal year 2014-15:

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**GUSTINE UNIFIED SCHOOL DISTRICT
GENERAL FUND
Statement of Revenues, Expenditures and Change in Fund Balances
for Fiscal Years 2011-12 through 2014-15**

	2011-12 Audit	2012-13 Audit	2013-14 Audit	2014-15
REVENUES				
Revenue Limit/LCFF Sources	\$8,794,514	\$8,904,179	\$12,027,527	\$13,882,685
Federal Revenues	1,248,656	984,302	871,371	966,666
Other State Revenues	3,232,417	3,143,608	1,678,695	1,381,927
Other Local Revenues	<u>147,626</u>	<u>282,829</u>	<u>241,840</u>	<u>390,917</u>
TOTAL REVENUES	13,423,213	13,314,918	14,819,433	16,622,195
EXPENDITURES				
Current				
Instruction	8,218,771	8,359,099	8,682,376	9,680,392
Instruction Related Services				
Instruction supervision and administration	--	5,376	109,334	172,829
Instructional library, media and technology	62,999	66,947	84,181	59,745
School site administration	1,112,101	1,136,837	975,874	1,181,390
Pupil services				
Home to school transportation	389,669	607,758	810,644	823,594
Food services	--	--	--	--
All other pupil services	397,002	437,838	481,467	802,076
General administration				
Centralized data processing	157,282	160,008	203,931	232,521
All other general administration	946,579	973,410	1,153,725	1,325,997
Plant services	1,548,817	1,535,457	1,676,475	1,748,847
Facilities acquisition and maintenance	--	13,980	39,719	50,000
Ancillary services	116,593	95,238	110,637	138,814
Community services	--	--	494	50
Other outgo	135,275	135,243	--	--
Transfers to other agencies	--	--	214,167	217,231
Debt service				
Principal	245,386	250,386	307,245	360,799
Interest and other	<u>340,302</u>	<u>706</u>	<u>322,876</u>	<u>319,086</u>
TOTAL EXPENDITURES	13,670,776	13,778,283	15,173,145	17,113,371
Excess (Deficiency) of Revenues Over Expenditures	(247,563)	(463,365)	(353,712)	(419,176)
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	50,000	--	10,832	--
Other sources		--	225,560	250,882
Operating Transfers Out	<u>(47,980)</u>	<u>--</u>	<u>(766,260)</u>	<u>(177,731)</u>
TOTAL OTHER FINANCING SOURCES (USES)	2,020	--	(529,868)	73,151
Net Change in Fund Balances	(245,543)	(463,365)	(883,580)	(418,025)
Fund Balance at Beginning of Year	4,376,806	4,131,263	3,667,898	2,784,318
Fund Balance at End of Year	\$4,131,263	\$3,667,898	\$2,784,318	2,366,293

Source: The District.

Accounting Practices

The accounting policies 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. Revenues are recognized in the period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the period in which the liability is incurred.

State Budget Measures

The following information concerning the State's budgets has been obtained from publicly available information which the District believes to be reliable; however, the District does not guaranty the accuracy or completeness of this information and has not independently verified such information.

2015-16 State Budget. On June 24, 2015, Governor Brown signed the 2015-16 fiscal year budget for the State (the "2015-16 State Budget"). The 2015-16 State Budget includes general fund revenues and transfers of \$11.3 billion in 2014-15 and \$115 billion in 2015-16. Total general fund expenditures under the 2015-16 State Budget are \$114.4 billion in 2014-15 and \$115.3 billion in 2015-16. As of the close of 2015-16, the Rainy Day Fund will have a balance of approximately \$3.5 billion. The 2015-16 State Budget includes certain provisions to address poverty in the State including an Earned Income Tax Credit for the poorest residents as well as Medi-Cal coverage for all financially eligible children without regard to immigration status. In addition, \$1.8 billion in one time resources are included for various State-wide drought-related activities. \$1 billion in deferrals of apportionments to schools and community colleges will be repaid, the final \$15 billion payment on the Economic Recovery Bonds will be made and local governments will be paid \$533 million in mandate reimbursements.

Total K-12 funding under the 2015-16 Budget is \$83.2 billion (\$49.7 general fund and \$33.5 billion other funds). Total K-12 per-pupil funding is increased by more than \$3,000 per student over 2011-12 funding levels to reach \$9,942 in 2015-16. Proposition 98 funding is increased by \$7.6 billion over levels in 2014-15 with \$68.4 billion in 2015-16. An additional \$5.994 billion is committed to the LCFF to eliminate an estimated 51.5% of the remaining funding gap to full implementation of the LCFF.

Significant features of the 2015-16 State Budget pertaining to K-12 education are as follows:

- Local Control Funding Formula - An increase of \$6 billion Proposition 98 funding to continue the State's landmark transition to the Local Control Funding Formula. This formula commits most new funding to districts serving English language learners, students from low-income families, and youth in foster care. This increase will close the remaining funding implementation gap by more than 51 percent.
- Career Technical Education - Career Technical Education (CTE) Incentive Grant Program provides \$400 million, \$300 million, and \$200 million Proposition 98 funding in 2015-16, 2016-17, and 2017-18, respectively, for local education agencies to establish new or expand high-quality CTE programs including a required local match. Priority will go to school districts that : (1) are establishing new programs; (2) serve a large number of English-learner, low-income, or foster youth students; (3) serve pupil groups with higher-than-average dropout rates; or (4) are located in areas of high unemployment.
- Educator Support - \$500 million one-time Proposition 98 funding for educator support. \$490 million for activities that promote educator quality and effectiveness, including beginning

teacher and administrator support and mentoring, support for teachers who have been identified as needing improvement, and professional development that is aligned to the state academic content standards. Additionally, \$10 million is provided for the K-12 High Speed Network to provide professional development and technical assistance to local educational agencies related to network management.

- Special Education - \$60.1 million Proposition 98 funding (\$50.1 million ongoing and \$10 million one-time) to implement selected program changes recommended by the California Statewide Special Education Task Force, making targeted investments that improve service delivery and outcomes for all disabled students, with a particular emphasis on early education.
- K-12 High Speed Internet Access - \$50 million in one-time Proposition 98 funding to support additional investments in internet connectivity and infrastructure. to further upgrade internet infrastructure to reflect the increasing role that technology plays in classroom operations to support teaching and learning.
- K-12 Mandates - An increase of \$3.2 billion in one-time Proposition 98 funding to reimburse K-12 local educational agencies for the costs of state-mandated programs. These funds will make a significant down payment on outstanding mandate debt, while providing school districts, county offices of education, and charter schools with discretionary resources to support critical investments such as Common Core implementation.
- K-12 Deferrals - \$897 million Proposition 98 General Fund to eliminate deferrals consistent with the revenue trigger included in the 2014-15 State Budget.
- Full-Day State Preschool — An increase of \$34.3 million (\$30.9 million Proposition 98, \$3.5 million General Fund) to provide access to full-day State Preschool for an additional 7,030 children from low-income working families. In addition, \$145 million will shift from General Child Care to State Preschool to allow full-day State Preschool providers that are local educational agencies to access a single funding stream (Proposition 98) in their full-day State Preschool contracts.

2016-17 State Budget. Governor Brown signed the State budget for fiscal year 2016-17 (the “2016-17 State Budget”) on June 27, 2016. The 2016-17 State Budget includes general fund revenues and transfers of \$120 billion for fiscal year 2015-16, an increase of approximately \$5 billion over the 2015-16 State Budget. General fund expenditures for fiscal year 2015-16 under the 2016-17 State budget also increased approximately \$1 billion to \$115.5 billion. For the current budget year, general fund revenues and transfers total \$125 billion and expenditures reach \$122.5 billion under the 2016-17 State Budget. The Rainy Day Fund balance for 2015-16 remains generally unchanged from the 2015-16 State Budget with a balance of \$3.4 billion and for 2016-17, an additional \$2 billion deposit over the constitutionally required \$1.3 billion will bring the Rainy Day Fund balance to approximately \$6.7 billion at the close of 2016-17. Included in the 2016-17 State Budget are approximately \$20 billion in measures aimed at addressing issues of poverty including implementation of a State-wide minimum wage of \$10.50 per hour, a cost of living increase for Supplemental Social Security Income/State Supplementary Payments, a repeal of the CalWORKs maximum family grant rule and limitations on asset recovery from the estates of Medi-Cal recipients. The 2016-17 State Budget also includes \$3.6 billion for affordable housing and homelessness programs and \$2 billion for infrastructure improvements.

The 2016-17 State Budget includes total K-12 funding of approximately \$88.3 billion (\$51.6 billion general fund and \$36.7 billion other funds). Proposition 98 funding totals \$71.9 billion, an

increase of \$3.5 billion over the 2015-16 State Budget and the Proposition 98 maintenance factor to repay past reductions in K-12 funding is reduced to \$9,08 million.

Significant features of the 2016-17 State Budget pertaining to K-12 education are as follows:

- LCFF — \$2.9 billion Proposition 98 funding to continue the implementation of the LCFF with the new funding aimed at Supplemental Grants and Concentration Grants. The increase will bring the total LCFF to 96% of full implementation.
- College Readiness Block Grant — \$200 million Proposition 98 funds for grants to school districts and charter schools that serve high school students to support access to higher education and transition to higher education. Funds will be allocated based on the number of students in grades 9 through 12 that are English-learners, low-income or foster youth.
- Integrated Teacher Preparation Grant Program — \$10 million Proposition 98 funds for the Integrated Teacher Preparation Grant Program, which provides competitive grants to colleges and universities to develop or improve teacher credential programs in connection with a bachelor's degree.
- Classified School Employees Credentialing Program — \$20 million Proposition 98 funds to establish the California Classified School Employees Credentialing Program and provide grants to K-12 local education agencies to support recruitment of non-certified school employees and prepares them to become certificated classroom teachers.
- California Center on Teacher Careers — \$5 million Proposition 98 funds to establish a multi-year competitive grant, which will be awarded to a local education agency to establish and operate the California Center on Teaching Careers. The California Center on Teaching Careers, once established, will recruit individuals to the teaching profession, host a referral database for teachers seeking employment, develop and distribute recruitment publications, conduct outreach activities to high school and college students, provide statewide public service announcements related to teacher recruitment, and provide prospective teachers information on credential requirements, financial aid and loan assistance programs.
- California Collaborative for Educational Excellence — \$24 million Proposition 98 funds for the California Collaborative for Educational Excellence to, among other things, support statewide professional development training relating to evaluation methods and metrics and implement a pilot program related to advising and assisting local education agencies on improving pupil outcomes.
- Charter School Startup Grants — \$20 million Proposition 98 funds to support operational startup costs for new charter schools in 2016 and 2017.
- Multi-Tiered Systems of Support — \$20 million Proposition 98 funds to build upon the \$10 million investment included in the 2015-16 State Budget for an increased number of local educational agencies to provide academic and behavioral supports in a coordinated and systematic way. Such funds to, among other things, assist local education agencies as they provide services that support academic, behavioral, social and emotional needs and improve outcomes for students.
- Safe Drinking Water in Schools — \$9.5 million Proposition 98 funds to create a grant program to improve access to safe drinking water for schools located in isolated areas and economically

disadvantaged areas. The program will be developed and administered by the State Water Resources Control Board in consultation with the California Department of Education.

- Proposition 47 — \$18 million Proposition 98 funds allocated to a grant program for truancy and dropout prevention, consistent with Proposition 47.

Litigation Regarding State Budgetary Provisions. On September 28, 2011, the California School Boards Association, the Association of California School Administrators, the Los Angeles Unified School District, the San Francisco Unified School District and the Turlock Unified School District filed a petition for a writ of mandate in the Superior Court of the State of California in and for the County of San Francisco (the “CSBA Petition”). The petitioners alleged that the fiscal year 2011-12 State budget improperly diverted sales tax revenues away from the State general fund, resulting in a reduction to the minimum funding guarantee of approximately \$2.1 billion. The CSBA Petition sought an order from the Court compelling the State Director of Finance, State Superintendent and the State Controller to recalculate the minimum funding guarantee in accordance with the provisions of the California Constitution. On May 31, 2012, the court denied the CSBA Petition, finding that Proposition 98 does not prohibit the State from assigning sales tax revenues to a special fund that previously were deposited into the State general fund. The Court also found that, upon doing so, the State was not required to rebench the minimum funding guarantee. On July 27, 2012, the petitioners filed a notice of appeal of the court’s decision. On March 1, 2013, the California State Court of Appeals, First District, determined that the lawsuit was made moot by the passage of Proposition 30 (See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES- Proposition 30” below); the court did not rule on the merits of the case.

Future Actions. The State has in past years experienced budgetary difficulties and has balanced its budget by requiring local political subdivisions to fund certain costs theretofore borne by the State. No prediction can be made as to whether the State will take further measures which would, in turn, adversely affect the District. Further State actions taken to address its budgetary difficulties could have the effect of reducing District support indirectly, and the District is unable to predict the nature, extent or effect of such reductions.

The District cannot predict whether the State will encounter budgetary difficulties in the current or future fiscal years. The District also cannot predict the impact future State Budgets will have on District finances and operations or what actions the State Legislature and the Governor may take to respond to changing State revenues and expenditures. Current and future State Budgets will be affected by national and State economic conditions and other factors which the District cannot control.

California Drought Conditions. California is experiencing water shortfalls as a result of the driest conditions in recorded State history. On January 17, 2014, Governor Brown declared a State-wide Drought State of Emergency for California and directed State officials to take all necessary actions to prepare for water shortages. As part of his State of Emergency declaration, the Governor directed State officials to assist agricultural producers and communities that may be economically impacted by dry conditions. Following the Governor’s declaration, the California State Water Resources Control Board (the “Water Board”) issued a statewide notice of water shortages and potential future curtailment of water right diversions. On April 1, 2015, the Governor issued an executive order mandating certain conservation measures including a requirement that the Water Board impose restrictions to achieve a statewide 25% reduction in urban water usage through February 28, 2016. With emergency drought conditions persisting, on May 5, 2015, the State Water Resources Control Board adopted an emergency regulation requiring an immediate 25 percent reduction in overall potable urban water use statewide in accordance with the Governor’s April 1 Executive Order. These actions follow the release of water production figures for the month of March which registered only a slight increase from the amount of

water saved in the prior month. The amount of water conserved in March 2015, as compared to March 2013 was 3.6 percent, up less than one percent from February's results.

Most recently, on May 9, 2016, the Governor issued an executive order ordering the Department of Water Resources, the Water Board and the California Public Utilities Commission to update and extend temporary water restrictions through the end of January 2017, and to take actions to transition to permanent, long-term improvements in water use. Following the Governor's executive order, on May 18, 2016, the Water Board adopted a localized "stress test" approach of water conservation, under which local urban water agencies are required to ensure a three-year supply of water assuming three years of drought conditions. Agencies that project a water shortage at the end of the three-year period under the stress test are required to implement conservation measures through January 2017 equal to the percentage of water shortage projected.

The District cannot make any representation regarding the effects that the current drought has had, or, if it should continue, may have on the value of taxable property within the District, or to what extent the drought could cause disruptions to agricultural production, reduce land values adversely impact other economic activity within the boundaries of the District.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES

Article XIII A of the California Constitution

Article XIII A of the State Constitution ("Article XIII A") limits the amount of *ad valorem* taxes on real property to 1% of "full cash value" as determined by the County assessor. Article XIII A defines "full cash value" to mean "the county assessor's valuation of real property as shown on the 1975-76 bill under 'full cash value,' or thereafter, the appraised value of real property when purchased, newly constructed or a change in ownership has occurred after the 1975 assessment," subject to exemptions in certain circumstances of property transfer or reconstruction. Determined in this manner, the full cash value is also referred to as the "base year value." The "full cash value" is subject to annual adjustment to reflect increases, not to exceed 2% for any year, or decreases in the consumer price index or comparable local data, or to reflect reductions in property value caused by damage, destruction or other factors.

Article XIII A has been amended to allow for temporary reductions of assessed value in instances where the fair market value of real property falls below the base year value. Proposition 8—approved by the voters in November of 1978—provides for the enrollment of the lesser of the base year value or the market value of real property, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property, or other factors causing a similar decline. In these instances, the market value is required to be reviewed annually until the market value exceeds the base year value. Reductions in assessed value could result in a corresponding increase in the annual tax rate levied by the County to pay debt service on outstanding general obligation bonds of the District, including the Bonds. See "TAX BASE FOR REPAYMENT OF THE BONDS – Assessed Valuations" herein.

Article XIII A requires a vote of two-thirds of the qualified electorate of a city, county, special district or other public agency to impose special taxes, while totally precluding the imposition of any additional *ad valorem*, sales or transaction tax on real property. Article XIII A exempts from the 1% tax limitation any taxes above that level required to pay debt service (a) on any indebtedness approved by the voters prior to July 1, 1978, or (b) as the result of an amendment approved by State voters on June 3, 1986, on any bonded indebtedness approved by two-thirds or more of the votes cast by the voters for the acquisition or improvement of real property on or after July 1, 1978, or (c) 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% or more of the votes cast on the proposition, but only if certain accountability measures are included in the proposition. The tax for payment of principal of and interest on the Bonds falls within the exception described in (c) of the immediately preceding sentence. In addition, Article XIII A requires the approval of two-thirds or more of all members of the State Legislature to change any State taxes for the purpose of increasing tax revenues.

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.

Beginning in fiscal year 1981-82, assessors in California no longer record property values on tax rolls at the assessed value of 25% of market value which was expressed as \$4 per \$100 of assessed value. All taxable property is now shown at 100% of assessed value on the tax rolls. Consequently, the tax rate is expressed as \$1 per \$100 of taxable value. All taxable property value included in this Official Statement is shown at 100% of taxable value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

Both the United States Supreme Court and the California State Supreme Court have upheld the general validity of Article XIII A.

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 State Board of Equalization ("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 County 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.

The California electric utility industry has been undergoing significant changes in its structure and in the way in which components of the industry are regulated and owned. Sale of electric generation assets to largely unregulated, nonutility companies may affect how those assets are assessed, and which local agencies are to receive the property taxes. The District is unable to predict the impact of these changes on its utility property tax revenues, or whether legislation may be proposed or adopted in response to industry restructuring, or whether any future litigation may affect ownership of utility assets or the State's methods of assessing utility property and the allocation of assessed value to local taxing agencies, including the District. Because the District is not a basic aid district, taxes lost through any reduction in assessed valuation will be compensated by the State as equalization aid under the State's school financing formula. See "DISTRICT FINANCIAL INFORMATION – State Funding of Education" herein.

Article XIII B of the California Constitution

Article XIII B of the State Constitution ("Article XIII B"), 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. As amended, Article XIII B defines

(a) "change in the cost of living" with respect to school districts to mean the percentage change in California per capita income from the preceding year, and

(b) "change in population" with respect to a school district to mean the percentage change in the average daily attendance of the school district from the preceding fiscal year.

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 pursuant to 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 certain 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.

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 pursuant to Section 8.5 of Article XVI of the State Constitution. See "--Proposition 98" and "--Proposition 111" below.

Article XIII C and Article 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 XIIC 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 college 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 XIIC 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. 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.

The District does not impose any taxes, assessments, or property-related fees or charges which are subject to the provisions of Proposition 218. It does, however, receive a portion of the basic one 1% *ad valorem* property tax levied and collected by the County pursuant to Article XIII A of the California Constitution. 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.

Proposition 26

On November 2, 2010, voters in the State approved Proposition 26. Proposition 26 amends Article XIIC of the State Constitution 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

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 the State general fund revenues as the percentage appropriated to such districts in 1986-87, or (b) the amount actually appropriated to such districts from the State 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.

Since the Accountability Act is unclear in some details, there can be no assurances that the Legislature or a court might not interpret the Accountability Act to require a different percentage of State general fund revenues to be allocated to K-14 school districts, or to apply the relevant percentage to the State's budgets in a different way than is proposed in the Governor's Budget.

Proposition 111

On June 5, 1990, the voters of California approved the Traffic Congestion Relief and Spending Limitation Act of 1990 ("Proposition 111"), which modified the State Constitution to alter the Article XIII B spending limit and the education funding provisions of Proposition 98. Proposition 111 took effect on July 1, 1990.

The most significant provisions of Proposition 111 are summarized as follows:

- a. 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.
- b. 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 is 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.

- c. 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 1990 levels (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.
- d. 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.
- e. 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. 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. As adopted, the constitutional amendment may be changed only with another Statewide vote of the people. 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 this proposition 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, and 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 buy or improve real property that receive two-thirds voter approval after July 1, 1978.

The 55% vote requirement 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 placed certain limitations on local school bonds to be approved by 55% of the voters. These provisions require that the tax rate per \$100,000 of taxable property value projected to be levied as the result of any single election be no more than \$60 (for a unified school district), \$30 (for a high school or elementary school district), or \$25 (for a community college district), when assessed valuation is projected to increase in accordance with Article XIII A of the Constitution. 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.

Jarvis v. Connell

On May 29, 2002, the California Court of Appeal for the Second District decided the case of *Howard Jarvis Taxpayers Association, et al. v. Kathleen Connell* (as Controller of the State of California (the "Controller")). The Court of Appeal held that either a final budget bill, an emergency appropriation, a self-executing authorization pursuant to state statutes (such as continuing appropriations) or the California Constitution or a federal mandate is necessary for the Controller to disburse funds. The foregoing requirement could apply to amounts budgeted by the District as being received from the State. To the extent the holding in such case would apply to State payments reflected in the District's budget, the requirement that there be either a final budget bill or an emergency appropriation may result in the delay of such payments to the District if such required legislative action is delayed, unless the payments are self-executing authorizations or are subject to a federal mandate. On May 1, 2003, the California Supreme Court upheld the holding of the Court of Appeal, stating that the Controller is not authorized under State law to disburse funds prior to the enactment of a budget or other proper appropriation, but under federal law, the Controller is required, notwithstanding a budget impasse and the limitations imposed by State law, to timely pay those State employees who are subject to the minimum wage and overtime compensation provisions of the federal Fair Labor Standards Act.

Proposition 1A and Proposition 22

On November 2, 2004, California voters approved Proposition 1A, which amends 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-third approval of both houses of the State Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. 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 amends 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, The Local Taxpayer, Public Safety, and Transportation Protection Act, approved by the voters of the State on November 2, 2010, prohibits the State from enacting new laws that require redevelopment agencies to shift funds to schools or other agencies and eliminates the State's authority to

shift property taxes temporarily during a severe financial hardship of the State. In addition, Proposition 22 restricts the State's authority to use State fuel tax revenues to pay debt service on state transportation bonds, to borrow or change the distribution of state fuel tax revenues, and to use vehicle license fee revenues to reimburse local governments for state mandated costs. Proposition 22 impacts resources in the State's general fund and transportation funds, the State's main funding source for schools and community colleges, as well as universities, prisons and health and social services programs. According to an analysis of Proposition 22 submitted by the Legislative Analyst's Office (the "LAO") on July 15, 2010, the expected reduction in resources available for the State to spend on these other programs as a consequence of the passage of Proposition 22 was expected to be approximately \$1 billion in fiscal year 2010-11, with an estimated immediate fiscal effect equal to approximately 1% of the State's total general fund spending. The longer-term effect of Proposition 22, according to the LAO analysis, will be an increase in the State's general fund costs by approximately \$1 billion annually for several decades.

On December 30, 2011, the California Supreme Court issued its decision in the case of *California Redevelopment Association v. Matosantos*, finding ABx1 26, a trailer bill to the 2011-12 State budget, to be constitutional. As a result, all redevelopment agencies in California were dissolved as of February 1, 2012, and all net tax increment revenues, after payment of redevelopment bonds debt service and administrative costs, will be distributed to cities, counties, special districts and school districts. The Court also found that ABx1 27, a companion bill to ABx1 26, violated the California Constitution, as amended by Proposition 22. ABx1 27 would have permitted redevelopment agencies to continue operations provided their establishing cities or counties agreed to make specified payments to school districts and county offices of education, totaling \$1.7 billion statewide. ABx1 26 was modified by Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12), which, together with ABx1 26, is referred to herein as the "Dissolution Act." The Dissolution Act provides that all rights, powers, duties and obligations of a redevelopment agency that have not been repealed, restricted or revised pursuant to ABx1 26 will be vested in a successor agency, generally the county or city that authorized the creation of the redevelopment agency (each, a "Successor Agency"). All property tax revenues that would have been allocated to such redevelopment agency will be allocated to the Successor Agency, to be used for the payment of pass-through payments to local taxing entities and to any other "enforceable obligations" (as defined in the Dissolution Act), as well to pay certain administrative costs. The Dissolution Act defines "enforceable obligations" to include bonds, loans, legally requirement payments, judgments or settlements, legal binding and enforceable obligations, and certain other obligations. Tax revenues in excess of such amounts, if any, will be distributed to local taxing entities in the same proportions as other tax revenues.

The District can make no representations as to the extent to which its revenue limit apportionments may be offset by the future receipt of pass through tax increment revenues, or any other surplus property tax revenues pursuant to the Dissolution Act.

Proposition 30

On November 6, 2012, voters approved the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment (also known as "Proposition 30"), which temporarily increases the State Sales and Use Tax and personal income tax rates on higher incomes. Proposition 30 temporarily imposes 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, 2017. Proposition 30 also imposes 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, for storage, use, or other consumption in the State. This excise tax will be 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 January 1, 2019.

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 \$340,000 but less than \$408,000 for joint filers), (ii) 2% for taxable income over \$300,000 but less than \$500,000 for single filers (over \$408,000 but less than \$680,000 for joint filers), and (iii) 3% for taxable income over \$500,000 for single filers (over \$680,000 for joint filers).

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 “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES – Proposition 98” and “—Proposition 111” herein. From an accounting perspective, the revenues generated from the temporary tax increases are 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 are allocated quarterly, with 89% of such funds provided to schools districts and 11% provided to community college districts. The funds are 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.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C and Article XIII D of the California Constitution and Propositions 26, 98 and 111 were each adopted as measures that qualified for the ballot pursuant to 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.

GUSTINE UNIFIED SCHOOL DISTRICT

Introduction

The District was unified on January 25, 1971 and consists of an area of approximately 224 square miles in the western portion of the County. The District is comprised of the city of Gustine and unincorporated areas of the County including the community of Santa Nella. The District is located approximately 102 miles south of the City of Sacramento and 105 miles southeast of the City of San Francisco in the northern central valley of the State. The District operates six schools including two elementary schools providing kindergarten through fifth grade education services, one middle school providing sixth through eighth grade education services, one high school, one continuation school and one adult school. The District’s estimated average daily attendance for fiscal year 2016-17 is 1,793 students and the District has a 2016-17 total assessed valuation of \$_____. The District’s audited financial statements for the fiscal year ended June 30, 2015 are attached hereto as APPENDIX B.

Unless otherwise indicated, the following financial, statistical and demographic data has been provided by the District. Additional information concerning the District and copies of the most recent and subsequent audited financial reports of the District may be obtained by contacting: Gustine Unified School District, 1500 Meredith Avenue, Gustine, California 95322, Attention: Superintendent.

Administration

The District is governed by a five-member Board of Education, each member of which is elected to a four-year term. Elections for positions to the Board are held every two years, alternating between two and three available positions. Current members of the Board, together with their offices and the date each member's term expires, are listed below:

BOARD OF EDUCATION
Gustine Unified School District
[to be updated post-November election]

<u>Board Member</u>	<u>Office</u>	<u>Term Expires</u>
Patricia Rocha	President	2016
Linetta Borrelli	Clerk	2018
Crickett Brinkman	Member	2018
Ernie Longoria	Member	2016
Loretta Rose	Member	2016

The Superintendent of the District is responsible for administering the day-to-day affairs of the District in accordance with the policies of the Board. A brief biography of the Superintendent follows:

Bill Morones [Bio to come]

Student Teacher Ratios

On average throughout the District, the pupil to teacher ratio is approximately 23:1 in grades K-3, 24:1 in grades 4-8 and 32:1 in grades 9-12.

Labor Relations

The District employs approximately 93 full-time equivalent ("FTE") certificated employees and approximately 66 FTE classified employees

The certificated employees have assigned Gustine-Romero Teachers Association ("GRTA") as their exclusive bargaining agent and the contract between the District and GRTA expires on June 30, 2016.

The classified employees of the District have assigned the California School Employees Association ("CSEA") as their exclusive bargaining agent. The contract between the District and CSEA expires on June 30, 2016.

District Retirement Systems

The information set forth below regarding the District's retirement 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, as well as certain classified employees, are members of the State Teachers' Retirement System ("STRS"). STRS provides retirement, disability and survivor

benefits to plan members and beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. The District is currently required by such statutes to contribute 12.58% of eligible salary expenditures, while participants contribute 8% of their respective salaries. The State also contributes to STRS, currently in an amount equal to 6.30% of teacher payroll. The State's contribution reflects a base contribution of 2.017% and a supplemental contribution that will vary from year-to-year based on statutory criteria.

As part of the 2014-15 State Budget, the Governor signed Assembly Bill 1469 ("AB 1469") which implemented a new funding strategy for STRS, increasing the employer contribution rate in fiscal year 2014-15 from 8.25% to 8.88% of covered payroll. Such rate increased by 1.85% in fiscal year 2015-16 and will continue to increase annually until the employer contribution rate is 19.10% of covered payroll as further described below. Teacher contributions will also increase from 8.00% to a total of 10.25% of pay, phased in over the three year period from 2014-15 through 2017-18. The State's total contribution will also increase from approximately 3% in fiscal year 2013-14 to 6.30% of payroll in fiscal year 2016-17, plus the continued payment of 2.5% of payroll annually for a supplemental inflation protection program for a total of 8.80%. In addition, AB 1469 provides the State Teachers Retirement Board with authority to modify the percentages paid by employers and employees for fiscal year 2021-22 and each fiscal year thereafter to eliminate the STRS unfunded liability by June 30, 2046. The State Teachers Retirement Board would also have authority to reduce employer and State contributions if they are no longer necessary.

Pursuant to A.B. 1469, school district's contribution rates will increase over a seven year phase in period in accordance with the following schedule:

Effective Date (July 1)	School District Contribution Rate
2014	8.88%
2015	10.73
2016	12.58
2017	14.43
2018	16.28
2019	18.13
2020	19.10

The District contributed \$514,252 to STRS for fiscal year 2012-13, \$522,982 for fiscal year 2013-14 and \$634,175 for fiscal year 2014-15. Such contributions were equal to 100% of the required contributions for the respective years. The District estimates a contribution of \$_____ for fiscal year 2015-16 and has budgeted a contribution of \$_____ for 2016-17. With the implementation of AB 1469, the District anticipates that its contributions to STRS will increase in future fiscal years as compared to prior fiscal years. The District, nonetheless, is unable to predict all factors or any changes in law that could affect its required contributions to STRS in future fiscal years.

PERS. Classified employees working four or more hours per day are members of the Public Employees' Retirement System ("PERS"). PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the State statutes, as legislatively amended, with the Public Employees' Retirement Laws. The District is currently required to contribute to PERS at an actuarially determined rate, which is 13.888% of eligible salary expenditures for fiscal year 2016-17, while participants enrolled in PERS prior

to January 1, 2013 contribute 7% of their respective salaries and participants enrolled in PERS subsequent to January 1, 2013 contribute 6% of their respective salaries..

Effective July 1, 2014, the Board of Administration of PERS adopted new contribution rates for school districts. The new contribution rates resulted in large part from new demographic assumptions adopted by the Board of Administration in February 2014 which took into account longer life spans of public employees from previous assumptions. Such demographic assumptions are expected to increase costs for the State and public agency employers (including school districts), which costs will be amortized over 20 years and phased in over three years beginning in fiscal year 2014-15 for the State and amortized over 20 years and phased in over five years beginning in fiscal year 2016-17 for the employers. PERS estimates that the new demographic assumptions could cost public agency employers up to 5% of payroll for miscellaneous employees at the end of the five year phase in period. To the extent, however, that future experiences differ from PERS' current assumptions, the required employer contributions may vary.

The District contributed \$165,748 to PERS for fiscal year 2012-13, \$195,026 for fiscal year 2013-14 and \$224,534 for fiscal year 2014-15, which amounts equaled 100% of required contributions to PERS. The District estimates a contribution of \$_____ for fiscal year 2015-16 and has budgeted a contribution of \$_____ for fiscal year 2016-17.

State Pension Trusts. Each of STRS and PERS issues a separate comprehensive financial report that includes financial statements and required supplemental information. Copies of such financial reports may be obtained from each of STRS and PERS as follows: (i) STRS, P.O. Box 15275, Sacramento, California 95851-0275; (ii) PERS, P.O. Box 942703, Sacramento, California 94229-2703. Moreover, each of STRS and PERS maintains a website, as follows: (i) STRS: www.calstrs.com; (ii) PERS: www.calpers.ca.gov. However, the information presented in such financial reports or on such websites is not incorporated into this Official Statement by any reference.

Both STRS and PERS have substantial statewide unfunded liabilities. The amount of these unfunded liabilities will vary depending on actuarial assumptions, returns on investments, salary scales and participant contributions. The following table summarizes information regarding the actuarially-determined accrued liability for PERS and STRS as of July 1, 2015.

FUNDED STATUS
STRS (DEFINED BENEFIT PROGRAM) and PERS
Actuarial Valuation as of July 1, 2015
(Dollar Amounts in Millions)⁽¹⁾

<u>Plan</u>	<u>Accrued Liability</u>	<u>Value of Trust Assets</u>	<u>Unfunded Liability</u>
Public Employees Retirement Fund (PERS) ⁽²⁾	\$73,325	\$56,814	\$(16,511)
State Teachers' Retirement Fund Defined Benefit Program (STRS)	241,753	165,553	(76,200)

⁽¹⁾ Amounts may not add due to rounding.

⁽²⁾ On April 19, 2016, the PERS Finance and Administration Committee released certain actuarial information to be incorporated into its June 30, 2015 actuarial valuation expected to be released during summer 2016.

Source: PERS State & Schools Actuarial Valuation; STRS Defined Benefit Program Actuarial Valuation.

Unlike PERS, STRS contribution rates for participant employers, employees hired prior to the Implementation Date (defined herein) and the State are set by statute and do not currently vary from year-to-year based on actuarial valuations. As a result of the Reform Act (defined below), the contribution rate for STRS participants hired after the Implementation Date will vary from year-to-year based on actuarial valuations. See “—California Public Employees’ Pension Reform Act of 2013” below. In recent years, the combined employer, employee and State contributions to STRS have been significantly less than

actuarially required amounts. As a result, and due in part to investment losses, the unfunded liability of STRS has increased significantly. AB 1469 is intended to address this unfunded liability. The District can make no representations regarding the future program liabilities of STRS, or whether the District will be required to make larger contributions to STRS in the future. The District can also provide no assurances that the District's required contributions to PERS will not increase in the future.

California Public Employees' Pension Reform Act of 2013. On September 12, 2012, the Governor signed into law the California Public Employee's Pension Reform Act of 2013 (the "Reform Act"), which makes changes to both STRS and PERS, most substantially affecting new employees hired after January 1, 2013 (the "Implementation Date"). For STRS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor (the age factor is the percent of final compensation to which an employee is entitled to for each year of service) from age 60 to 62 and increasing the eligibility of the maximum age factor of 2.4% from age 63 to 65. Similarly, for non-safety PERS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor from age 55 to 62 and increases the eligibility requirement for the maximum age factor of 2.5% to age 67. Among the other changes to PERS and STRS, the Reform Act also: (i) requires all new participants enrolled in PERS and STRS after the Implementation Date to contribute at least 50% of the total annual normal cost of their pension benefit each year as determined by an actuary, (ii) requires STRS and PERS to determine the final compensation amount for employees based upon the highest annual compensation earnable averaged over a consecutive 36-month period as the basis for calculating retirement benefits for new participants enrolled after the Implementation Date (currently 12 months for STRS members who retire with 25 years of service), and (iii) caps "pensionable compensation" for new participants enrolled after the Implementation Date at 100% of the federal Social Security contribution and benefit base for members participating in Social Security or 120% for members not participating in social security, while excluding previously allowed forms of compensation under the formula such as payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off.

GASB Statement Nos. 67 and 68. On June 25, 2012, GASB approved Statements Nos. 67 and 68 ("Statements") with respect to pension accounting and financial reporting standards for state and local governments and pension plans. The new Statements, No. 67 and No. 68, replace GASB Statement No. 27 and most of Statements No. 25 and No. 50. The changes impact the accounting treatment of pension plans in which state and local governments participate. Major changes include: (1) the inclusion of unfunded pension liabilities on the government's balance sheet (currently, such unfunded liabilities are typically included as notes to the government's financial statements); (2) more components of full pension costs being shown as expenses regardless of actual contribution levels; (3) lower actuarial discount rates being required to be used for underfunded plans in certain cases for purposes of the financial statements; (4) closed amortization periods for unfunded liabilities being required to be used for certain purposes of the financial statements; and (5) the difference between expected and actual investment returns being recognized over a closed five-year smoothing period. In addition, according to GASB, Statement No. 68 means that, for pensions within the scope of the Statement, a cost-sharing employer that does not have a special funding situation is required to recognize a net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions and pension expense based on its proportionate share of the net pension liability for benefits provided through the pension plan. Because the accounting standards do not require changes in funding policies, the full extent of the effect of the new standards on the District is not known at this time. The reporting requirements for pension plans took effect for the fiscal year beginning July 1, 2013 and the reporting requirements for government employers, including the District, took effect for the fiscal year beginning July 1, 2014.

Santa Rosa City School's proportionate shares of the net pension liability of STRS and PERS, as of June 30, 2015, are as shown in the following table.

Pension Plan	Proportionate Share of Net Pension Liability
STRS	\$13,317,466
PERS	<u>1,840,690</u>
Total	\$15,158,156

Source: The District.

For further information about the District's contributions to STRS and PERS, see Note __ in the the District's audited financial statements for fiscal year ended June 30, 2015 attached hereto as Appendix C.

On-Behalf of Payments

During fiscal year 2014-15, the District was the recipient of on-behalf of payments made by the State to STRS for K-12 education. The payments consisted of contributions to STRS in the amount of \$353,982 (5.679% of 2012-13 creditable compensation subject to STRS).

Other Post-Employment Benefits

In June 2004, the Governmental Accounting Standards Board ("GASB") pronounced Statement No. 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions*. The pronouncement required public agency employers providing healthcare benefits to retirees to recognize and account for the costs for providing these benefits on an accrual basis and provide footnote disclosure on the progress toward funding the benefits.

Employees who are eligible to receive retiree employment benefits other than pensions ("Health & Welfare Benefits") while in retirement must meet specific criteria, *i.e.*, age and years with the District. The District provides Health & Welfare Benefits to qualified eligible employees and their spouses who retire from the District on or after attaining age 58.5 with at least 15 years of service to the District for certificated employees, on or after attaining age 55 with at least 10 years of service to the District for classified employees and on or after attaining age 58.5 with at least 10 years of service to the District for confidential, management and administrative employees. As of July 1, 2012, 13 employees and their beneficiaries were receiving Health and Welfare Benefits and 107 employees were active plan members.

Expenditures for post-employment healthcare benefits are recognized on a pay-as-you-go basis. During the fiscal years ended June 30, 2012, June 30, 2013 and June 30, 2014, the District recognized \$330,508, \$366,503 and \$363,254 in expenditures for post-employment healthcare benefits, respectively. The District has completed an actuarial study of its Health and Welfare Benefits dated July 30, 2012. Based on that study, the District's Annual Required Contribution is \$375,470 and its unfunded actuarial accrued liability is \$3,028,118. The District has not set aside any amounts to fund its OPEBs.

FUNDED STATUS OTHER POST-EMPLOYMENT BENEFITS

Fiscal Year Ended (June 30)	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Obligation
2015	\$360,681	93%	\$855,771
2014	363,254	60	829,449
2013	366,503	50	685,166

Source: The District.

Risk Management

The District is exposed to various risks of loss related to tortious liability, theft, damage or destruction of assets, errors or omissions, employee injuries or natural disasters.

The District participates in three joint powers agreements with the (i) Self Insured Schools of California (“SISC III”), (ii) the Merced County Schools Insurance Group I (“MCSIG I”) and (iii) the Central Region Schools Insurance Group (“CRSIG”). Each JPA is governed by a board consisting of a representative from each member district. 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. The relationships between the District and the JPAs are such that neither JPA is a component unit of the District for financial reporting purposes. See also APPENDIX B –GUSTINE UNIFIED SCHOOL DISTRICT AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2015– Note 13 hereto.

The District maintains insurance or self-insurance in such amounts and with such retentions and other terms providing coverages for property damage, fire and theft, general public liability and worker’s compensation as are adequate, customary and comparable with such insurance maintained by similarly situated school districts. In addition, based upon prior claims experience, the District believes that the recorded liabilities for self-insured claims are adequate.

District Debt Structure

Long-Term Debt. A schedule of changes in long-term debt for the year ended June 30, 2015, is shown below:

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015	Balance Due In One Year
General Obligation Bonds	--	\$4,143,864	--	\$4,143,864	\$4,961
Certificates of Participation ¹	\$7,385,000	--	\$200,000	7,185,000	210,000
Construction Settlement	457,699	--	65,386	392,313	65,386
Capitalized lease obligations	178,698	250,882	95,413	334,167	91,982
Compensated absences	58,008	326	--	58,334	--
Net OPEB Obligation	829,449	26,322	--	855,771	--
Total Long-Term liabilities	<u>\$8,908,854</u>	<u>\$4,421,294</u>	<u>\$2,857,741</u>	<u>\$23,113,610</u>	<u>\$372,329</u>

¹ The District intends to refinance the outstanding Certificates of Participation effective January 12, 2017.
Source: *The District*.

General Obligation Bonds. Pursuant to the Authorization, the District received authorization to issue \$14,000,000 principal amount of general obligation bonds. On May 13, 2015, the District issued \$4,00,000 aggregate principal amount of its General Obligation Bonds, 2014 Election, 2015, Series A under the Authorization. The Bonds are the second series of bonds to be issued under the Authorization. Subsequent to the issuance of the Bonds, \$ _____* principal amount of general obligations bonds remain for issuance under the Authorization.

Certificates of Participation

On March 15, 2007, the District executed and delivered \$8,640,000 principal amount of Certificates of Participation (the “Certificates”) which mature through 2037. On June 30, 2015, the

* Preliminary, subject to change.

Certificates were outstanding in the principal amount of \$7,185,000, however, the District intends to refinance the Certificates effective January 12, 2017. The annual payments with respect to the Certificates through maturity, not taking into account the intended refinancing, are as follows:

<u>Year ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	215,000	297,713	515,850
2018	225,000	289,381	512,713
2019	235,000	280,663	514,381
2020	240,000	271,263	515,663
2021-2025	1,360,000	1,201,338	511,263
2026-2030	1,670,000	887,854	2,561,338
2031-2035	2,070,000	489,344	2,557,854
2036-2037	<u>960,000</u>	<u>297,713</u>	<u>2,559,344</u>
Total	\$6,975,000	\$4,015,269	\$10,248,406

Source: The District.

Capital Leases

The District entered into agreements to lease buses during fiscal year ended June 30, 2015. The District's minimum lease payments under its capital leases are as follows:

<u>Year ended June 30</u>	<u>Lease Payment</u>
2016	\$100,000
2017	100,000
2018	100,000
2019	<u>52,797</u>
Total payments	\$352,797
Less amount representing interest	<u>(18,930)</u>
Net future minimum payments	\$334,167

Source: The District.

Construction Settlement

The District entered into a settlement agreement with a construction contractor pursuant to which the District agreed to pay \$653,857 to the contractor. As of June 30, 2015, the District owed the contractor \$392,313. The District's future payments under the settlement agreement are as follows:

<u>Year ended June 30</u>	<u>Payment</u>
2016	\$65,386
2017	65,386
2018	65,386
2019	65,386
2020	65,386
2021	<u>65,383</u>
Total payments	\$392,313

Source: The District.

THE MERCED COUNTY POOLED INVESTMENT FUND

The following information concerning the Merced County Pooled Investment Fund has been provided by the Treasurer and has not been confirmed or verified by the District. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof or that the information contained or incorporated hereby by reference is correct as of any time subsequent to its date.

Under California law, the District is required to pay all monies received from any source into the Merced County Treasury to be held on behalf of the District. The Treasurer has authority to implement and oversee the investment of funds on deposit in commingled funds of the Treasury.

Decisions on the investment of funds in the Pooled Investment Fund are made by the County Treasurer and her deputies in accordance with established policy guidelines. In the County, investment decisions are governed by California Government Code Sections 53601 and 53635, *et seq.*, which govern legal investments by local agencies in the State of California, and a more restrictive Investment Policy proposed by the County Treasurer and adopted by the County Board of Supervisors on an annual basis. The Investment Policy is reviewed and approved annually by the County Board of Supervisors. The County Treasurer's compliance with the Investment Policy is also audited annually by an independent certified public accountant.

**MERCED COUNTY
POOLED INVESTMENT FUND
PORTFOLIO REVIEW FOR QUARTER ENDING _____, 2016**

Portfolio Composition:

Book Value of Assets Held
Market Value of Assets Held
Assets Maturing Within 90 Days
Percentage of Market to book Value
Weighted Average Maturity

Return on Assets:

Total Earnings Quarter Ended
Total Earnings Fiscal YTD
Rate of Return QTR
Rate of Return Fiscal YTD

CONTINUING DISCLOSURE

The District has covenanted for the benefit of the Owners of the Bonds to provide certain financial information and operating data relating to the District (the "Annual Report") by not later than 9 months following the end of the District's fiscal year (currently ending June 30), which date would be April 1, commencing with the report for the 2014-15 fiscal year, and to provide notices of the occurrence of certain enumerated events. The District has entered into a Continuing Disclosure Agreement ("Continuing Disclosure Agreement") for the benefit of the Owners of the Bonds. The Annual Report and each notice of material events will be filed by the District with the Electronic Municipal Markets Access system ("EMMA") of the Municipal Securities Rulemaking Board (the "MSRB"), or any other repository then recognized by the Securities and Exchange Commission. The specific nature of the information to be contained in the Annual Report or the notices of material events is set forth in APPENDIX D – FORM OF CONTINUING DISCLOSURE AGREEMENT hereto. These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

The District has never failed to file timely its annual reports under its existing continuing disclosure obligations except for a portion of the annual report for fiscal year 2013-14 which was filed late and certain portions of the annual reports for fiscal years 2010-11 and 2012-13 which the District failed to file. As of the date of this Official Statement, the District has filed all of the information required to be filed under its existing continuing disclosure obligations and the District is in compliance with its continuing disclosure obligations. The District has engaged Isom Advisors, a division of Urban Futures, Inc. to serve as Dissemination Agent in connection with its outstanding continuing disclosure obligations.

LEGAL MATTERS

The legal opinion of Dannis Woliver Kelley, Long Beach, California, Bond Counsel to the District ("Bond Counsel"), attesting to the validity of the Bonds, will be supplied to the Underwriter of the Bonds without charge, a form of which is attached hereto as Exhibit A. Dannis Woliver Kelley is also acting as Disclosure Counsel to the District. Kutak Rock LLP, Denver, Colorado, is acting as counsel to the Underwriter. Bond Counsel and Disclosure Counsel will receive compensation contingent upon the sale and delivery of the Bonds.

TAX MATTERS

The delivery of the Bonds is subject to delivery of the opinion of Bond Counsel, to the effect that interest on the Bonds for federal income tax purposes under existing statutes, regulations, published rulings, and court decisions (1) will be excludable from the gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date of initial delivery of the Bonds (the "Code"), of the owners thereof pursuant to section 103 of the Code, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof. The delivery of the Bonds is also subject to the delivery of the opinion of Bond Counsel, based upon existing provisions of the laws of the State of California, that interest on the Bonds is exempt from personal income taxes of the State of California. The form of Bond Counsel's anticipated opinion respecting the Bonds is included in APPENDIX A. The statutes, regulations, rulings, and court decisions on which such opinions will be based are subject to change.

Interest on the Bonds owned by a corporation will be included in such corporation's adjusted current earnings for purposes of calculating the alternative minimum taxable income of such corporation, other than an S corporation, a regulated investment company, a real estate investment trust or a real estate mortgage investment conduit. A corporation's alternative minimum taxable income is the basis on which the alternative minimum tax imposed by Section 55 of the Code will be computed.

In rendering the foregoing opinions, Bond Counsel will rely upon the representations and certifications of the District made in a certificate (the "Tax Certificate") of even date with the initial delivery of the Bonds pertaining to the use, expenditure, and investment of the proceeds of the Bonds and will assume continuing compliance with the provisions of the Resolution by the District subsequent to the issuance of the Bonds. The Tax Certificate contains covenants by the District with respect to, among other matters, the use of the proceeds of the Bonds and the facilities and equipment financed therewith by persons other than state or local governmental units, the manner in which the proceeds of the Bonds are to be invested, if required, the calculation and payment to the United States Treasury of any "arbitrage profits" and the reporting of certain information to the United States Treasury. Failure to comply with any of these covenants could cause interest on the Bonds to be includable in the gross income of the owners thereof from the date of the issuance of the Bonds.

Except as described above, Bond Counsel will express no other opinion with respect to any other federal, State or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with subchapter C earnings and profits, certain foreign corporations doing business in the United States, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a financial asset securitization investment trust, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

Bond Counsel's opinion is not a guarantee of a result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the District described above. No ruling has been sought from the Internal Revenue Service ("IRS" or the "Service") or the State of California with respect to the matters addressed in the opinion of Bond Counsel, and Bond Counsel's opinion is not binding on the Service or the State of California. The Service has an ongoing program of auditing the tax status of the interest on

municipal obligations. If an audit of the Bonds is commenced, under current procedures, the Service is likely to treat the District as the "taxpayer," and the Owners of the Bonds would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Bonds, the District may have different or conflicting interests from the owners of the respective Bonds. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit, regardless of its ultimate outcome.

Tax Accounting Treatment of Discount and Premium on Certain of the Bonds

The initial public offering price of certain of the Bonds (the "Discount Bonds") may be less than the amount payable on such Bonds at maturity. An amount equal to the difference between the initial public offering price of a Discount Bond (assuming that a substantial amount of the Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Bond. Each of the Capital Appreciation Bonds will be deemed to be issued with original issue discount for federal income tax purposes, because the initial interest payment date is more than twelve months after such bonds will be delivered to the initial purchasers. Additional original issue discount will also result if the original offering price of a Capital Appreciation Bond (assuming that a substantial amount of the Capital Appreciation Bonds of that maturity are sold to the public at such price) is less than the amount payable on the Capital Appreciation Bond at its maturity). The tax rules requiring inclusion in income annually by the holder of a debt instrument having original issue discount of the daily portion of original issue discount for each day during a taxable year in which such holder held such debt instrument is inapplicable to the Bonds. A portion of such original issue discount, allocable to the holding period of such Discount Bond by the initial purchaser, will, upon the disposition of such Discount Bond (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, and will be added to the holder's basis in the Discount Bond, for federal income tax purposes, on the same terms and conditions as those for other interest on the bonds described above under "TAX MATTERS." Such interest is considered to be accrued in accordance with the constant-yield-to-maturity method over the life of a Discount Bond taking into account the semiannual compounding of accrued interest at the yield to maturity on such Discount Bond, and generally will be allocated to an original purchaser in a different amount from the amount of the payment denominated as interest actually received by the original purchaser during the tax year.

However, such interest may be required to be taken into account in determining the alternative minimum taxable income of a corporation, for purposes of calculating a corporation's alternative minimum taxable income imposed by Section 55 of the Code, and the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding cash payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Moreover, in the event of the redemption, sale or other taxable disposition of a Discount Bond by the initial Owner prior to maturity, the amount realized by such Owner in excess of the basis of such Discount Bond in the hands of such Owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Discount Bond was held) is includable in gross income.

Owners of Discount Bonds should consult with their own tax advisors with respect to the determination for federal income tax purposes of accrued interest upon disposition of Discount Bonds and

with respect to the state and local tax consequences of owning Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial offering price of certain Bonds (the "Premium Bonds"), may be greater than the amount payable on such bonds at maturity. An amount equal to the difference between the initial public offering price of a Premium Bond (assuming that a substantial amount of the Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes premium to the initial purchaser of such Premium Bonds. The basis for federal income tax purposes of a Premium Bond in the hands of such initial purchaser must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium which is amortizable each year by an initial purchaser is determined by using such purchaser's yield to maturity. Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium with respect to the Premium Bonds for federal income purposes and with respect to the state and local tax consequences of owning Premium Bonds.

Form of Bond Counsel Opinion. The form of the proposed opinion of Bond Counsel relating to the Bonds is attached to this Official Statement as APPENDIX A.

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 investing bank, are prudent for the investment of funds of depositors. Under provisions of the California Government Code, the Bonds are eligible to secure deposits of public moneys in California.

BANK QUALIFICATION

The District has designated the Bonds as "qualified tax-exempt obligations," thereby allowing certain financial institutions that are holders of such qualified tax-exempt obligations to deduct a portion of such institution's interest expense allocable to such qualified tax-exempt obligations, all as determined in accordance with Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

RATING

Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business ("S&P") has assigned its municipal bond rating of "___" to the Bonds. Such rating reflects only the view of S&P and an explanation of the significance of such rating may be obtained as follows: S&P at Municipal Finance Department, 55 Water Street, New York, New York 10041, tel. (212) 208-8000. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely if, in the judgment of the rating agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated (the "Underwriter") has agreed to purchase the Bonds at the purchase price of \$4,097,864.00 (reflecting the principal amount of the Bonds plus a net original issue premium in the amount of \$143,864.00 less an Underwriter's discount of \$46,000.00, at the rates and yields shown on the inside cover hereof.

The Underwriter may offer and sell the Bonds to certain dealers and others at yields other than the yields stated on the cover page. The offering prices may be changed from time to time by the Underwriter.

NO LITIGATION

No litigation is pending concerning the validity of the Bonds, and the District's 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 questioning the political existence of the District or contesting the District's ability to receive *ad valorem* taxes or to collect other revenues or contesting the District's ability to issue the Bonds.

OTHER INFORMATION

References are made herein to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive and reference is made such documents and reports for full and complete statements of the contents thereof. Copies of the Resolution are available upon request from the Gustine Unified School District, 1500 Meredith Avenue, Gustine, California 95322.

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 be construed as a contract or agreement between the District and the purchasers or Owners of any of the Bonds.

The execution and delivery of this Official Statement has been duly authorized by the District.

GUSTINE UNIFIED SCHOOL DISTRICT

By: _____
Superintendent

APPENDIX A

FORM OF BOND COUNSEL OPINION

[Closing date]

Board of Education
Gustine Unified School District
1500 Meredith Avenue
Gustine, California 95322

Re: \$_____ Gustine Unified School (Merced County, California) District General
Obligation Bonds, 2014 Election, 2016 Series B

Ladies and Gentlemen:

We have acted as bond counsel for the Gustine Unified School District (Merced County, California) (the "District"), in connection with the issuance by the District of \$_____ aggregate principal amount of the District's General Obligation Bonds, 2014 Election, 2016 Series B (the "Bonds"). The Bonds are issued pursuant to the Government Code of the State of California (commencing at Section 53506), as amended and that certain resolution adopted by the Board of Education of the District on _____, 2016 (the "Resolution"). All terms used herein and not otherwise defined shall have the meanings given to them in the Resolution.

As bond counsel, we have examined copies certified to us as being true and complete copies of the proceedings of the District for the authorization and issuance of the Bonds, including the Resolution. Our services as such bond counsel were limited to an examination of such proceedings and to the rendering of the opinions set forth below. In this connection, we have also examined such certificates of public officials and officers of the District and the County as we have considered necessary for the purposes of this opinion.

Certain agreements, requirements and procedures contained or referred to in the Resolution and other relevant documents may be changed and certain actions (including, without limitation, defeasance of Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. No opinion is expressed herein as to any effect on the Bonds if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than ourselves.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. Our engagement with respect to the Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by any parties other than the District. We have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in the documents referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Resolution. We call attention to the fact that the rights and obligations under the Bonds and the Resolution may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent

conveyance, moratorium and other laws relating to or affecting creditors, rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against public entities in the State of California. We express no opinion with respect to any indemnification, contribution, choice of law, choice of forum or waiver provisions contained in the foregoing documents. We express no opinion and make no comment with respect to the sufficiency of the security for the marketability of the Bonds. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds constitute valid and binding general obligations of the District, payable as to principal and interest from the proceeds of a levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount.

2. The Resolution has been duly adopted and constitutes a valid and binding obligation of the District enforceable against the District in accordance with its terms.

3. It is further our opinion, based upon the foregoing, that pursuant to section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date hereof (the "Code"), and existing regulations, published rulings, and court decisions thereunder, and assuming continuing compliance with the provisions of the Resolution and in reliance upon representations and certifications of the District made in the Tax Certificate of even date herewith pertaining to the use, expenditure, and investment of the proceeds of the Bonds, when the Bonds are delivered to and paid for by the initial purchasers thereof, interest on the Bonds (1) will be excludable from the gross income, as defined in section 61 of the Code, of the owners thereof for federal income tax purposes, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals or, except as hereinafter described, corporations. Interest on the Bonds owned by a corporation will be included in such corporation's adjusted current earnings for purposes of calculating the alternative minimum taxable income of such corporations, other than an S corporation, a qualified mutual fund, a real estate mortgage investment conduit, a real estate investment trust, or a financial asset securitization investment trust ("FASIT"). A corporation's alternative minimum taxable income is the basis on which the alternative minimum tax imposed by section 55 of the Code will be computed.

In our opinion, under existing law, interest on the Bonds is exempt from personal income taxes of the State of California.

We express no other opinion with respect to any other federal, state, or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain S corporations with subchapter C earnings and profits, certain foreign corporations doing business in the United States, owners of an interest in a FASIT, individuals otherwise qualifying for the earned income tax credit, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our

opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Our opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above. The foregoing opinions are not a guarantee of results.

Respectfully submitted,

Dannis Woliver Kelley

APPENDIX B

**GUSTINE UNIFIED SCHOOL DISTRICT
AUDITED FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2015**

APPENDIX C

GENERAL ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE COUNTY OF MERCED

The following information concerning Merced County (the "County") is included only for the purpose of supplying general information regarding the area served by the District. The Bonds are not a debt of the County.

Introduction

The District is located in the County. The County encompasses approximately 2,020 square miles in the heart of the San Joaquin Valley. The southern portion of California's central valley is a productive agricultural area that extends from the coastal range east to the foothills of the Yosemite National Park. With its central location in the state, automobile travel from the County to the San Francisco Bay Area or the picturesque resorts of Monterey and Carmel takes about two hours. Lake Tahoe and Reno are within a four-hour drive of the County.

The County was formed in 1855 from parts of Mariposa County. The city of Merced is the County seat and is the largest of six incorporated cities, which include Atwater, Livingston, Los Banos, Gustine, and Dos Palos. There are eleven unincorporated communities in the County including Castle, Delhi, Franklin/Beachwood, Fox Hills, Hilmar, Le Grand, Planada, Santa Nella, University Community, Villages of Laguna San Luis and Winton.

Population

The following table shows historical population statistics for the cities in the County as well as the County.

CITIES OF THE COUNTY AND THE COUNTY OF MERCED Calendar Years 2012 through 2016

	2012	2013	2014	2015	2016
Atwater	\$ 28,715	\$ 28,921	\$ 29,050	\$ 29,678	\$ 30,061
Dos Palos	5,000	5,034	5,050	5,263	5,378
Gustine	5,577	5,623	5,648	5,761	5,842
Livingston	13,433	13,537	13,793	13,744	13,849
Los Banos	36,733	37,004	37,168	38,670	39,359
Merced	79,730	80,572	81,130	83,131	83,962
Balance of County	90,851	91,669	93,083	93,033	93,128
County Total	\$260,039	\$262,390	\$264,922	\$269,280	\$271,579

Based on 2010 Census benchmark and Population Estimates for Cities, Counties, and State.

Source: California State Department of Finance.

Employment

The County, State and United States civilian labor force figures are shown in the following table for the years 2011 through 2015, the most recent annual information available. The County figures are County-wide and may not necessarily reflect employment trends in the District.

MERCED COUNTY, CALIFORNIA, AND UNITED STATES Labor Force, Employment, and Unemployment⁽¹⁾

Year and Area	Labor Force	Employment	Unemployment	Unemployment Rate ⁽²⁾
2011				
Merced County	110,100	90,800	20,300	18.2%
California	18,417,900	16,249,600	2,168,300	11.8
United States	153,617,000	139,869,000	13,747,000	8.9
2012				
Merced County	111,700	92,800	18,900	16.9%
California	18,519,000	16,589,700	1,929,300	10.4
United States	154,975,000	142,469,000	12,506,000	8.1
2013				
Merced County	112,700	96,100	16,500	14.7%
California	18,596,800	16,933,300	1,663,500	8.9
United States	155,389,000	143,929,000	11,460,000	7.4
2014				
Merced County	113,900	99,300	14,600	12.8%
California	18,726,400	17,474,600	1,251,800	6.7
United States	155,922,000	146,305,000	9,617,000	6.2
2015				
Merced County	115,100	102,000	13,100	11.4%
California	18,981,800	17,798,600	1,183,200	6.2
United States	157,130,000	148,834,000	8,296,000	5.3

⁽¹⁾ Data reflects employment status of individuals by place of residence.

⁽²⁾ Unemployment rate is based on unrounded data.

Source: California State Employment Development Department and U.S. Department of Labor.

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Industry

Government is the largest employer in the County followed by agriculture, trade and manufacturing. The table below shows the estimated employment by industry group for 2011 through 2015.

**COUNTY OF MERCED
EMPLOYMENT BY INDUSTRY
ANNUAL AVERAGES
2011 through 2015 by Class of Work**

	2011	2012	2013	2014	2015
Agriculture total	11,400	12,500	13,600	13,700	14,100
Mining, logging and construction	1,600	1,600	1,600	1,700	1,900
Manufacturing	8,200	8,400	8,700	9,700	9,900
Trade, transportation and utilities	11,800	12,100	12,100	12,000	12,100
Information	400	400	400	400	300
Finance	1,500	1,600	1,500	1,600	1,600
Professional and business services	4,400	4,300	4,300	3,800	3,700
Educational and health services	8,200	8,300	8,800	9,100	9,400
Leisure and hospitality	4,600	4,700	5,000	5,400	5,400
Other Services	1,400	1,400	1,400	1,300	1,400
Government	16,500	16,400	16,600	17,100	17,700
Non Agriculture Total	58,700	59,200	60,400	62,000	63,400

Source: California State Employment Development Department.

[Remainder of page intentionally left blank]

Major Employers Within the County

The County is host to a diverse mix of major employers representing industries ranging from agriculture and government to health services. The following table lists the County's major employers.

COUNTY OF MERCED 2015 MAJOR EMPLOYERS

Employer	Employees
County of Merced	1,980
Merced City School District	1,300
AT&T Call Center	1,200
Merced Union High School District	891
Merced College	800
Quad Graphics	700
U.C. Merced	500
City of Merced	480
Scholle Corporation	370
WalMart	290
McLane Pacific	250

Source: City of Merced website, California Employment Development Department.

Commercial Activity

The table below shows the number of permits and taxable transactions in the County between 2009 and 2014, the most recent data available.

COUNTY OF MERCED Valuation of Taxable Transactions Fiscal Years 2009 through 2014

Year	Retail Permits	Taxable Transactions- Retail*	Total Permits	Taxable Transactions- Total*
2009	1,989	\$1,264,000	3,617	\$2,050,459
2010	2,033	1,348,906	3,671	2,134,070
2011	2,030	1,493,623	3,605	2,374,690
2012	2,107	1,574,919	3,734	2,512,316
2013	2,137	1,656,466	3,725	2,672,998
2014	2,100	1,681,658	3,658	2,764,904

* In thousands.

Source: California Board of Equalization Taxable Sales in California.

Transportation

State Highway 99 and U.S. Interstate Highway 5 provide access from the County to the rest of California and the western United States. Transportation between the County and the rest of California is provided by Amtrak rail passenger service as well as by four airports; Merced Regional Airport, Castle

Airport, Gustine Airport and Los Banos Municipal Airport. Local bus service is available in the City of Merced as well as connecting service between most cities in the County. The Yosemite Area Regional Transportation System connects Merced with Yosemite National Park. In addition, Greyhound buses provide passenger and freight access to western destinations.

Education

The County has excellent higher education including Merced Community College and the University of California's tenth campus, University of California, Merced. In addition, 21 public school districts provide kindergarten through twelfth grade educational services throughout the County.

APPENDIX D

FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") is executed and delivered by the Gustine Unified School District (the "District") in connection with the execution and delivery of \$_____ aggregate principal amount of the District's General Obligation Bonds, 2014 Election, 2016 Series B (the "Bonds"). The Bonds are being issued pursuant to a Resolution adopted by the Board of Education of the District on _____, 2016 (the "Resolution"). Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Resolution.

In consideration of the execution and delivery of the Bonds by the District and the purchase of such Bonds by the Underwriter described below, the District hereby covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the District for the benefit of the Bondholders and in order to assist Stifel, Nicolaus & Company, Incorporated (the "Underwriter") in complying with Rule 15c2-12(b)(5) (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

SECTION 2. Additional Definitions. In addition to the above definitions and the definitions set forth in the Resolution, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 4 and 5 of this Disclosure Agreement.

"Bondholder" or "Holder" means any holder of the Bonds or any beneficial owner of the Bonds so long as they are immobilized with DTC.

"Dissemination Agent" shall mean any Dissemination Agent, or any alternate or successor Dissemination Agent, designated in writing by the Superintendent (or otherwise by the District), which Agent has evidenced its acceptance in writing. The Dissemination Agent shall be Isom Advisors, a Division of Urban Futures, Inc.

"Listed Event" means any of the events listed in Section 6 of this Disclosure Agreement.

"Material Events Disclosure" means dissemination of a notice of a Material Event as set forth in Section 6.

"MSRB" shall mean the Municipal Securities Rulemaking Board, through its electronic municipal market access system, which can be found at <http://emma.msrb.org/>, or any repository of disclosure information that may be designated by the Securities and Exchange Commission for purposes of the Rule.

SECTION 3. CUSIP Numbers and Final Official Statement. The CUSIP Numbers for the Bonds have been assigned. The Final Official Statement relating to the Bonds is dated _____, 2016 ("Final Official Statement").

SECTION 4. Provision of Annual Reports.

(a) The District shall cause the Dissemination Agent, not later than 9 months after the end of the District's fiscal year (currently ending June 30), which date would be April 1, commencing with the report for the fiscal year ending June 30, 2016, which would be due on April 1, 2017, to provide to the MSRB an Annual Report which is consistent with the requirements of Section 5 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 5 of this Disclosure Agreement; provided that the audited financial statements of the District may be submitted, when and if available, separately from the balance of the relevant Annual Report.

(b) If the District is unable to provide to the MSRB an Annual Report by the date required in paragraph (a) above, the District shall send a notice to the MSRB in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall:

(i) determine the name and address of the MSRB each year prior to the date established hereunder for providing the Annual Report; and

(ii) if the Dissemination Agent is other than the District or an official of the District, the Dissemination Agent shall file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided and listing all the Repositories to which it was provided.

SECTION 5. Content of Annual Report. The District's Annual Report shall contain or incorporate by reference the following:

(a) Financial information including the general purpose financial statements of the District for the preceding fiscal year, prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants. If audited financial information is not available by the time the Annual Report is required to be filed pursuant to Section 4(a) hereof, the financial information included in the Annual Report may be unaudited, and the District will provide audited financial information to the MSRB as soon as practical after it has been made available to the District.

(b) Operating data, including the following information with respect to the District's preceding fiscal year (to the extent not included in the audited financial statements described in paragraph (a) above):

(i) General fund budget for the current fiscal year;

(ii) Assessed valuations, as shown on the most recent equalized assessment role;

(iii) Largest local secured taxpayers; and

(iv) Secured tax charges and delinquencies, only if the County terminates or discontinues the Teeter Plan within the District.

(c) Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the District or related public entities, which have been submitted to each of the Repositories or to the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each other document so incorporated by reference.

SECTION 6. Reporting of Significant Events.

(a) The District agrees to provide or cause to be provided to the MSRB, in readable PDF or other electronic format as prescribed by the MSRB, notice of the occurrence of any of the following events with respect to the Bonds not later than ten (10) Business Days after the occurrence of the event:

- (i) Principal and interest payment delinquencies.
- (ii) Unscheduled draws on any debt service reserves reflecting financial difficulties.
- (iii) Unscheduled draws on any credit enhancements reflecting financial difficulties.
- (iv) Substitution of or failure to perform by any credit provider.
- (v) Issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);
- (vi) Tender Offers;
- (vii) Defeasances;
- (viii) Rating changes; or
- (ix) Bankruptcy, insolvency, receivership or similar event of the obligated person.

(b) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material, not later than ten (10) Business Days after the occurrence of the event:

- (i) Unless described in paragraph 6(a)(v) hereof, adverse tax opinions or other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- (ii) Modifications of rights to Bondholders;
- (iii) Optional, unscheduled or contingent Bond calls;
- (iv) Release, substitution or sale of property securing repayment of the Bonds;
- (v) Non-payment related defaults;

(vi) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, 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; or

(vii) Appointment of a successor or additional Paying Agent or Trustee or the change of name of a Paying Agent or Trustee.

(c) The District shall give, or cause to be given, in a timely manner, notice of a failure to provide the annual financial information on or before the date specified in Section 4 hereof, as provided in Section 4(b) hereof.

(d) Whenever the District obtains knowledge of the occurrence of a Listed Event described in Section 6(a) hereof, or determines that knowledge of a Listed Event described in Section 6(b) hereof would be material under applicable federal securities laws, the District shall within ten (10) Business Days of occurrence file a notice of such occurrence with the MSRB in electronic format, accompanied by such identifying information as is prescribed by the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in subsections (a)(vii) or (b)(iii) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Resolution.

SECTION 7. Termination of Reporting Obligation. The District's obligations under this Disclosure Agreement shall terminate when the District is no longer an obligated person with respect to the Bonds, as provided in the Rule, upon the defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 8. Dissemination Agent. The Superintendent may, from time to time, appoint or engage an alternate or successor Dissemination Agent to assist in carrying out the District's obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

The Dissemination Agent shall be entitled to the protections, limitations from liability, immunities and indemnities provided to the Paying Agent as set forth in the Resolution which are incorporated by reference herein. The Dissemination Agent agrees to perform only those duties of the Dissemination Agent specifically set forth in the Agreement, and no implied duties, covenants or obligations shall be read into this Agreement against the Dissemination Agent.

The Dissemination Agent shall have no duty or obligation to review the Annual Report nor shall the Dissemination Agent be responsible for filing any Annual Report not provided to it by the District in a timely manner in a form suitable for filing. In accepting the appointment under this Agreement, the Dissemination Agent is not acting in a fiduciary capacity to the registered holders or beneficial owners of the Bonds, the District, or any other party or person.

The Dissemination Agent may consult with counsel of its choice and shall be protected in any action taken or not taken by it in accordance with the advice or opinion of such counsel. No provision of this Agreement shall require the Dissemination Agent to risk or advance or expend its own funds or incur any financial liability. The Dissemination Agent shall have the right to resign from its duties as Dissemination Agent under this Agreement upon thirty days' written notice to the District. The Dissemination Agent shall be entitled to compensation for its services as Dissemination Agent and reimbursement for its out-of-pocket expenses, attorney's fees, costs and advances made or incurred in the

performance of its duties under this Agreement in accordance with its written fee schedule provided to the District, as such fee schedule may be amended from time to time in writing. The District agrees to indemnify and hold the Dissemination Agent harmless from and against any cost, claim, expense, cost or liability related to or arising from the acceptance of and performance of the duties of the Dissemination Agent hereunder, provided the Dissemination Agent shall not be indemnified to the extent of its willful misconduct or negligence. The obligations of the District under this Section shall survive the termination or discharge of this Agreement and the Bonds.

SECTION 9. Amendment. Notwithstanding any other provision of this Disclosure Agreement, the District may amend this Disclosure Agreement under the following conditions, provided no amendment to this Agreement shall be made that affects the rights, duties or obligations of the Dissemination Agent without its written consent:

(a) The amendment may be made only 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 the obligated person, or type of business conducted;

(b) This Disclosure Agreement, as amended, would 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 amendment does not materially impair the interests of Holders, as determined either by parties unaffiliated with the District or another obligated person (such as the Bond Counsel) or by the written approval of the Bondholders; provided, that the Annual Report 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.

SECTION 10. Additional Information. If the District chooses to include any information from any document or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Agreement, the District shall have no obligation under this Disclosure Agreement to update such information or to include it in any future disclosure or notice of occurrence of a Designated Material Event.

Nothing in this Disclosure Agreement shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Designated Material Event, in addition to that which is required by this Disclosure Agreement.

SECTION 11. Default. The District shall give notice to each NRMSIR or to the MSRB of any failure to provide the Annual Report when the same is due hereunder, which notice shall be given prior to July 1 of that year. In the event of a failure of the District to comply with any provision of this Disclosure Agreement, any Bondholder 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 Agreement. A default under this Disclosure Agreement shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of the District to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the District, the Dissemination Agent, the Underwriter and Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 13. Governing Law. This Disclosure Agreement shall be governed by the laws of the State, applicable to contracts made and performed in such State.

Dated: ____, 2016

GUSTINE UNIFIED SCHOOL DISTRICT

By: _____
Superintendent

Acceptance of duties as Dissemination Agent:

By: _____
Isom Advisors,
A Division of Urban Futures, Inc.

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Gustine Unified School District

Name of Issue: \$_____ General Obligation Bonds, 2014 Election, 2016 Series B

Date of Issuance: _____, 2016

NOTICE IS HEREBY GIVEN that the above-named Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 4(a) of the Continuing Disclosure Agreement dated _____, 2016. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

[ISSUER/DISSEMINATION AGENT]

By: _____

APPENDIX E

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy or completeness thereof. The District cannot and does not give any assurances 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) prepayment 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 Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedure" of DTC to be followed in dealing with DTC Participants are on file with DTC.

General

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for 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.

DTC, the world's largest 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 and www.dtc.org. *The foregoing internet addresses are included for reference only, and the information on these internet sites is not incorporated by reference herein.*

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 certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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 DTC 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.

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.

Redemption notices shall 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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District (or the Paying Agent on behalf thereof) 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 Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Principal, premium, if any, 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 the 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 the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the 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.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bonds are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). Discontinuance of use of the system of book-entry transfers through DTC may require the approval of DTC Participants under DTC's operational arrangements. In that event, printed certificates for the Bonds will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

Discontinuation of Book-Entry Only System; Payment to Beneficial Owners

In the event that the book-entry system described above is no longer used with respect to the Bonds, the following provisions will govern the payment, transfer and exchange of the Bonds.

The principal of the Bonds and any premium and interest upon the redemption thereof prior to the maturity will be payable in lawful money of the United States of America upon presentation and surrender of the Bonds at the office of the Paying Agent, initially located in St. Paul, Minnesota. Interest on the Bonds will be paid by the Paying Agent by check or draft mailed to the person whose name appears on the registration books of the Paying Agent as the registered owner, and to that person's address appearing on the registration books as of the close of business on the Record Date. At the written request of any registered owner of at least \$1,000,000 in aggregate principal, payments shall be wired to a bank and account number on file with the Paying Agent as of the Record Date.

Any Bond may be exchanged for Bonds of any authorized denomination upon presentation and surrender at the office of the Paying Agent, initially located in St. Paul, Minnesota, together with a request for exchange signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Bond may be transferred only on the Bond registration books upon presentation and surrender of the Bond at such office of the Paying Agent together with an assignment executed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new Bond or Bonds of any authorized denomination or denominations requested by the owner equal in the aggregate to the unmatured principal amount of the Bond surrendered and bearing interest at the same rate and maturing on the same date.

Neither the District nor the Paying Agent will be required to exchange or transfer any Bond during the period from the Record Date through the next Interest Payment Date.

Bond Purchase Agreement

§[AMOUNT]
GUSTINE UNIFIED SCHOOL DISTRICT
(County of Merced, California)
General Obligation Bonds, 2014 Election, 2016 Series B

BOND PURCHASE AGREEMENT

[DATE], 2016

Board of Education
Gustine Unified School District
1500 Meredith Avenue
Gustine, California 95322

Ladies and Gentlemen:

The undersigned, Stifel, Nicolaus & Company, Incorporated, as underwriter (the "Underwriter"), acting on its own behalf and not as the fiduciary or agent to the District (as defined herein), offers to enter into this Bond Purchase Agreement (the "Purchase Contract") with the Gustine 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 Purchase Contract by the District and delivery of such acceptance to us at or prior to 11:59 p.m., California time, on the date hereof, and if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the District at any time prior to such acceptance.

Section 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 §[AMOUNT] aggregate principal amount of the District's General Obligation Bonds, 2014 Election, 2016 Series B (the "Bonds"). The Underwriter shall purchase the Bonds at a price of \$ _____ (which is equal to the principal amount of the Bonds of §[AMOUNT], plus net original issue premium of \$ _____, and less Underwriter's discount of \$ _____). [The District hereby directs the Underwriter to wire directly to [INSURER] (the "Bond Insurer") an amount equal to \$ _____ constituting the premium for an insurance policy (the "Policy") issued by the Bond Insurer with respect to the Bonds.] Certain costs of issuance of the Bonds shall be paid by the District from proceeds of the Bonds in accordance with Section 12 hereof.

The District acknowledges and agrees that:

- (a) the purchase and sale of the Bonds under this Purchase Contract is an arm's-length commercial transaction between the District and the Underwriter;

(b) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as principal and not as the agent or fiduciary of the District;

(c) the Underwriter has not assumed a fiduciary responsibility in favor of the District with respect to: (i) the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the District on other matters); or (ii) any other obligation to the District except the obligations expressly set forth in this Purchase Contract; and

(d) the District has consulted its own legal, financial and other advisors to the extent it has deemed appropriate in connection with this transaction.

The District acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the Municipal Securities Rulemaking Board ("MSRB").

Section 2. The Bonds. The Bonds shall be dated their date of delivery (the "Date of Delivery") and shall be payable as to interest on each February 1 and August 1, commencing _____ 1, 2017. The Bonds shall bear interest at the rates, shall mature on the dates and in the years, and shall be subject to redemption, as shown on Appendix A hereto which is incorporated herein by reference, and shall otherwise be as described in the Official Statement (defined herein), and shall be issued and secured pursuant to the provisions of the Resolution of the District adopted on [DATE], 2016 (the "Resolution") and Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and other applicable law (the "Act"). Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Official Statement (defined below) or, if not defined in the Official Statement, in the Resolution.

The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Contract and the Resolution. The Bonds shall be in book-entry form, shall bear CUSIP numbers, and shall be in fully registered 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 in authorized denominations of \$5,000 principal amount or any integral multiple thereof.

Section 3. Use of Documents. The District hereby authorizes the Underwriter to use, in connection with the offer and sale of the Bonds, this Purchase Contract, the Preliminary Official Statement (defined herein) and 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 Purchase Contract. The Resolution, Purchase Contract, and Official Statement are collectively referred to as the "Legal Documents." The District does not object to distribution of the Official Statement in electronic form.

Section 4. Public Offering of the Bonds. 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 page of the Official Statement and as set forth on Appendix A hereto. Subsequent to such initial public offering, the Underwriter reserves the right to change such initial public offering prices or yields as it deems necessary in connection with the marketing of the Bonds; provided that the Underwriter shall not change the interest rates on the Bonds set forth in Appendix A. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices.

Section 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 _____, 2016 (the "Preliminary Official Statement"). The District represents that it has deemed the Preliminary Official Statement to be final, 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, delivery date, rating(s), redemption provisions 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 under the Securities Exchange Act of 1934, as amended (the "Rule"), and consents to and ratifies the use and distribution by the Underwriter of the Preliminary Official Statement in connection with the public offering of the Bonds by the Underwriter.

The Underwriter agrees that prior to the time the final 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 other equally prompt means) not later than the first business day following the date upon which each such request is received.

The Underwriter hereby represents that it will provide, consistent with the requirements of MSRB Rule G-32, for the delivery of a copy of the Official Statement to each customer who purchases any Bonds during the underwriting period (as such term is defined in MSRB Rule G-11), and deliver a copy of the Official Statement to the MSRB in electronic format as prescribed by the MSRB on or before the Closing Date, and that it will otherwise comply with all applicable statutes and regulations in connection with the offering and sale of the Bonds, including, without limitation, MSRB Rule G-32 and G-36 and the Rule.

Section 6. Closing. At 8:00 a.m., California time, on _____, 2016 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 to the Underwriter, through the facilities of DTC utilizing DTC's FAST delivery system, or at such other place as the District and the Underwriter may otherwise 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 Dannis Woliver Kelley ("Bond Counsel"), in Los Angeles, California, the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the purchase price thereof in immediately available funds by wire transfer to or upon the order of the District.

Section 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 school district duly organized and validly existing under the laws of the State of California (the "State"), with full legal 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 the Legal Documents, to adopt the Resolution, to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions contemplated by the Legal Documents; (iii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Bonds and the Legal Documents have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Purchase Contract constitutes a valid and legally binding obligation of the District; and (v) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Contract.

(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 or the consummation of the other transactions effected or contemplated herein or hereby, 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 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 the Legal Documents 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 Constitution of the State 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 or of the titles of the officials of the District to such offices; or (ii) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of any of the Bonds, or the application of the proceeds of the sale of the Bonds, or the collection or levy of taxes contemplated by the Resolution and available to pay the principal of and interest on the Bonds, or in any way contesting or

affecting the validity or enforceability of the Bonds or the Legal Documents or contesting the powers of the District or its authority with respect to the Bonds or the Legal Documents or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or (iii) in which a final adverse decision could (A) materially adversely affect the operations of the District or the consummation of the transactions contemplated by the Legal Documents, (B) declare this Purchase Contract 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 from California 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 directly nor any other governmental agency or other body 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 Section 42130 et seq. of the California Education Code.

(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.** At or prior to the Closing, the District shall have duly authorized, executed and delivered a continuing disclosure certificate (the "Continuing Disclosure Certificate"). The Continuing Disclosure Certificate shall comply with the provisions of the Rule and be substantially in the form attached to the Preliminary Official Statement and Official Statement in Appendix __. Except as otherwise described in the Official Statement, the District has not failed during the previous five years to comply in all material respects with any previous undertakings in a written continuing disclosure certificate or agreement under the Rule.

(k) **Official Statement Accurate and Complete.** The Preliminary Official Statement, at the date thereof, did not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. At the date hereof and on the date of Closing (the "Closing Date"), the Official Statement did not and will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If the Official Statement is supplemented or amended pursuant to paragraph (g) of Section 9 of this Purchase Contract, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the

Closing Date the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which made, not misleading.

(l) ***Financial Statements of District.*** The financial statements of the District contained in the Preliminary Official Statement and final Official Statement fairly present the financial position and results of operations of the District as of the dates and for the periods therein set forth, and, since the date thereof, there has been no material adverse change in the financial position or results of operations of the District.

(m) ***Levy of Tax.*** The District hereby agrees to take any and all actions as may be required by Merced County (the "County") or otherwise necessary in order to arrange for the levy and collection of taxes, payment of the Bonds, and the deposit and investment of Bond proceeds. In particular, the District hereby agrees to provide to the County Auditor and the County Treasurer-Tax Collector a copy of the Resolution, a copy of Appendix 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.

Section 8. Representations and Agreements of the Underwriter. The Underwriter represents to and agrees with the District that, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(a) The Underwriter is duly authorized to execute this Purchase Contract and to take any action under this Purchase Contract required to be taken of 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 with the District with respect to the Bonds, as such term is defined in California Government Code Section 53590(c) or MSRB Rule G-23, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship.

(d) The Underwriter represents that it is licensed by and registered with the Financial Industry Regulatory Authority as a broker-dealer and the MSRB as a municipal securities dealer.

(e) The Underwriter has reasonably determined that the District's undertaking to provide continuing disclosure with respect to the Bonds pursuant to Section 10(e)(viii) hereof is sufficient to effect compliance with the Rule.

Section 9. 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 they are 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 business day following the date this Purchase Contract 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 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, 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 90 days following the Closing.

(e) **Filings.** The District authorizes the Underwriter to file, to the extent required by the applicable rules promulgated by the Securities and Exchange Commission or the MSRB, and the Underwriter agrees to file or cause to be filed, the Official Statement with (i) the MSRB or its designee (including the MSRB's Electronic Municipal Market Access system); or (ii) other repositories approved from time to time by the Securities and Exchange Commission (either in addition to or in lieu of the filing referred to above). If an amended Official Statement is prepared in accordance with Section 9(g) of this Purchase Contract during the "Primary Offering Disclosure Period" (as defined herein), and if required by an applicable Securities and Exchange Commission Rule or MSRB rule, the Underwriter also shall make the required filings of the amended Official Statement. The "Primary Offering Disclosure Period" is used as defined in MSRB Rule G-32 and shall end on the twenty-fifth day after the Closing Date.

(f) **References.** References herein to the Preliminary Official Statement and the final Official Statement include the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto.

(g) **Amendments to the Official Statement.** During the period ending on the twenty-fifth 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 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, 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 Agreement, (i) the "End of the Underwriting Period" is used as defined in the Rule and shall occur on the later of (A) the Closing Date; 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 Closing Date, or otherwise agreed to by the District and the Underwriter, the District may assume that the End of the Underwriting Period is the Closing Date.

Section 10. Conditions to Closing. The Underwriter has entered into this Purchase Contract 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 Purchase Contract 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 Purchase Contract.

(b) **Obligations Performed.** At the time of the Closing, (i) the Official Statement, the Legal Documents and the Continuing Disclosure Certificate 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 us; (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 its obligations required under or specified in the Legal Documents, the Continuing Disclosure Certificate 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 Purchase Contract (and not reversed on appeal or otherwise set aside), or to the best knowledge of the District, pending or 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) **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, at the initial offering prices set forth in the Official Statement, shall not have been materially adversely affected in the reasonable judgment of the Underwriter by reason of any of the following:

(i) legislation enacted 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, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made or proposed to be made:

(A) 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 the inclusion in gross income for purposes of federal income taxation of the interest received by the owners of the Bonds; or

(B) 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, or would be in violation of any provision of the federal securities laws;

(ii) legislation enacted by the legislature of the State, or a decision rendered by a court of the State, or a ruling, order or regulation (final or temporary) made by 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;

(iii) the formal declaration of war by Congress or a new major engagement in or escalation of military hostilities by order of the President of the United States, or the occurrence of any other declared national emergency or crisis that interrupts or causes disorder to the operation of the financial markets in the United States;

(iv) the declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;

(v) the 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;

(vi) except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the District shall have occurred;

(vii) any rating of the District's outstanding indebtedness is withdrawn or downgraded or placed on credit watch by a national rating agency;

(viii) 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 and, in either such event, the District refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds; or

(ix) a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred.

(e) ***Delivery of Documents.*** At or prior to the Closing, the Underwriter shall receive sufficient copies of the following documents in each case dated as of the Closing Date and satisfactory in form and substance to the Underwriter:

(i) *Opinions.*

(A) *Opinion of Bond Counsel.* An approving opinion of Bond Counsel, as to the validity and tax-exempt status of the Bonds, dated the Closing Date, addressed to the District, in substantially the form set forth in Appendix ___ of the Preliminary Official Statement and the Official Statement.

(B) *Supplemental Opinion of Bond Counsel.* A supplemental opinion of Bond Counsel in form and substance satisfactory to the Underwriter, dated the Closing Date and addressed to the Underwriter, to the effect that:

(1) 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,” “LEGAL MATTERS – Continuing Disclosure” and “TAX MATTERS,]” to the extent they purport to summarize certain provisions of the Bonds, the Resolution, the Continuing Disclosure Certificate, and the form and content of Bond Counsel’s approving opinion with respect to the treatment of interest on the Bonds under California or federal law, fairly and accurately summarize the matters purported to be summarized therein; provided that Bond Counsel need not express any opinion with respect to any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expression of opinion, information concerning the Depository Trust Company or related to its book-entry-only system, or Appendices __ and __ of the Official Statement;

(2) assuming due authorization, execution and delivery by all the other parties thereto, the Continuing Disclosure Certificate and this Purchase Contract have each been duly authorized, executed and delivered by the District and constitute legal, valid and binding agreements of the District, 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 and by the limitations on legal remedies against public agencies in the State; and

(3) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolution is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended.

(C) *Disclosure Counsel Opinion.* An opinion of Dannis Woliver Kelley, as Disclosure Counsel to the District, addressed to 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 Official Statement, but on the basis of their participation in conferences with representatives of the District and the Underwriters and others, and their examination of certain documents, no information has come to their attention which would lead them to believe that the Preliminary Official Statement, as of its date, and the Official Statement, as of its date and as of the date of Closing, contained any untrue statement of a material fact or omitted to state any 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 the Appendices of the Preliminary Official Statement or the Official Statement or any other financial, statistical and demographic data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, book-entry or DTC contained in the Preliminary Official Statement or the Official Statement).

(D) *Underwriter's Counsel Opinion.* An opinion, dated the Closing Date and addressed to the Underwriter, of Kutak Rock LLP, counsel for the Underwriter, to the effect that:

(1) the Bonds are exempt securities under the Securities Act of 1933, as amended, and it is not necessary, in connection with the offering and sale of the Bonds, to register the Bonds under the Securities Act of 1933, as amended, and the Resolution need not be qualified under the Trust Indenture Act of 1939, as amended;

(2) the Continuing Disclosure Certificate satisfies Section (b)(5)(i) of the Rule; and

(3) based upon its participation in the preparation of the Preliminary Official Statement and Official Statement as counsel for the Underwriter and its participation at conferences at which the Preliminary Official Statement and Official Statement were discussed, but without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and the Official Statement, such counsel has no reason to believe that the Preliminary Official Statement as of its date and the Official Statement as of its date and as of the Closing Date contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for any financial, forecast, technical and statistical statements and data included in the Official Statement, the information contained in the appendices thereto, and the information regarding The Depository Trust Company and its book-entry system, in each case as to which no view need be expressed).

(ii) *Reliance Letter.* A reliance letter from Bond Counsel to the effect that the Underwriter can rely upon the approving opinion described in Section 10(e)(i)(A) above.

(iii) *Certificates.* A certificate signed by appropriate officials of the District to the effect that (A) such officials are authorized to execute this Purchase Contract; (B) the representations, agreements and warranties of the District herein

are true and correct in all material respects as of the Closing Date; (C) the District has complied with all the terms of the Legal Documents 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; (D) such District officials have reviewed the Preliminary Official Statement and the Official Statement and on such basis certify that the Preliminary Official Statement, as of its date, 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 omit to state a material statement required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; (E) the Bonds being delivered on the Closing Date to the Underwriter under this Purchase Contract substantially conform to the descriptions thereof contained in the Resolution; and (F) 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.

(iv) *Tax Certificate.* A nonarbitrage certificate of the District in form satisfactory to Bond Counsel.

(v) *Rating.* Evidence satisfactory to the Underwriter that the Bonds have been rated “__” [and “__” by Moody’s Investors Service (“Moody’s”) and Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business (“S&P”), respectively], and that each such rating has not been revoked or downgraded.

(vi) *District Resolution.* A certificate, together with fully executed copies of the Resolution, of the Secretary to or the Clerk of the District’s Board of Education to the effect that:

(A) such copies are true and correct copies of the Resolution;
and

(B) the Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the Closing Date.

(vii) *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.

(viii) *Continuing Disclosure Certificate.* An executed copy of the Continuing Disclosure Certificate, substantially in the form presented in the Official Statement as Appendix __ thereto.

(ix) *Paying Agency Agreement.* An executed copy of the Paying Agency Agreement by and between the District and U.S. Bank National Association, as paying agent (the “Paying Agent”).

(x) *Additional Certificates.* A certificate signed by a District official setting forth a projection evidencing that tax rates are projected not to exceed \$60 per \$100,000 of assessed value during the term of the Bonds, and a certificate signed by a County official confirming that the District is in compliance with applicable bonding capacity limitations.

(xi) *Debt Reports.* A copy of the submitted Report of Proposed Debt Issuance and acknowledgement, together with the Report(s) of Final Sale to be submitted to the California Debt and Investment Advisory Commission.

(xii) *Other Documents.* Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter may reasonably request to evidence: (A) compliance by the District with legal requirements; (B) the truth and accuracy, as of the time of Closing, of the representations of the District herein contained and of the Official Statement; and (C) 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 hereof, 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 Section 14 hereof.

If the District shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Contract or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract 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 by telephone or telegraph, 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 in its sole discretion.

Section 11. Conditions to Obligations of the District. The performance by the District of its obligations is conditioned upon (a) the performance by the Underwriter of its obligations hereunder, and (b) receipt by the District and the Underwriter of opinions and certificates being delivered at the Closing by persons and entities other than the District.

Section 12. Expenses. Except as herein described, all expenses and costs of the District incident to the performance of its obligations in connection with the authorization, execution, sale and delivery of the Bonds to the Underwriter shall be paid for by the District from proceeds of the Bonds including, without limitation: (a) the cost of the preparation and reproduction of the Resolution; (b) the fees and disbursements of Bond Counsel and Disclosure Counsel; (c) the cost of the preparation, printing and delivery of the Bonds; (d) the fees for Bond ratings, including all necessary travel expenses; (e) the cost of the printing and distribution of the Preliminary Official Statement and Official Statement; (f) the fees and disbursements of the

Financial Advisor to the District; (g) the initial fees of the Paying Agent; and (h) all other fees and expenses incident to the issuance and sale of the Bonds. To assist the District in paying such costs, the District hereby directs the Underwriter to wire, at the Closing, a portion of the purchase price of the Bonds not-to-exceed \$ _____ to the Fiscal Agent for payment of costs of issuance with respect to the Bonds.

Notwithstanding any of the foregoing, the Underwriter shall pay all out-of-pocket expenses of the Underwriter, including the fees and disbursements of Underwriter's Counsel, the California Debt and Investment Advisory Commission fee, travel and other expenses (except those expressly provided above), without limitation.

Section 13. Notices. Any notice or other communication to be given under this Purchase Contract (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 the Superintendent, at the address set forth on the first page hereof, or if to the Underwriter, to Stifel, Nicolaus & Company, Incorporated, One Montgomery Street, 35th Floor, San Francisco, California 94104, Attention: Bruce Kerns.

Section 14. Parties in Interest; Survival of Representations and Warranties. This Purchase Contract when accepted by the District in writing as heretofore specified shall constitute the entire agreement between the District and the Underwriter. This Purchase Contract is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter). No other person shall acquire or have any rights hereunder or by virtue hereof. All representations, warranties and agreements of the District in this Purchase Contract 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 Purchase Contract. If any provision of this Purchase Contract is, or is held or deemed to be, invalid, illegal or unenforceable for any reason, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

Section 15. Execution in Counterparts. This Purchase Contract 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.

Section 16. Applicable Law. This Purchase Contract 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 _____
Managing Director

The foregoing is hereby agreed to and accepted as of the date first above written:

GUSTINE UNIFIED SCHOOL DISTRICT

By _____
Title _____

ACCEPTED at _____ p.m. Pacific Time
This ____ day of _____, 2016

APPENDIX A

INTEREST RATES, REOFFERING YIELDS, MATURITIES, AND
REDEMPTION PROVISIONS

\$[AMOUNT]
GUSTINE UNIFIED SCHOOL DISTRICT
(County of Merced, California)
General Obligation Bonds, 2014 Election, 2016 Series B

<u>Maturity</u> <u>(August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
--------------------------------------	-------------------------	----------------------	--------------

\$ _____ % Term Bonds due August 1, _____; Priced to yield _____ %*
\$ _____ % Term Bonds due August 1, _____; Priced to yield _____ %

* Priced to first par call date of August 1, 202_.

Redemption

Optional Redemption. The Bonds maturing on or before August 1, _____ are not subject to redemption. The Bonds maturing on or after August 1, _____ are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date, on or after August 1,

____, at a redemption price equal to the principal amount of the Bonds called for redemption together with interest accrued thereon to the date set for redemption, without premium.

Mandatory Redemption. The Bonds maturing on August 1, ____ bearing interest at the rate of ____% are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, ____, at a redemption price equal to the principal amount thereof as of the date set for such redemption, without premium. The principal amount to be so redeemed and the dates therefor and the final payment date is as indicated in the following table:

Redemption Date (August 1)	<u>Principal Amount</u>
-------------------------------	-------------------------

Total:

(1) Maturity.

In the event that a portion of the Term Bonds maturing on August 1, ____ bearing interest at the rate of ____% are optionally redeemed prior to maturity, the remaining mandatory sinking fund payments shown above shall be reduced proportionately, or as otherwise directed by the District, in integral multiples of \$5,000 of principal amount, in respect of the portion of such Term Bonds optionally redeemed.

The Bonds maturing on August 1, ____ bearing interest at the rate of ____% are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, ____, at a redemption price equal to the principal amount thereof as of the date set for such redemption, without premium. The principal amount to be so redeemed and the dates therefor and the final payment date is as indicated in the following table:

Redemption Date (August 1)	<u>Principal Amount</u>
-------------------------------	-------------------------

Total: \$

(1) Maturity.

In the event that a portion of the Term Bonds maturing on August 1, 20__ bearing interest at the rate of ____% are optionally redeemed prior to maturity, the remaining mandatory sinking fund payments shown above shall be reduced proportionately, or as otherwise directed by the District, in integral multiples of \$5,000 of principal amount, in respect of the portion of such Term Bonds optionally redeemed.

GUSTINE UNIFIED SCHOOL DISTRICT

Meeting of the Board of Trustees

MEETING DATE:

November 9, 2016

AGENDA ITEM TITLE: MCOE Contract for Services – (Math SVM I Training)

AGENDA SECTION: Action

PRESENTED BY: Bill Morones, Superintendent

SUMMARY:

To hold data meetings with the math department on student performance for planning purposes. This will provide support to the math department during the transition. This type of training is mentioned in our LCAP.

FISCAL IMPACT: \$14,300.00

BUDGET CATEGORY: LCAP

RECOMMENDED ACTION: Approve

Merced County Office of Education

Steven E. Gomes, Ed.D., Superintendent



Equal Opportunity Employer

Contract For Services

This AGREEMENT made this 4th day of March, 2016, between: **MERCED COUNTY OFFICE OF EDUCATION**, (hereafter referred to as Contractor) having a principal place of business at 632 W. 13th Street, Merced, California, 95341 and the **GUSTINE UNIFIED SCHOOL DISTRICT** (hereafter referred to as District) having a principal place of business at 1500 Meredith Avenue, Gustine, CA 95322.

Term of Contract

This Agreement will become effective on August 19, 2016, and will continue in effect through May 4, 2017.

Services to be Performed by Contractor

Contractor agrees to:

To hold data meetings with the math department on student performance for planning purposes.

Dates of Service

Services will be performed on the following dates:

August 19, September 19 & 20, October 24 & 25, November 30 & December 1, January 12 & 13, February 8 & 9, March 8 & 9, and May 3 & 4.

Compensation

In consideration for the services to be performed by Contractor, District agrees to pay Contractor:

Contractor agrees to provide one presenter for 22 days consisting of 15 onsite days and 7 planning days at a daily rate of \$650 for a total of \$14,300.

Expenses

Contractor shall be responsible for all costs and expenses incident to the performance of services for District except as provided below:

N/A

Invoices

Contractor shall submit invoices for all services rendered as follows:

Contract paid prior to contracted work (\$14,300).

Terms & Conditions

Confidentiality: Contractor shall comply with all laws, regulations, and professional standards pertaining to the confidentiality of student records and information which he or she may have access to in the course of performing services for District. **Term and Termination:** It is specifically agreed by each party that either party without cause or legal excuse may terminate this Agreement provided that such party desiring termination gives 30 days written notice to the other party of said party's decision to terminate. If District cancels less than 30 days, District will compensate Contractor for time spent. **Work Product:** District shall become the owner of and entitled to exclusive possession of all records of any kind produced by Contractor within the scope of services performed pursuant to this contract. No other uses thereof will be permitted except by permission of Contractor. **Independent Contractor Status:** This Agreement is by and between independent contractors and is not intended to and shall not be construed to create a relationship of agent, servant, employee, partnership, joint venture, or association. **Exclusion of Benefits:** Contractor understands and agrees that he or she and all of his or her employees shall not be considered officers, employees, or agents of District, and are not entitled to benefits of any kind or nature normally provided employees of the District, including but not limited to, State Unemployment Compensation Insurance, or Worker's Compensation. Contractor shall assume full responsibility or payment of all federal, state, and local taxes or contributions, including unemployment insurance, social security, and income taxes with respect to Contractor's employees.

Contractor certifies that Contractor or any employees of Contractor performing services for District have been cleared by a fingerprint check performed by the California Department of Justice and is not prohibited by law from being employed by District or having contact with pupils pursuant to applicable state law.

Executed at Merced, California, on August 16, 2016

District:

Gustine Unified School District

By:

John Petrone

Printed Name

Principal

Printed Title

[Signature]

Signature

8/25/16

Date

Contractor:

Merced County Office of Education

By:

John Magnuson

Printed Name

Assistant Superintendent

Printed Title

[Signature]

Signature

8/24/16

Date

GUSTINE UNIFIED SCHOOL DISTRICT

Meeting of the Board of Trustees

MEETING DATE:

November 9, 2016

AGENDA ITEM TITLE: MCOE Contract for Services – (Math Coaching)

AGENDA SECTION: Action

PRESENTED BY: Bill Morones, Superintendent

SUMMARY:

David Chun will work with the high school math department in a coaching capacity. He will be coaching the math department during the transition. This type of service is mentioned in our LCAP.

FISCAL IMPACT: \$5,000.00

BUDGET CATEGORY: LCAP

RECOMMENDED ACTION: Approve

Merced County Office of Education

Steven E. Gomes, Ed.D., Superintendent



Equal Opportunity Employer

Contract For Services

This AGREEMENT made this 20th day of September, 2016, between: **MERCED COUNTY OFFICE OF EDUCATION**, (hereafter referred to as Contractor) having a principal place of business at 632 W. 13th Street, Merced, California, 95341 and the **GUSTINE UNIFIED SCHOOL DISTRICT** (hereafter referred to as District) having a principal place of business at 1500 Meredith Avenue, Gustine, CA 95322.

Term of Contract

This Agreement will become effective on October 3, 2016, and will continue in effect through December 6, 2016.

Services to be Performed by Contractor

Contractor agrees to:

To work with the high school math department in a coaching capacity.

Dates of Service

Services will be performed on the following dates:

October 3 & 20, November 1 & 10 and December 6.

Compensation

In consideration for the services to be performed by Contractor, District agrees to pay Contractor:

Contractor agrees to provide one presenter for five days at a cost of \$1,000 per day (\$5,000).

Expenses

Contractor shall be responsible for all costs and expenses incident to the performance of services for District except as provided below:

N/A

Invoices

Contractor shall submit invoices for all services rendered as follows:

Contract paid prior to contracted work (\$5,000).

Terms & Conditions

Confidentiality: Contractor shall comply with all laws, regulations, and professional standards pertaining to the confidentiality of student records and information which he or she may have access to in the course of performing services for District. **Term and Termination:** It is specifically agreed by each party that either party without cause or legal excuse may terminate this Agreement provided that such party desiring termination gives 30 days written notice to the other party of said party's decision to terminate. If District cancels less than 30 days, District will compensate Contractor for time spent. **Work Product:** District shall become the owner of and entitled to exclusive possession of all records of any kind produced by Contractor within the scope of services performed pursuant to this contract. No other uses thereof will be permitted except by permission of Contractor. **Independent Contractor Status:** This Agreement is by and between independent contractors and is not intended to and shall not be construed to create a relationship of agent, servant, employee, partnership, joint venture, or association. **Exclusion of Benefits:** Contractor understands and agrees that he or she and all of his or her employees shall not be considered officers, employees, or agents of District, and are not entitled to benefits of any kind or nature normally provided employees of the District, including but not limited to, State Unemployment Compensation Insurance, or Worker's Compensation. Contractor shall assume full responsibility or payment of all federal, state, and local taxes or contributions, including unemployment insurance, social security, and income taxes with respect to Contractor's employees.

Contractor certifies that Contractor or any employees of Contractor performing services for District have been cleared by a fingerprint check performed by the California Department of Justice and is not prohibited by law from being employed by District or having contact with pupils pursuant to applicable state law.

Executed at Merced, California, on September 20, 2016

District:

Contractor:

Gustine Unified School District

Merced County Office of Education

By:

By:

John Petrone

John Magneson

Printed Name

Printed Name

Principal

Assistant Superintendent

Printed Title

Printed Title

[Signature]

[Signature]

Signature

Signature

9/26/16

9/22/16

Date

Date

GUSTINE UNIFIED SCHOOL DISTRICT

Meeting of the Board of Trustees

MEETING DATE:

November 9, 2016

AGENDA ITEM TITLE: Site Rekey for Gustine Middle School

AGENDA SECTION: Action

PRESENTED BY: Russell Hazan, Director of Maintenance

SUMMARY:

Gustine Middle School key security has been compromised and needs to be re-keyed in order to secure the campus. Currently the district is paying for a standing security guard

FISCAL IMPACT: \$12,624.70

BUDGET CATEGORY: General Fund

RECOMMENDED ACTION: Approve



OPENING
TECHNOLOGIES, INC.

Date: November 2, 2016

Project #: 16305

Gustine Unified SD
Russell Hazan
New Gustine MS Rekey
28075 Sullivan Rd, Gustine, CA 95322

Proposal Overview:

Opening Technologies, Inc. is pleased to submit a proposal to provide a site re-key to a new masterkey system under the current District key structure. The scope includes providing new Primus cut keys packaged by keyset. The keys will be provided to the District prior to starting the rekey. All material will be Schlage original equipment (pins, springs, keys, etc.)

Proposal Qualifications:

Excluded: 110V/120V power where required; painting and patching if necessary; trash/debris disposal offsite;

Proposal Pricing:

Qty		Product Description
134	Existing	Cores and Cylinders
134	OTI	Cylinder Keying
94	OTI	Combination Design
94	OTI	Layout Rendering
250	Schlage	Primus Key Blank
250	OTI	Primus Key Cutting
250	OTI	Key Stamping
80	OTI	Packaging
1	OTI	Labor Services

Material Sub-Total		\$	6,402.50
Labor Sub-Total		\$	5,710.00
Estimated Taxes	8.000%	\$	512.20
Total Price		\$	12,624.70

Thank you for your consideration.

Edgar Balagtas

Account Manager

Opening Technologies, Inc.

www.openingtechnologies.com



Prepared by: Edgar Balagtas

Proposal **16305** dated **November 2, 2016** is accepted by:

Full Name: _____

Title: _____

Company: _____

Signature: _____

Date Signed: _____

PO or REF #: _____

2050 COMMERCE AVE CONCORD, CA 94520 | 925.674.6900 OFFICE | 925.674.6995 FAX | CA Lic 835076

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SUPPLIED, INSTALLED AND SERVICED



OPENING
TECHNOLOGIES, INC.

All installation services are assumed to be completed weekdays (Monday - Friday) during the business hours of 7:30am - 4:00pm unless otherwise noted. Equipment information, details or specifications are available upon request. It is the responsibility of the Customer to ensure areas of work to be performed are easily accessible by the technician(s). The Customer is also responsible to provide a location for disposal of debris created during the installation process unless otherwise noted. All work being performed by the Customer and/or by others which is required, must be completed prior to the arrival of the technician. The Customer must be present or available during the entire installation process and be responsible for overseeing all stages of the project including identifying any salvageable items. Care will be exercised during installation; however, scratches to surfaces are possible and are considered incidental damage and are the Customer's responsibility to repair. If an installer arrives at the job site and all of the conditions outlined above are not met, the installation may be rescheduled and additional charges will be assessed.

Your initial proposal is an accurate estimate of the total price of your project. The final price may be adjusted if the above conditions are not met or unknown conditions present themselves while the installation is being completed. Special order merchandise (custom made, color matched, odd sized or specially ordered) are non-refundable. Upon the completion of the project the Customer must be present to inspect the work performed does conform to standards and quality expectations. Freight charges are included in total price unless specifically noted above. Taxes are estimated only, NET 30 terms are applied to good standing accounts and proposal pricing is effective for 30 days. Product warranties are manufacturer specific, installation services are completed according to manufacturer's guidelines with a 3 Month Warranty. Complete Terms and Conditions including payment, insurance and liability are available upon request at any time.

2050 COMMERCE AVE CONCORD, CA 94520 | 925.674.6900 OFFICE | 925.674.6995 FAX | CA Lic 835076

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