



Santee School District

SCHOOLS:

Cajon Park
Carlton Hills
Carlton Oaks
Chet F. Harritt STEAM
Hill Creek
Pepper Drive
PRIDE Academy
at Prospect Avenue
Rio Seco
Sycamore Canyon
Alternative School
Santee Success Program

Douglas E. Giles
Educational Resource Center
9619 Cuyamaca Street
Santee, California

BOARD OF EDUCATION REGULAR MEETING AGENDA October 18, 2016

District Mission

Santee School District assures a quality education, empowering students to achieve academic excellence and to develop life skills needed for success in a diverse and changing society.

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D. CONSENT ITEMS	12
<i>Items listed under Consent are considered to be routine and are acted on by the Board with a single motion. There is no discussion of these items prior to the Board vote unless a member of the Board, staff, or public requests specific items be considered separately. Request to speak cards should be submitted in advance.</i>	

BOARD OF EDUCATION • Dustin Burns, Dianne El-Hajj, Ken Fox, Elana Levens-Craig, Barbara Ryan
DISTRICT SUPERINTENDENT • Cathy A. Pierce, Ed.D.

9625 Cuyamaca Street • Santee, California 92071-2674 • (619) 258-2300 • www.santeesd.net

Superintendent

- 1.1. **Approval of Minutes** 13
It is recommended that the Board of Education approve meeting minutes with any necessary modifications.

Business Services

- 2.1. **Approval/Ratification of Travel Requests** 26
It is recommended that the Board of Education ratify the authorization granted to personnel requesting out-of-district travel as listed in the item.
- 2.2. **Approval/Ratification of Expenditure Warrants** 28
It is recommended that the Board of Education approve and ratify the expenditure warrants for the month of September.
- 2.3. **Approval/Ratification of Purchase Orders** 30
It is recommended that the Board of Education approve and ratify purchase orders for the month of September as presented in the item.
- 2.4. **Approval/Ratification of Revolving Cash Report** 41
It is recommended that the Board of Education approve/ratify revolving cash checks as listed.
- 2.5. **Acceptance of Donations** 43
It is recommended that the Board of Education accept donations listed in the item and authorize letters of appreciation to be sent on behalf of the Board.
- 2.6. **Approval/Ratification of Consultants and General Service Providers** 44
It is recommended that the Board of Education approve/ratify agreements with Consultants and General Service Providers as presented.
- 2.7. **Approval of Agreements for Mileage Reimbursement In Lieu of District Transportation** 46
It is recommended that the Board of Education approve/ratify agreements with Parents/Guardians for mileage reimbursement in lieu of District transportation.
- 2.8. **Approval of Award of Contract to Ace Coolers Inc. through the CUPCCAC Process for a Walk-In Refrigerator in the Central Kitchen** 48
It is recommended that the Board of Education award a contract to Ace Coolers Inc. through the CUPCCAC process for a walk-in refrigerator in the Central Kitchen.

Educational Services

- 3.1. **Approval of Memorandum of Understanding Between Santee School District's After School Education and Safety Program (ASES) and San Diego County Superintendent of Schools for Fiscal Year 2016-2017** 49
It is recommended that the Board of Education approve the MOU between ASES and San Diego County Superintendent of Schools for fiscal year 2016-2017.
- 3.2. **Approval of Nonpublic School Master Contract with Stein School for Nonpublic School Services** 66
It is recommended that the Board of Education approve the Nonpublic School Master Contract for nonpublic school services for one student for the term of October 3, 2016 through June 30, 2017.
- 3.3. **Approval of Extended Field Trip Request for Pepper Drive Students to the San Diego Opera** 67
It is recommended that the Board of Education approve the Extended Field Trip Request for Pepper Drive students to attend the San Diego Opera.

Human Resources/Pupil Services

- 4.1. **Personnel, Regular** 69
It is recommended that the Board of Education approve the listed personnel appointments, change of status, leave requests, resignations, and dismissals.
- 4.2. **Approval of Recommendation of Classified Non-Management Reallocation Study for Braille Transcriber Position** 72
It is recommended that the Board of Education approve the recommendation of the classified non-management reallocation study for the Braille Transcriber position.
- 4.3. **Adoption of Resolution No. 1617-11 to Eliminate a Classified Non-Management Position** 73
It is recommended that the Board of Education adopt resolution no. 1617-11 to eliminate a classified non-management position.
- 4.4. **Adoption of Resolution No. 1617-12 to Eliminate a Vacant Classified Non-Management Position** 75
It is recommended that the Board of Education adopt resolution no. 1617-12 to eliminate a vacant classified non-management position.

- E. **DISCUSSION AND/OR ACTION ITEMS** 77
Members of the audience wishing to address the Board about any of the following items should submit a request to speak card in advance.

Business Services

- 1.1. **Approval of Amendment to Agreement with DS&C for Financial Advisory Services Related to Refunding of Certificates of Participation and General Obligation Bonds** 78
It is recommended that the Board of Education approve the Amendment to the Agreement with DS&C for Financial Advisor Services related to refunding of Certificates of Participation and General Obligation Bonds.
- 1.2. **Adoption of Resolution No. 1617-13 of the Board of Education of the Santee School District Authorizing the Sale and Issuance of Not To Exceed \$14,000,000 Aggregate Principal Amount of Santee School District General Obligation Refunding Bonds, in One or More Series, Approving the Forms of and Authorizing the Execution and Delivery of One or More Escrow Agreements Bond Purchase Agreements and Continuing Disclosure Certificates, Approving the Form, and Authorizing a Method for Review and Approval by Members of Said Board, of One or More Official Statements, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions in Connection Therewith** 80
It is recommended that the Board of Education adopt Resolution No. 1617-13 of the Board of Education of the Santee School District Authorizing the Sale and Issuance of Not To Exceed \$14,000,000 Aggregate Principal Amount of Santee School District General Obligation Refunding Bonds, in One or More Series, Approving the Forms of and Authorizing the Execution and Delivery of One or More Escrow Agreements, Bond Purchase Agreements and Continuing Disclosure Certificates, Approving the Form, and Authorizing a Method for Review and Approval by Members of Said Board, of One or More Official Statements, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions in Connection Therewith.

Human Resources/Pupil Services

- 2.1. **School Calendar for 2017-2018** 106
It is recommended that the Board of Education discuss and indicate preferred options for the development of the 2017-2018 school calendar. No action is requested at this time.

F.	BOARD POLICIES AND BYLAWS	
1.1.	<u>First Reading: Revised Board Policy and Administrative Regulation 6173, Education for Homeless Children</u> Board Policy and Administrative Regulation 6173, Education for Homeless Children, are presented for a first reading. Action is at the discretion of the Board.	108
G.	BOARD COMMUNICATION AND ORGANIZATIONAL BUSINESS	119
H.	CLOSED SESSION	119
1.	<u>Consideration of Student Matter</u> (Ed. Codes § 35146, 48912 and 48918)	
2.	<u>Public Employee Discipline/Dismissal/Release</u> (Govt. Code § 54957)	
3.	<u>Conference with Labor Negotiator</u> (Govt. Code § 54957.6) <i>Purpose: Negotiations</i> <i>Agency Negotiator: Tim Larson, Assistant Superintendent</i> <i>Employee Organization: Santee Teachers Association (STA)</i>	
4.	<u>Conference with Labor Negotiator</u> (Govt. Code § 54957.6) <i>Purpose: Negotiations</i> <i>Agency Negotiator: Tim Larson, Assistant Superintendent</i> <i>Employee Organization: Classified School Employees Association (CSEA)</i>	
5.	<u>Conference with Real Property Negotiators</u> (Govt. Code § 54956.8) <i>Property:</i> <ul style="list-style-type: none">• <i>Elliot Site #2 (Parcel #: APN 366 050 16 - east of landfill; North of West Hills High School – area commonly known as Camp Elliott)</i>• <i>10335 Mission Gorge Road, Santee 92071 (formerly known as Santee School Site)</i>• <i>Property adjacent to 9219 Fenway Road, Santee, CA 92071 located at 10201 Settle Road, Santee, CA 92071 (Sycamore Canyon School)</i> <i>Agency Negotiator: Karl Christensen, Assistant Superintendent</i>	
6.	<u>Public Employee Performance Evaluation</u> (Govt. Code § 54957) <i>Superintendent</i>	
I.	RECONVENE TO PUBLIC SESSION	119
J.	ADJOURNMENT	119

Please note: Per SB 343, the supporting documents for this meeting agenda are available in the lobby at the Santee School District Office, located at 9625 Cuyamaca St., Santee, CA 92071 and will be available for viewing at the meeting. The next regular meeting of the Board of Education is scheduled for November 1, 2016, at 7:00 p.m., in the Douglas E. Giles Educational Resource Center. Santee School District complies with the Americans with Disabilities Act. If you require reasonable accommodations including alternate formats for this meeting, contact the Superintendent's Office at (619) 258-2304 at least two (2) days before the meeting date.

Members present:

Ryan
 Levens-Craig
 El-Hajj
 Fox
 Burns

ITEM A. OPENING PROCEDURES

1. Call to Order and Welcome – 7:00 p.m.

2. District Mission
Santee School District assures a quality education empowering students to achieve academic excellence and to develop life skills needed for success in a diverse and changing society.

3. Pledge of Allegiance

4. Approval of Agenda for the October 18, 2016, regular meeting

Item B. REPORTS AND PRESENTATIONS

The following items are presented for Board information:

1. Superintendent's Report
 - 1.1. Developer Fees and Collection Report
 - 1.2. Use of Facilities Report
 - 1.3. Enrollment Report
 - 1.4. Schedule of Upcoming Events

2. Recognition of Jill Lenihan for receiving the Dean W. Tuttle Professional Education Award

DEVELOPER FEES COLLECTION REPORT
2016-17
CUMULATIVE THROUGH SEPTEMBER 8, 2016

Residential Rate: \$2.08 per square foot - effective 5/5/14 - 6/19/16; \$2.16 per square foot effective 6/20/16
 Commercial Rate: \$0.33 per square foot - effective 5/5/14 - 6/19/16; \$0.35 per square foot - effective 6/20/16
 Self Storage Rate: \$0.14 per square foot - effective 4/20/10-6/19/16; \$0.15 per square foot - effective 6/20/16

COM	RES	ADDRESS	DATE OF COLLECT.	SQUARE FEET	AMOUNT	SCHOOL OF ATTENDANCE
	X	10130 Woodpark Dr.	08/05/16	952	\$2,056.32	CP
	X	10140 Strathmore Dr.	08/09/16	766	\$1,654.66	SC
	X	Braverman Dr. (model home)	08/16/16	2,210	\$4,773.60	HC
	X	Braverman Dr. (model home)	08/16/16	2,554	\$5,516.64	HC
	X	Braverman Dr. (model home)	08/16/16	2,853	\$6,162.48	HC
	X	8746 Bushy Hill	08/24/16	16,982	\$36,681.12	CFH
	X	3943-3953 Magnolia Ave.	09/28/16	22,590	\$48,794.40	PD
TOTAL PAGE 1					\$105,639.22	

*Additional square footage (total is over 500 square feet)
 ** Fee Exempt - Senior / Elder Care Facility
 *** Fee Exempt - Less than 500 square feet
 **** Fee Exempt - Religious Facility

Requests For Use Of Facilities - October 18, 2016						
Group	Location	Date	Days	Time	Attendance	Fees Applied
Carlton Hills						
PTA (Trunk or Treat)	Multi-Purpose/Prkng Lot	10/29/16	Saturday	3:00 pm - 6:00 pm	200+	
West Hills Little League (Board Meetings)	Classroom	11/2/16 - 4/27/17	Tues - Thurs	6:30 pm - 8:30 pm	15 - 20	
Infinity Gymnastics & Dance (Holiday Dance Recital)	Multi-Purpose/Classroom	12/17/16	Saturday	11:00 am - 4:00 pm	200	TBD
Carlton Oaks						
PTA (Outdoor Movie Night)	Outside Amphitheater	10/7/16	Friday	5:00 pm - 9:00 pm	100	
Chet F. Harritt						
PTSA (1-on-1 Basketball - After School Hoops)	Black Top	11/10/16 - 1/26/17	Thursday	1:40 pm - 3:05 pm	20	
PTSA (Family Fun Bingo Night)	Multi-Purpose	10/13/16	Thursday	6:00 pm - 7:30 pm	50	
PTSA (Holiday Shop)	Multi-Purpose	12/5/16 - 12/9/16	Mon - Fri	8:00 am - 7:00 pm	50	
Pepper Drive						
PTA (Fall Festival)	Lunch Area/Playground	11/5/16	Saturday	7:00 am - 5:00 pm	500 - 700	TBD
PTA (Holiday Gift Shop)	Multi-Purpose	11/28/16 - 12/2/16	Mon - Fri	8:00 am - 3:00 pm	varies	
Rio Seco						
Board of Education (Stakeholder Forum)	Multi-Purpose	10/5/16	Wednesday	4:30 pm - 8:30 pm	100	
Special Education Instructional Aides (Training)	Multi-Purpose	12/7/16	Wednesday	1:30 pm - 3:00 pm	75	
Superintendent's Office-Run, Hide, Fight Presentation	Multi-Purpose	10/20/16	Thursday	2:30 pm - 5:30 pm		

***NOTE: USE MAY BE LIMITED DUE TO MODERNIZATION AT VARIOUS SITES & FALL CARNIVALS TAKE PRECEDENCE OVER GROUPS.

Santee School District
 ENROLLMENT REPORT
 10/7/2016
 Month 3 Week 2
 School Week 7

SCHOOL	REGULAR ED													SPECIAL ED										Total All										
	TK	EAK 5yo	K	Gr 1	Gr 2	Gr 3	Gr 4	Gr 5	Gr 6	Gr 7	Gr 8	10/07/16	10/16/15	# Diff	% Diff	TK	K	Gr 1	Gr 2	Gr 3	Gr 4	Gr 5	Gr 6	Gr 7	Gr 8	10/07/16	10/16/15	# Diff	% Diff	10/07/16	09/30/15	# Diff		
Cajon Park			111	95	93	99	118	114	92	109	96	927	960	-33	-3.4%	1	13	2	4	4	10	7	16	9	9	75	55	20	36.4%	1002	1007	-5		
Carlton Hills	24		77	72	77	60	44	49	44	63	59	569	548	21	3.8%	3	2	3	4	5	3	7	2	4	33	31	2	6.5%	602	603	-1			
Carlton Oaks			82	81	76	87	87	76	96	90	120	775	786	-11	-1.4%	6	4	6	2	8	11	8	3	7	55	53	2	3.8%	830	831	-1			
Chet F. Harritt	22		81	87	83	75	58	53	67	59	62	647	625	22	3.5%	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	647	645	2		
Hill Creek	24		81	83	78	86	76	71	76	67	89	731	751	-20	-2.7%	2	1	1	4	4	4	0	0	0	0	16	16	0	0.0%	747	748	-1		
Pepper Drive	25		112	107	86	142	115	101	112	92	72	964	921	43	4.7%	0	0	0	0	0	0	2	4	2	8	5	3	60.0%	972	971	1			
Pride Academy	22		72	68	60	61	77	52	54	59	47	572	576	-4	-0.7%	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	572	578	-6		
Rio Seco			100	100	107	116	121	124	82	102	101	953	944	9	1.0%	4	1	1	5	9	11	7	8	8	54	61	-7	-11.5%	1007	1007	0			
Sycamore Canyon			70	48	48	48	40	47	48	0	0	349	334	15	4.5%	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	349	349	0		
SUBTOTAL	117	0	788	741	708	754	736	687	671	641	646	6487	6446	42	0.7%	1	28	10	15	19	36	36	40	26	30	241	221	20	9.0%	5728	6,739	-11		
Alternative School			3	4	3	1	1	8	3	7	1	31	31	0	0.0%																			
Santee Success										1	3	4	6	-2	-33.3%											0	0	0	0.0%	4	4	0		
NPS												0	0							1	1		2		4	4	0	0.0%	4	4	0			
SUBTOTAL			3	4	3	1	1	8	3	8	4	35	37	-2	-5.4%	0	0	0	0	1	0	1	0	2	0	4	4	0	0.0%	39	39	0		
TOTAL	117	0	789	745	711	765	737	695	674	649	650	6522	6,482	40	0.6%	1	28	10	15	20	36	37	40	28	30	245	225	20	8.9%	5767	6,776	-11		

Please note: Special Ed. PK & EAK 4 yr olds listed below are not reflected in the total count above because they do not receive ADA.

	PK	EAK 4yo	Total All
Carlton Hills	0	0	602
Chet F Harritt	0	0	647
Hill Creek	0	0	747
Prospect Ave	0	0	672
Sycamore Canyon	48	0	397
Total PK/EAK	48	0	

Total Enrollment Including PK
6815

Schedule of Upcoming Events

Date	Event
October 17	Special Education Advisory Committee; 6:00 p.m., ERC
October 18	Board Meeting; 7:00 p.m.
October 20	Budget Advisory Committee; 6:00 p.m., DO Conf. Room
November 1	Student Forum; 6:00 p.m. Board Meeting; 7:00 p.m.
November 11 (Friday)	Veterans' Day Holiday Schools and Departments Closed
November 10	District Advisory Committee (DAC); 6:00 p.m., ERC
November 15	Board Meeting; 7:00 p.m.
November 21 – 25	Schools Closed for Thanksgiving Holiday
December 1-3	California School Boards Association Annual Education Conference
December 5	Communication Committee; 3:30 p.m., ERC
December 5-9	Parent/Teacher Conference Week Schools on Modified Days
December 6	Organizational Board Meeting for 2016; 7:00 p.m.
December 7	Safety/Facilities Advisory Committee; 3:30 p.m., DO Conf. Room
December 15	Budget Advisory Committee; 6:00 p.m., DO Conf. Room
December 19 – January 2	Winter Break
December 20	Board Meeting; 7:00 p.m.

Item C. PUBLIC COMMUNICATION

During Public Communication, citizens are invited to address the Board of Education about any item not on the agenda. Request-to-speak cards should be submitted in advance. The Board may not take action on any item presented. The Board has a policy limiting any speaker to five minutes. Meetings are recorded.

Item D. CONSENT ITEMS

Items listed under Consent are considered to be routine and are acted on by the Board with a single motion. There is no Board discussion of these items prior to the vote unless a member of the Board, staff, or public requests specific items be considered separately. Citizens are invited at this time to address the Board about any item listed under Consent.

Consent Item D.1.1.
Prepared by Cathy A. Pierce, Ed.D.
October 18, 2016

Approval of Minutes

BACKGROUND:

Presented for Board approval –

- October 5, 2016, special meeting minutes
- October 4, 2016, regular meeting minutes
- October 4, 2016, special meeting minutes
- September 26, 2016, special meeting

RECOMMENDATION:

It is recommended that the Board of Education approve the attached minutes with any necessary modifications.

Motion: _____ Second: _____ Vote: _____ Item D.1.1.

**SANTEE SCHOOL DISTRICT
SPECIAL MEETING
OF THE BOARD OF EDUCATION**

October 5, 2016
MINUTES

Rio Seco School
9545 Cuyamaca Street
Santee, California

A. OPENING PROCEDURES

1. Call to Order and Welcome
President Ryan called the meeting to order at 5:00 p.m.
Members present:
Barbara Ryan, President
Elana Levens-Craig, Vice President
Dianne El-Hajj, Clerk
Ken Fox, Member
Dustin Burns, Member

B. PUBLIC COMMUNICATION

President Ryan invited members of the audience to address the Board about any item not on the agenda.

C. COMMUNITY FORUM – SUPERINTENDENT SEARCH

The Board of Education met with the Santee Teachers Association Board, and representatives from Leadership Associates, to discuss Superintendent search process, identify strengths and needs of the District, and to hear input on the desired characteristics of a new superintendent.

Following the meeting with the Santee Teachers Association Board, the Board participated in a Community Forum, with representatives from Leadership Associates, to discuss Superintendent search process, identify strengths and needs of the District, and to hear input on the desired characteristics of a new superintendent.

D. CLOSED SESSION

President Ryan announced that the Board would meet in closed session for:

1. Public Employee Performance Evaluation (Govt. Code § 54957)
Superintendent

The Board entered closed session at 7:00 p.m. The Board reconvened to public session at 7:45 p.m. and reported no action was taken.

E. ADJOURNMENT

With no further business, the special meeting of October 5, 2016 was adjourned.

Dianne El-Hajj, Clerk

**SANTEE SCHOOL DISTRICT
REGULAR MEETING
OF THE BOARD OF EDUCATION**

October 4, 2016
MINUTES

Douglas E. Giles
Educational Resource Center
9619 Cuyamaca Street
Santee, California

A. OPENING PROCEDURES

1. Call to Order and Welcome

President Ryan called the meeting to order at 7:00 p.m.

Members present:

Barbara Ryan, President
Elana Levens-Craig, Vice President
Dianne El-Hajj, Clerk
Ken Fox, Member
Dustin Burns, Member

Administration present:

Dr. Cathy Pierce, Superintendent and Secretary to the Board
Karl Christensen, Assistant Superintendent, Business Services
Tim Larson, Assistant Superintendent, Human Resources/Pupil Services
Dr. Stephanie Pierce, Assistant Superintendent, Educational Services
Lisa Arreola, Executive Assistant and Recording Secretary

2. District Mission

President Ryan invited the audience to recite the District Mission.

3. Pledge of Allegiance

President Ryan invited JoHanna Simko, Vice Principal at Cajon Park, to lead the members, staff, and audience in the Pledge of Allegiance.

4. Approval of Agenda

Member Burns moved approval.

<i>Motion:</i>	<u>Burns</u>	<i>Ryan</i>	<u>Aye</u>	<i>Fox</i>	<u>Aye</u>
<i>Second</i>	<u>Fox</u>	<i>Levens-Craig</i>	<u>Aye</u>	<i>Burns</i>	<u>Aye</u>
<i>Vote:</i>	<u>5-0</u>	<i>El-Hajj</i>	<u>Aye</u>		

B. REPORTS AND PRESENTATIONS

1. Superintendent's Report

- 1.1. Developer Fees and Collection Report
- 1.2. Use of Facilities Report
- 1.3. Enrollment Report
- 1.4. Schedule of Upcoming Events

2. Process for Development of Local Control Accountability Plan Annual Update for 2017-18

Superintendent Pierce shared it was a time to present the Local Control Accountability Plan timeline and the process for developing the annual update. Assistant Superintendents Dr. Stephanie Pierce and Karl Christensen proceeded to provide the Development of the Local Control Accountability Plan (LCAP) annual update.

Dr. S. Pierce explained the District's Mission and Vision statements are used as guidance in the development of the LCAP. She mentioned Strategic Planning is an organizational management activity used to set priorities and to focus our energy and resources to strengthen the District's operations and to make sure our stakeholders are all working towards a common goal and to establish agreement on intended outcomes and results. Dr. S. Pierce mentioned the District continually assesses and adjusts the organization's direction to continually increase student

achievement. She shared the Board's goals and action steps as part of this continuous cycle of improvement. Dr. S. Pierce shared this acts as a strategic plan. She mentioned the next component is to make sure the action steps are supported in the Eight State Priority Areas. Dr. S. Pierce reminded those in attendance that as the District creates this blueprint for innovation, or academic excellence, some of the things Administration has to look at is our timeline for continuous cycle of improvement, the data analysis to bring forward to our stakeholders, and have a stakeholder involvement process. She explained we refine the LCAP based on stakeholder input to reach the student achievement goals. Dr. S. Pierce shared the Department of Education developed a new draft of the new template and it now includes the district mission. Dr. S. Pierce shared the new template was designed to be more of a strategic planning tool. Mr. Christensen provided an overview of the LCAP Annual Update Stakeholder Input and Development Timeline.

C. PUBLIC COMMUNICATION

President Ryan invited members of the audience to address the Board about any item not on the agenda.

D. PUBLIC HEARING

1. Compliance with Education Code Section 60119 (Williams Settlement): K-12 Textbook and instructional Materials Funding Realignment Program

President Ryan opened the public hearing in Compliance with Education Code Section 60119 (Williams Settlement): K-12 Textbooks and Instructional Materials Funding Realignment Program. There were no comments. The public hearing was closed.

E. CONSENT ITEMS

President Ryan invited comments from the public on any item listed under Consent.

- 1.1. Approval of Minutes
- 2.1. Approval/Ratification of Travel Requests
- 2.2. Approval/Ratification of Revolving Cash Report
- 2.3. Acceptance of Donations
- 2.4. Approval of Consultants and General Service Providers
- 2.5. Approval/Ratification of Expenditure Transactions Charged to District Issued Purchasing Cards (P-Cards)
- 2.6. Adoption of Proclamation for National School Lunch Week
- 2.7. Approval of Uniform Complaint Quarterly Report Required by the Williams Settlement
- 3.1. Certification and Adoption of Resolution of Sufficiency of Instructional Materials 2016-17
- 3.2. Approval of Nonpublic Master Contract with Devereux Advanced Behavior Health for Residential Treatment Center Services and Nonpublic School Services
- 4.1. Personnel, Regular
- 4.2. Approval of Influenza Vaccine Administration Program Agreement
- 4.3. Adoption of Proclamation Endorsing Drug Awareness Week, October 23 – 31, 2016
- 4.4. Approval of San Diego County Interagency Agreement for Providing Educational Support to Foster Youth
- 4.5. Approval of Memorandum of Understanding with San Diego Youth Services (SDYS)
- 4.6. Approval of Memorandum of Understanding to Share Information Across Agencies to Build Better Systems to Support Youth and Families
- 4.7. Approval to Increase Work Hours for Classified Non-Management Position
- 4.8. Adoption of Resolution No. 1617-09 to Eliminate a Vacant Classified Non-Management Position
- 4.9. Adoption of Resolution No. 1617-10 to Reinstate a Classified Non-Management Position

Member El-Hajj moved approval.

<i>Motion:</i>	<u>El-Hajj</u>	<i>Ryan</i>	<u>Aye</u>	<i>Fox</i>	<u>Aye</u>
<i>Second</i>	<u>Burns</u>	<i>Levens-Craig</i>	<u>Aye</u>	<i>Burns</i>	<u>Aye</u>
<i>Vote:</i>	<u>5-0</u>	<i>El-Hajj</i>	<u>Aye</u>		

F. DISCUSSION AND/OR ACTION ITEMS

Superintendent

1.1. Update on Long-Term Debt Refinancing Plan

Superintendent Pierce shared that during the 2015-16 fiscal year, the District embarked on a long-term debt refinancing plan in order to create overall debt service savings for taxpayers and the General Fund. She mentioned Dale Scott, with Dale Scott & Company, the District's financial advisor was present to provide an update. Superintendent Pierce shared if the Board decided to move forward, a resolution and other documents would be presented at the following meeting for their consideration and approval.

Mr. Scott explained long-term interest rates had fallen and the short-term interest rates had risen since the last time the District reviewed refinancing and there now was additional opportunity for savings. He proceeded to view the District's assessed valuation from 2000-2016 and shared the District's assessed valuation had grown by 14% over the past three years. Mr. Scott proceeded to provide information on the District's debt service and tax rate projections. He explained the debt service for both Capital Improvement Bonds (CIBs) and Capital Appreciation Bonds (CABs) does not change; unless it is refinanced. He added the tax rates will change based on assessed evaluation; a 3.0% annual assessed valuation growth rate is assumed. He explained the Series B bonds were not refunded, remain outstanding, and are current interest bonds.

Mr. Scott shared two alternatives to refinancing the Series B bonds. He explained Alternative A refunding could save taxpayers up to \$3.8 million. Alternative B refunding could save taxpayers up to \$5.2 million. He explained *Escrow Fund Negative Arbitrage* meant all the bonds are callable and can be refinanced; except they cannot be refinanced right now. Which meant this type of refinancing is called an "advanced refunding." He explained these could be refunded today, monies raised would be placed in an escrow account until the bonds would be callable. Once that is completed, the old bonds become defeased. Mr. Scott explained the cost of the money in escrow is going to be higher than the amount of interest that will be earned from that escrow due to the rising of short-term interest rates.

Mr. Scott shared a prospective financing schedule in case the Board decided to move forward with refinancing of Series B bonds. He added that his previous contract with the District did not include financial services for Series B bonds and it would have to be amended if the Board decided to move forward. Mr. Scott also mentioned that there was a recent bill signed by the Governor, SB 1065 that requires school districts, after January 1, 2017, to have a debt plan before they issue bonds. Mr. Scott explained that if the Board decided to proceed, there was a possibility that the District would be required to have a debt plan if the financing closed after January 1. He mentioned reviewing the District's plan with Mr. Christensen and it would have to be slightly modified.

Upon discussion, the Board provided direction to proceed with refunding of Series B bonds using Alternative B. Member Burns thanked Mr. Scott for his assistance in providing the Santee community with debt reduction savings.

Educational Services

2.1. Middle School Elective Application: Cajon Park School

Mike Olander, Principal at Cajon Park School, extended his gratitude towards the Board for allowing him to present the school's middle school elective application. He introduced Vice Principal, JoHanna Simko; a special guest, Timothy Paul.

Ms. Simko provided a summary of the school's vision. She mentioned the elective classes were designed to optimize creativity, collaboration, and critical thinking skills. Ms. Simko shared the proposed electives as follows: Video Journalism/Leadership, Robotics/Coding, Pre-Engineering, and Culinary Arts. Mr. Olander explained the stakeholder input process. He shared the school site council discussed and provided input on elective opportunities; and visited Feaster Charter School to observe its engineering and arts program. The Leadership Committee visited the Design 39 campus to observe integration of design thinking and engineering. Mr. Olander

mentioned staff met and visited the Qualcomm Thinkabit Lab and collaborated with the Lab Director and teachers; Junior High teachers collaborated with Santana High School elective course instructors; he and Junior High teachers met with Santana Administration and the Directors of the Grossmont Union High School District Career and Technical Education Department; and he presented and obtained stakeholder input from parents during “Coffee with the Principal.” Mr. Olander mentioned stakeholder input was used to determine the elective course content, develop the schedule for electives, and to determine optimal equipment. He mentioned they hope that the students will find a passion that they may not have known about.

Mr. Olander mentioned the proposed electives budget was approved by the school site council on September 26. Mr. Olander explained students will rotate through the elective, taking one of three electives offered each trimester. He mentioned their goal was for students to be exposed to the career pathways that are offered at Santana High School. He explained the site will budget \$10,000 each year to support the successful continuation of the elective courses, including: replenishment of engineering and design consumable materials, media for 3D printing, purchase of storage units for mechanical engineering supplies, purchase additional technology as needed (i.e., replacement of Arduinos, sensors, servos, etc.); and additional personnel and professional learning support as needed. He mentioned the coding/robotics and pre-engineering classes will utilize the lab as soon as it is furnished; and that Administration is exploring additional elective opportunities that broaden student college, career and life preparedness using the strengths of existing and future staff members (i.e., financial management, chorus, etc.). Mr. Olander explained that the Culinary Arts program was scheduled to begin in the 2017-18 school year.

Item	Cost	Quantity	Total
Tables	\$674	24	\$16,176
Laptops	\$1,100	18	\$19,800
Arduinos	\$25	75	\$1,875
Engineering Materials	\$4,255		\$4,255
Flat Screen T.V. to act as a display	\$1,000	1	\$1,000
3D Printer	\$5,000	1	\$5,000
Laser Cutter	\$5,000	1	\$5,000
Ovens	\$2,000	1	\$2,000
Industrial Microwaves	\$250	2	\$500
Fridge & Freezer	\$2,990.00	1	\$2,990
Shop Stools	\$39.00	36	\$1,404
			\$60,000

Mr. Olander mentioned meeting with one of the Boy Scouts of America leaders and discussing partnership possibilities. He asked if there was an Eagle Scout candidate, preferably from Santana High School, who had an interest in robotics and engineering. The leader recommended Timothy Paul. Mr. Olander mentioned he and Timothy went to visit the Qualcomm Thinkabit lab to give him a perspective of the lab. He commended Mr. Paul for his work that will benefit the Cajon Park students. Mr. Olander added that part of this project will include working with the primary students on the maki-makis to expose them to electrical engineering and coding components. Mr. Olander explained the school's goal is to have students rotate through the electives and to expose them to career pathways that are offered at Santana High School.

Mr. Paul mentioned he was a student at Santana High School and a member of the robotics team since his freshman year. He explained part of being an Eagle Scout required a community service project component. Mr. Paul mentioned that when he became aware of the opportunity with Cajon Park, he was excited to be able to incorporate robotics, technology, and the leadership component to get him to becoming an Eagle Scout.

The Board expressed their gratitude towards the Cajon Park team and Mr. Paul. Member Burns moved approval of Cajon Park's elective application.

<i>Motion:</i>	<u>Burns</u>	<i>Ryan</i>	<u>Aye</u>	<i>Fox</i>	<u>Aye</u>
<i>Second</i>	<u>Fox</u>	<i>Levens-Craig</i>	<u>Aye</u>	<i>Burns</i>	<u>Aye</u>
<i>Vote:</i>	<u>5-0</u>	<i>El-Hajj</i>	<u>Aye</u>		

Business Services

3.1. Approval of Monthly Financial Report

Mr. Christensen provided the financial report for cash and budget transactions through August 2016. The month of August ended with a general fund cash balance of a little less than \$11.9 million. Mr. Christensen noted including the projected cash balances next to the actuals. He explained it was important to note that these projections were done at budget adoption before the District closed its books. Mr. Christensen explained these projections are updated three times a year at Adopted Budget, 1st Interim, and 2nd Interim. Therefore, the next cash projection revision would be included in December's report for transactions through October 31st. Mr. Christensen mentioned the budget revisions report reflects an estimated \$1.7 million deficit in the Unrestricted General Fund and a \$567,000 deficit in the Restricted General Fund. He explained it was important to note that budget revisions are still in process. For this report, only a few of the budget revisions enacted since adoption of the budget were posted to the District's books by August 31st. Mr. Christensen mentioned we should expect to have some more of those posted for the September report to be presented in November and all posted for the October report to be presented in December.

Member Burns asked for clarification on the difference of the ending cash balance projection of \$1.7 million and the actual of \$11.9 million. Mr. Christensen explained it was due in part because the District ended the year with a higher reserve when the books were closed. He also explained that when the projection is done, Administration has to budget in terms of when they anticipate these monies will come in; and these will in evidently change and shift from month to month. The projection is based on the adopted budget and is subject to change. Mr. Christensen mentioned Administration had discussed reviewing the cash flow projection and providing more frequent updates so the information presented is more current. Member Burns moved approval.

<i>Motion:</i>	<u>Burns</u>	<i>Ryan</i>	<u>Aye</u>	<i>Fox</i>	<u>Aye</u>
<i>Second</i>	<u>El-Hajj</u>	<i>Levens-Craig</i>	<u>Aye</u>	<i>Burns</i>	<u>Aye</u>
<i>Vote:</i>	<u>5-0</u>	<i>El-Hajj</i>	<u>Aye</u>		

3.2. Municipal Storm Water Management Plan Annual Implementation Update

Mr. Christensen mentioned that in May 2006, the Board adopted the District's Storm Water Management Plan. He explained the District is part of a consortium of districts administered by the County Office of Education that assists districts in complying with more stringent, and ever changing storm water management requirements.

Mr. Christensen explained the District's storm water management activities are broken down into two major components: 1) The Industrial component that deals with implementing best practices for the bus yard; and 2) the Municipal component that deals with implementing best practices for all other aspects of district operations including construction, custodial, maintenance, and grounds. Mr. Christensen mentioned this presentation was related to the Annual Progress Report for the Municipal component. Mr. Christensen mentioned there was no report being presented on the Industrial component and provided a synopsis of measures undertaken addressing that component. Mr. Christensen mentioned the component is overseen by the Director of Transportation, Charles Myers. Ms. Becker provided a brief summary of measures implemented and those planned for implementation. Member Burns moved approval.

<i>Motion:</i> <u>Burns</u>	<i>Ryan</i> <u>Aye</u>	<i>Fox</i> <u>Aye</u>
<i>Second</i> <u>El-Hajj</u>	<i>Levens-Craig</i> <u>Aye</u>	<i>Burns</i> <u>Aye</u>
<i>Vote:</i> <u>5-0</u>	<i>El-Hajj</i> <u>Aye</u>	

G. BOARD POLICIES AND BYLAWS

1.1. Second Reading: Board Policy 1312.3 – Uniform Complaint Procedures

Board Policy 1312.3, Uniform Complaint Procedures was presented for a second reading and approval. Member El-Hajj moved approval.

<i>Motion:</i> <u>El-Hajj</u>	<i>Ryan</i> <u>Aye</u>	<i>Fox</i> <u>Aye</u>
<i>Second</i> <u>Levens-Craig</u>	<i>Levens-Craig</i> <u>Aye</u>	<i>Burns</i> <u>Aye</u>
<i>Vote:</i> <u>5-0</u>	<i>El-Hajj</i> <u>Aye</u>	

H. BOARD COMMUNICATION AND ORGANIZATIONAL BUSINESS

Member Burns mentioned receiving an email from a Carlton Oaks student who asked to interview him for his community leadership project. The student is in the process of earning a merit badge. Member Burns mentioned some of his questions included why he ran for school board and community leadership. He mentioned the student had done expensive research and knew a great deal about the superintendent search and shared possibly attending the Community Forum. Member Burns mentioned he was proud of the student for asking great questions and taking an interest in what is happening on in the District.

Member Levens-Craig mentioned attending the first Communication Committee. She shared the committee's discussion of the charges and roles and responsibilities was beneficial. Member Levens-Craig shared the meeting was well attended and everyone took the time to share things going on at each school site. Member Levens-Craig mentioned she enjoyed hearing everyone's excitement about the things that are going on at each school site.

Member El-Hajj shared she was unable to attend the Wellness Committee. She mentioned Cathy Abel, Director of Child Nutrition, was very appreciative of the new charges for the committee and felt they were very helpful. Member Burns extended his gratitude towards staff for providing the meeting agendas and minutes. He shared it was very helpful.

President Ryan reminded the Board of their meeting upcoming meetings on October 5 with the Santee Teachers Association at 5:00 pm and the Community Forum at 6:00 pm at Rio Seco School.

Superintendent Pierce mentioned the deadline for registration was approaching for the California School Boards Association Annual Conference. She asked the Board to convey their attendance preference to the Executive Assistant. Superintendent Pierce shared information on a Safety Fair being hosted by the East County Parent Forum, in partnership with the East County School Districts on October 27. She mentioned Grossmont High School District had taken more of the lead on this partnership. Superintendent Pierce shared the forum would include information on new option based responses to active shooters; known as "run, hide, fight." She mentioned the East County Elementary Superintendents wanted to have a meeting to include site administration before the school safety happened. She mentioned Bob Mueller, from the San Diego County Office of Education, would be addressing the East County school administrators on the new option based responses to active shooters on October 20 at Rio Seco School.

I. CLOSED SESSION

President Ryan announced that the Board would meet in closed session for:

1. **Public Employee Discipline/Dismissal/Release** (Govt. Code § 54957)
2. **Conference with Labor Negotiator** (Govt. Code § 54956.8)
Purpose: Negotiations
Agency Negotiators: Tim Larson, Assistant Superintendent
Employee Organization: Santee Teachers Association (STA)

3. **Conference with Labor Negotiator** (Govt. Code § 54956.8)
Purpose: Negotiations
Agency Negotiators: Tim Larson, Assistant Superintendent
Employee Organization: Classified School Employees Association (CSEA)

4. **Conference with Real Property Negotiators** (Govt. Code § 54956.8)
Property:
 - *Elliot Site #2 (Parcel #: APN 366 050 16 - east of landfill; North of West Hills High School – area commonly known as Camp Elliott)*
 - *10335 Mission Gorge Road, Santee 92071 (formerly known as Santee School Site)*
 - *Property adjacent to 9219 Fenway Road, Santee, CA 92071 located at 10201 Settle Road, Santee, CA 92071 (Sycamore Canyon School)*
 - *Sycamore Canyon School, 10201 Settle Road, Santee, CA 92071**Agency Negotiator: Karl Christensen, Assistant Superintendent*

5. **Public Employee Performance Evaluation** (Govt. Code § 54957)
Superintendent

The Board entered closed session at 8:00 p.m.

J. RECONVENE TO PUBLIC SESSION

The Board reconvened to public session at 9:35 p.m. and reported no action was taken.

K. ADJOURNMENT

With no further business, the regular meeting of October 4, 2016 was adjourned.

Dianne El-Hajj, Clerk

Cathy A. Pierce, Ed.D., Secretary

**SANTEE SCHOOL DISTRICT
SPECIAL MEETING
OF THE BOARD OF EDUCATION**

October 4, 2016
MINUTES

District Office Conference Room
9619 Cuyamaca Street
Santee, California

A. OPENING PROCEDURES

1. Call to Order and Welcome
President Ryan called the meeting to order at 5:45 p.m.
Members present:
Barbara Ryan, President
Elana Levens-Craig, Vice President
Dianne El-Hajj, Clerk
Ken Fox, Member
Dustin Burns, Member

B. PUBLIC COMMUNICATION

President Ryan invited members of the audience to address the Board about any item not on the agenda.

C. MEETING WITH PRINCIPALS

The Board of Education met with the Principals, and representatives from Leadership Associates, to discuss Superintendent search process, identify strengths and needs of the District, and to provide input on the desired characteristics of a new superintendent.

D. CLOSED SESSION

President Ryan announced that the Board would meet in closed session for:

1. Public Employee Performance Evaluation (Govt. Code § 54957)
Superintendent

The Board entered closed session at 6:40 p.m. The Board reconvened to public session at 6:50 p.m. and reported no action was taken.

E. ADJOURNMENT

With no further business, the special meeting of October 4, 2016 was adjourned.

Dianne El-Hajj, Clerk

**SANTEE SCHOOL DISTRICT
SPECIAL MEETING
OF THE BOARD OF EDUCATION**

September 26, 2016
MINUTES

Douglas E. Giles
Educational Resource Center
9619 Cuyamaca Street
Santee, California

A. OPENING PROCEDURES

1. Call to Order and Welcome

President Ryan called the meeting to order at 6:00 p.m.

Members present:

Barbara Ryan, President
Elana Levens-Craig, Vice President
Dianne El-Hajj, Clerk
Ken Fox, Member
Dustin Burns, Member

Administration present:

Dr. Cathy Pierce, Superintendent and Secretary to the Board
Karl Christensen, Assistant Superintendent, Business Services
Tim Larson, Assistant Superintendent, Human Resources/Pupil Services
Dr. Stephanie Pierce, Assistant Superintendent, Educational Services
Lisa Arreola, Executive Assistant and Recording Secretary

2. Approval of Agenda

Member El-Hajj moved approval.

<i>Motion:</i>	<u>El-Hajj</u>	<i>Ryan</i>	<u>Aye</u>	<i>Fox</i>	<u>Aye</u>
<i>Second</i>	<u>Levens-Craig</u>	<i>Levens-Craig</i>	<u>Aye</u>	<i>Burns</i>	<u>Aye</u>
<i>Vote:</i>	<u>5-0</u>	<i>El-Hajj</i>	<u>Aye</u>		

B. PUBLIC COMMUNICATION

President Ryan invited members of the audience to address the Board about any item not on the agenda.

C. DISCUSSION AND/OR ACTION ITEMS

1.1. Discussion of Facilities Planning and Approval of Provisional Plan for Non-Capital Improvement Program Facility Needs Projects

Superintendent Pierce shared the Board would be primarily presented with information on non-capital improvement projects (CIP). She explained they would also be reviewing the CIP priorities the Board had established in July. Superintendent Pierce shared the goal for the night was to establish a multi-year provisional plan for non-CIP projects. She explained provisional meant it was the Boards' best thinking at this time and the plan would be revisited as economic or other conditions changed with time.

Karl Christensen, Assistant Superintendent of Business Services, made reference to handouts provided to the Board. He shared CBEDs enrollment trends showed a seven percent (7%) growth in the last ten years in the District. He shared Pepper Drive had the largest increase and Hill Creek showed a 9.47% decline in enrollment. Mr. Christensen referenced an enrollment handout which provided enrollment as of September 23. He proceeded to discuss the Future Residential Development Analysis he provided to the Board. This analysis contained residential projects presented by the City of Santee earlier in the year. Mr. Christensen explained he used that information with the student generation rate that the District received in the last school fee justification study to estimate the projected student enrollment. He shared the total projected students were 1,194; and only 365 without the Fanita Ranch housing development. Mr. Christensen proceeded to review Capital Improvement Program Project Costs as of September 2016. He explained the information showed the total actual cost of the projects and he added a column to show the total value in 2016 (with a seven-percent annual escalator in construction costs). Mr. Christensen went onto provide an overview of the Capital Improvement Program (CIP) project priorities the Board

established on July 19, 2016. He shared the shade structures were being removed from the CIP projects and being moved to the non-CIP needs project priorities. Mr. Christensen explained the shade structures were becoming a safety concern. He proceeded to present and explain the other non-CIP facility needs projects priorities. The list included the facility needs, site, estimated cost, category, notes, possible funding source, and suggested priority year(s). The Board inquired on various items and Christina Becker, Director of Maintenance and Operations was present to answer questions.

President Ryan explained Administration was looking for the Board to prioritize the non-CIP facility needs projects being presented. She clarified it would be provisional; knowing there would be other opportunities based on legislation and other factors and that there could be a possibility these could change. President Ryan mentioned there are some things that the Board might feel need to be prioritized and done in 2016-17; and it would need to be decided now so it could be budgeted properly. Member Burns clarified that although the Board was prioritizing, it did not mean that priorities could not change in the future based on the current economic factors. The Board had a discussion on standards for prioritizing and inquired on how Administration had prioritize the list being presented. Superintendent Pierce explained Administration looked at the District as a whole and looked at every projected that they thought needed to be completed and categorized it to establish the non-CIP facility needs projects list. She mentioned items were listed with implied priority. Superintendent Pierce shared Administration felt the items for safe schools and emergency preparedness items should be addressed immediately. Administration looked at costs. She explained Administration did not want to deplete the General Fund by more than one-percent (1%) per year. Superintendent Pierce shared that if the Board approved these provisional expenditures, these would be brought back individually for Board consideration and approval.

The Board discussed the acceleration of the classroom furniture replacement project. Member Burns shared he would be more supportive of some items if the schools would use some of their site monies. He referenced the school budget carryovers. Member Burns mentioned the school furniture replacement was a priority for him.

Member El-Hajj moved that Administration proceed with the provisional plan of non-capital improvement projects for 2016-2017.

Motion:	<u>El-Hajj</u>	Ryan	<u>Aye</u>	Fox	<u>Aye</u>
Second	<u>Burns</u>	Levens-Craig	<u>Aye</u>	Burns	<u>Aye</u>
Vote:	<u>5-0</u>	El-Hajj	<u>Aye</u>		

Member Burns inquired on the Board's preference to have Administration research on using matching school site funds and the acceleration of the school classroom furniture and bring back for discussion. Member Levens-Craig clarified that the acceleration meant increasing the number of classes per year. The Board asked that Administration bring the classroom furniture replacement project back for discussion. Mr. Christensen proceeded to discuss the Provisional Plan for Non-Capital Improvement Program Facility Needs Projects for 2017-18. President Ryan inquired on the Board's preference to go through each year to approve the proposed items. Upon discussion, Member Burns mentioned he would move approval for the entire Provisional Plan for Non-Capital Improvement Program Facility Needs Projects but asked for clarification on placement of the Yale Preschool program at the Cajon Park old middle school building. Ms. Becker mentioned it was a concept that the Yale Preschool program would be located at one central site during the summer. She explained the yearly challenges of finding a location during the summer that is able to accommodate the program and meet licensing needs. Mr. Christensen explained this concept was developed several years ago and needed to be revisited. Member Burns asked the Board to make the old Cajon Park Jr. High building a priority if the Yale concept does not come to fruition. He explained he thinks not using the building is a disservice to the community. Member Burns motioned to approve the Provisional Plan for Non-Capital Improvement Program Facility Needs Projects presented by Administration.

Motion:	<u>Burns</u>	Ryan	<u>Aye</u>	Fox	<u>Aye</u>
Second	<u>Fox</u>	Levens-Craig	<u>Aye</u>	Burns	<u>Aye</u>
Vote:	<u>5-0</u>	El-Hajj	<u>Aye</u>		

Project	Site	Start Year	Estimated Project Cost	Funding Allocated	Total							
					General Fund	Deferred Maint	PS	DF	Land Proceeds	State Funds	State Grant	Total
Shade Structures	CP,CH CFH RS,SC	2016-2017	1,250,000	1,250,000	400,000	50,000	0	0	800,000	0	0	1,250,000
Filtered Water Bottle Stations	All Schls	2016-2017	45,000	45,000	0	0	0	0	0	0	45,000	45,000
Gas Generator	DO	2016-2017	25,000	25,000	25,000	0	0	0	0	0	0	25,000
DO HVAC Replacement	DO	2017-2018	471,809	471,809	139,406	181,005	0	0	0	0	151,398	471,809
Water Wells	SC,CO	2016-2017	300,000	300,000	300,000	0	0	0	0	0	0	300,000
Irrigation system and reseeded	PD,SC	2016-2017	50,000	50,000	50,000	0	0	0	0	0	0	50,000
Classroom Furniture Replacement	All Schls	2016-2017	350,000	350,000	350,000	0	0	0	0	0	0	350,000
PE Lockers Renovation	CFH PA	2016-2017	40,000	40,000	40,000	0	0	0	0	0	0	40,000
Saniglaze/ Chromomax Student Restrooms	All Schls	2017-2018	400,000	400,000	0	400,000	0	0	0	0	0	400,000
State Preschool Mod	PA	2017-2018	400,000	400,000	400,000	0	0	0	0	0	0	400,000
CP Annex Mod	CP	2017-2018	250,000	250,000	250,000	0	0	0	0	0	0	250,000
Pave Parking Lot	RS	2020-2021	200,000	200,000	0	200,000	0	0	0	0	0	200,000
Pave Parking Lot	CO	2021-2022	200,000	200,000	0	200,000	0	0	0	0	0	200,000
Pave Parking Lot	CH	2018-2019	150,000	150,000	0	150,000	0	0	0	0	0	150,000
Pave Parking Lot	SC	2019-2020	150,000	150,000	0	150,000	0	0	0	0	0	150,000
Project SAFE Portables Replacement	RS	2017-2018	500,000	500,000	0	0	240,000	0	0	260,000	0	500,000
YALE Expansion	Old CPJH	2018-2019	700,000	700,000	0	0	0	278,000	0	422,000	0	700,000
Total			5,481,809	5,481,809	1,954,406	1,331,005	240,000	278,000	800,000	682,000	196,398	5,481,809

D. ADJOURNMENT – 7:30 pm

With no further business, the special meeting of September 26, 2016 was adjourned.

 Dianne El-Hajj, Clerk

 Cathy A. Pierce, Ed.D., Secretary

Consent Item D.2.1. Approval/Ratification of Travel Requests
Prepared by Karl Christensen
October 18, 2016

BACKGROUND:

In accordance with BP 3350 of the Board of Education, an employee may attend conventions, conferences, or meetings of boards, committees, and commissions; to travel for the purpose of recruiting personnel; to visit other school districts; to appear before legislative committees; and to perform other out-of-district travel which is in the best interests of the school district and which assists employees to perform their jobs successfully.

In accordance with Sections 35044, 35172, and 35173 of the Education Code, the Board of Education shall provide for payment of travel expenses for any representative of the Board when performing services on behalf of the District. In the summer of 2008, following implementation of the Formatta Software, a network-based paperless forms travel processing solution was introduced District-wide in accordance with BP 3350 and AR 3350.

A list of travel and professional staff events is presented for the Board’s review and approval/ratification. Included on the report are dates, names of meetings and locations, and either categorical, grant, or general funding sources that support such travel.

A list of requests for travel which require air travel, and/or an overnight stay and/or are out of the State will be reviewed and approved by the Executive Council or Superintendent and submitted for Board of Education approval **prior** to the travel date.

RECOMMENDATION:

It is recommended that the Board of Education approve/ratify the Travel Report for personnel requesting travel on the attached schedule.

This recommendation supports the following District goal:

Staff Development

- Implement a staff development plan as the cornerstone of employee performance and growth.

FISCAL IMPACT:

The estimated travel expenses are \$13,211, with additional substitute costs of \$345, as disclosed on the following page.

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item. All fiscal resources impact student achievement.

Motion: _____ Second: _____ Vote: _____

Agenda Item D.2.1.

Board Travel Report - October 18, 2016

Travel Dates	Attendees	Site or Dept.	Conference or Workshop	Location	Sub Cost	Estimated Expenses	Budget	Purpose of Travel
Friday, 09/09/16	Carrie Thompson Ed Gigliotti Kirsten Stretton Tracie Perez Mia Morales Annalise Steen Stacey Rawson	Chet F. Harritt Pepper Drive Cajon Park Rio Seco Educational Services Santee Success Program Hill Creek	Student Engagement and Attendance Annual Summit	SDCOE	\$0	\$65	Professional Development	The focus of the summit is to learn strategies to cultivate positive relationships with families in an effort to increase attendance.
					\$0	\$65	Professional Development	
					\$0	\$65	Professional Development	
					\$0	\$65	Professional Development	
					\$0	\$65	Professional Development	
					\$115	\$65	Professional Development	
Thursday, 10/13/16	Teresa Edgerton Tamara Cox	Carlton Oaks Educational Services	Instructional Media Resource Associate Certification	SDCOE	\$0	\$201	Professional Development	This workshop challenges participants to learn and implement effective library media service practices.
					\$0	\$201	Professional Development	
Monday, 10/17/16	Jim Rosa	Hill Creek	Suspension and Expulsion	SDCOE	\$0	\$81	LCFF Site Allocation	This workshop will focus on the suspension and expulsion process.
Tues-Fri, 11/15/16 - 11/18/16	Thor Stibor Brienne Downing	Educational Services Educational Services	Nonviolent Crisis Intervention Training	El Cajon	\$0	\$2,688	Special Education	This is a 4-day instructor certification training on nonviolent crisis intervention training.
					\$0	\$2,688	Special Education	
Friday, 11/18/16	Jill Schmitt	Carlton Oaks	ASB Student Leadership Conference	Anaheim	\$115	\$1,940	ASB	Ms. Schmitt will be the chaperone at a student leadership conference. ASB will fund the cost of this conference.
Friday, 11/18/16	Stephanie Dow Bruce Campbell Adrienne Barker Tiffany Powell	Rio Seco Carlton Oaks PRIDE Academy Cajon Park	Training on Dyslexia	Santee	\$0	\$100	Special Education	This training provides a deeper understanding of Dyslexia.
					\$0	\$100	Special Education	
					\$0	\$100	Special Education	
					\$0	\$100	Special Education	
Friday, 12/02/16	Marian Rashap Sarah Magnolia Beth Hoffman Audra Gervase Lil Baehr Katyrose Reed	Carlton Hills Sycamore Canyon Sycamore Canyon Sycamore Canyon Sycamore Canyon Carlton Hills	Evidence Based Treatment Techniques for Children with Apraxia of Speech	San Diego	\$0	\$177	Special Education	This workshop will focus on the evaluation and treatment of Apraxia of speech in children ages 2-8.
					\$0	\$177	Special Education	
					\$0	\$177	Special Education	
					\$0	\$177	Special Education	
					\$0	\$177	Special Education	
					\$0	\$177	Special Education	
Thursday, 12/15/16	Adrienne Barker	PRIDE Academy	Clearing Up the Confusion with Science	San Diego	\$0	\$23	Special Education	This workshop will focus on how to conduct legally defensible assessments.
Travel Requests That Require Airfare, Overnight Stay, and/or Travel Outside of the State of California								
Thurs-Fri, 10/20/16 - 10/21/16	Heather Glanz	Rio Seco	2016 California Science Teachers' Association	Palm Springs	\$115	\$240	Professional Development	Ms. Glanz has been invited to speak on engineering lessons for 3-5 grade students at the annual California Science Teachers' Association Conference.
Wed-Thurs, 11/02/16 - 11/03/16	Christina Becker	Maint Opers & Facs	2016 Green California Schools Summit	Pasadena	\$0	\$460	Facilities	This 2-day event will focus on strategies to "Go Green" Districtwide.
Tues-Fri, 11/08/16 - 11/11/16	Bernard Yeo Matt Marsman Mark Starkey Daniel Prouty	TCS TCS TCS Education Services	California Educational Technology Professionals Association Conference	Sacramento	\$0	\$693	Technology	This conference will provide information on the latest technology advances in education.
					\$0	\$693	Technology	
					\$0	\$693	Technology	
					\$0	\$693	Professional Development	

Consent Item D.2.2. Approval/Ratification of Expenditure Warrants
 Prepared by Karl Christensen
 October 18, 2016

BACKGROUND:

Warrants issued by the District are required by law to be approved or ratified by the Board of Education.

Commercial Warrants issued for the period of September 2016:

<u>Fund #/Name</u>	<u>Warrant #'s</u>	<u>Amount</u>
03/06 General	14-156783 TO 14-168243	\$967,326.55
09 00	N/A	\$0.00
12 06	14-156796 TO 14-160317	\$146.08
13 00	14-156787 TO 14-167520	\$113,198.75
14 00	14-157195 TO 14-165992	\$150,181.01
21 09	N/A	\$0.00
21 39 / 21 08	N/A	\$0.00
25 18	N/A	\$0.00
25 38	14-160319 TO 14-165992	\$597,368.44
35-00	N/A	\$0.00
40-00	14-157200 TO 14-165435	\$1,758.84
63 00	14-159816 TO 14-167051	\$11,275.15
		\$1,841,254.82

Student Body Warrants issued for the period of September 2016:

\$4,535.67

Payroll Warrants issued for the period September 2016:

<u>Fund #/Name</u>	<u>Amount</u>
01 00	\$2,345,125.92
12 00	\$4,303.35
13 00	\$63,775.28
14 00	\$659.25
25 18	\$0
63 00	\$200,926.38
\$2,614,790.18	

RECOMMENDATION:

Administration recommends that the Board approve the expenditure warrants for the month of September as presented.

This recommendation supports the following District goal:

Fiscal Accountability

- Financially support the vision, mission, and goals of the District by maximizing resources, controlling expenses, and managing assets to ensure fiscal solvency and flexibility.

FISCAL IMPACT:

The fiscal impact of commercial, student body, and payroll expenditure warrants total \$4,460,580.67 and is disclosed above.

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item. All fiscal resources impact student achievement.

Motion: _____ Second: _____ Vote: _____

Agenda Item D.2.2.

Consent Item D.2.3. Approval/Ratification of Purchase Orders
 Prepared by Karl Christensen
 October 18, 2016

BACKGROUND:

A numerical listing of purchase orders, including the date issued, the name of the vendor, a general description of items requested, and the anticipated cost of the purchase is attached for the review and approval of the Board of Education. Actual copies of the purchase orders are available for review upon request. As a part of the report, any payment to vendors that increases the amount of the purchase order by 10% or more, or change orders that increase the amount of the bid, will be presented for Board approval/ratification. The table below is a summary of total purchase orders by location for the month of September 2016:

AMOUNT	LOCATION
\$ 46,607.63	PEPPER DRIVE SCHOOL
\$ 5,677.18	CARLTON HILLS SCHOOL
\$ 4,260.88	SYCAMORE CANYON SCH
\$ 8,306.09	PROSPECT AVENUE SCH
\$ 6,507.22	CAJON PARK SCHOOL
\$ 23,769.92	CHET F HARRITT SCH
\$ 17,406.84	CARLTON OAKS SCHOOL
\$ 7,989.30	RIO SECO SCHOOL
\$ 6,014.52	HILL CREEK SCHOOL
\$ 156.26	ALTERNATIVE SCHOOL
\$ 96.41	SUPERINTENDENT DEPT
\$ 386.19	BUSINESS SERVICES
\$ 10,000.00	HUMAN RESOURCES
\$ 13,674.41	EDUCATIONAL SERVICES
\$ 20,663.24	SPECIAL EDUCATION
\$ 28,080.53	DISTRICT LIBRARY
\$ 12,962.25	PROJECT SAFE
\$ 31,783.50	TECHNOLOGY SERVICES
\$ 177.56	OPERATIONS/CUSTODIAL
\$ 12,626.01	MAINTENANCE
\$ 16,768.03	TRANSPORTATION
\$ 31,443.57	FACILITIES MODERNIZATION
\$ 41,513.08	WAREHOUSE
\$ 1,222.12	FOOD SERVICES
\$ 348,092.74	Total Purchase Orders – September 2016

RECOMMENDATION:

It is recommended that the Board of Education approve purchase orders #0000001241 through #0000001467 issued September 1, 2016 through September 30, 2016.

This recommendation supports the following District goal:

Fiscal Accountability

- Financially support the vision, mission, and goals of the District by maximizing resources, controlling expenses, and managing assets to ensure fiscal solvency and flexibility.

FISCAL IMPACT:

The fiscal impact of \$348,092.74 is disclosed on the following pages.

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item. All fiscal resources impact student achievement.

Motion: _____ Second: _____ Vote: _____

Agenda Item D.2.3.

LOCATION LIST 2016-17

01	Santee School
02	Pepper Drive School
03	Carlton Hills School
04	Sycamore Canyon School
05	Prospect Avenue School
06	Cajon Park School
07	Chet F. Harritt School
08	Carlton Oaks School
09	Rio Seco School
10	Hill Creek School
11	Cajon Park Annex
12	Prospect Avenue Annex
26	Cajon Park Junior High
60	Board of Education
62	Superintendent
64	Business Services
65	Personnel
66	Educational Services
67	Special Education, Centralized
68	Special Projects, Centralized
69	Professional Development
70	Student Support Services
71	Library Media Services
72	Project SAFE
73	Technology
74	Operations
75	Maintenance

M = Monthly Blanket
A = Annual Blanket
L = Lottery

76	Transportation
78	Warehouse
90	Central Kitchen
92	Publications
97	District Wide
100	Summer School
108	Carlton Oaks Summer School
110	Hill Creek Summer School

Fund Numbers

03 00	General - Unrestricted
06 00	General - Restricted
12 06	Child Development Fund
13 00	Cafeteria Fund
14 00	Deferred Maintenance Fund
17 42	Special Reserve - Other Than Cap/Out
21 09	Other Building Fund
21 10	Building Fund
25 18	Capital Facilities Account Fund
25 24	Capital Projects Fund
25 38	Capital Facilities Redevelopment
30 00	State School Building Fund (Modernization) and Lease/Purchase
40 00	Special Reserve Fund - Capital Projects
53 26	Tax Override Fund - SSBF
67 30	Deductible Ins Loss Fund

**PURCHASE ORDER EXCEEDED BY 10%
FOR THE MONTH OF SEPTEMBER 2016**

PO NBR	DATE	FUND	VENDOR	LOC	DESCRIPTION	AMOUNT
000000730	7/1/2016	0100	PITNEY BOWES-RESERVE ACCT	064	DISTRICT POSTAGE	\$20,000.00
Revised	9/1/2016				INCREASE ANNUAL AMOUNT	\$20,000.00
					NEW TOTAL	\$40,000.00

**PURCHASE ORDER LISTING - SEPTEMBER 2016
BY SITE**

PO NBR	DATE	FUND	VENDOR	DESCRIPTION	AMOUNT	LOC	LOCATION
0000001262	9/6/2016	1400	NINYO & MOORE	INSPECTION SVCS-PD HVAC	\$ 3,214.00	002	PEPPER DRIVE SCHOOL
0000001268	9/7/2016	0100	COOLE SCHOOL	CLASSROOM SUPPLIES	\$ 1,761.60	002	PEPPER DRIVE SCHOOL
0000001293	9/9/2016	0100	DELL MARKETING L.P.	PRINTER DRUMS	\$ 256.45	002	PEPPER DRIVE SCHOOL
0000001306	9/9/2016	0100	SCHOOLSIN	CLASSROOM SUPPLIES	\$ 561.29	002	PEPPER DRIVE SCHOOL
0000001311	9/12/2016	0100	DECKER EQUIPMENT	SUPPLIES FOR PD	\$ 1,717.09	002	PEPPER DRIVE SCHOOL
0000001334	9/14/2016	0100	SCHOLASTIC INC	SUBSCRIPTIONS	\$ 3,105.40	002	PEPPER DRIVE SCHOOL
0000001337	9/14/2016	0100	SAN DIEGO JUNIOR THEATRE	ADMISSIONS	\$ 464.00	002	PEPPER DRIVE SCHOOL
0000001348	9/15/2016	0100	DECKER EQUIPMENT	SUPPLIES FOR PEPPER DRIVE	\$ 737.34	002	PEPPER DRIVE SCHOOL
0000001351	9/15/2016	0100	DRAW SQUAD VIDEO	CLASSROOM MATERIALS	\$ 324.00	002	PEPPER DRIVE SCHOOL
0000001359	9/16/2016	0100	SUPERINTENDENT OF SCHOOLS	REGISTRATION FEES	\$ 300.00	002	PEPPER DRIVE SCHOOL
0000001368	9/19/2016	0100	ORGANIZED SPORTSWEAR, LLC	PE CLOTHES	\$ 3,693.06	002	PEPPER DRIVE SCHOOL
0000001376	9/19/2016	0100	OFFICE DEPOT INC	SUPPLIES	\$ 3,192.19	002	PEPPER DRIVE SCHOOL
0000001381	9/19/2016	0100	LAKESHORE LEARNING MATERIALS	CLASSROOM SUPPLIES	\$ 1,060.08	002	PEPPER DRIVE SCHOOL
0000001382	9/19/2016	0100	LAKESHORE LEARNING MATERIALS	CLASSROOM SUPPLIES	\$ 654.78	002	PEPPER DRIVE SCHOOL
0000001383	9/20/2016	0100	SCHOOL OUTFITTERS	CLASSROOM SUPPLIES	\$ 364.30	002	PEPPER DRIVE SCHOOL
0000001384	9/20/2016	0100	KIDCARPET.COM - KFS	CLASSROOM SUPPLIES	\$ 2,290.03	002	PEPPER DRIVE SCHOOL
0000001388	9/20/2016	0100	DELL MARKETING L.P.	PRINTER TONER	\$ 1,106.43	002	PEPPER DRIVE SCHOOL
0000001390	9/20/2016	0100	DFS FLOORING	CARPET - PD RM 5	\$ 3,056.00	002	PEPPER DRIVE SCHOOL
0000001396	9/20/2016	4000	JOHNSTONE SUPPLY	HVAC SUPPLIES	\$ 1,670.77	002	PEPPER DRIVE SCHOOL
0000001403	9/21/2016	0100	SITSPOTS	CLASSROOM SUPPLIES	\$ 229.07	002	PEPPER DRIVE SCHOOL
0000001431	9/27/2016	0100	LEARNING A-Z	SOFTWARE LICENSES	\$ 94.95	002	PEPPER DRIVE SCHOOL
0000001439	9/27/2016	0100	BIO CORPORATION	SCIENCE MATERIALS - PD	\$ 337.01	002	PEPPER DRIVE SCHOOL
0000001440	9/27/2016	0100	SCHOLASTIC BOOK FAIRS - 10	BOOK FAIR AT PD	\$ 1,986.30	002	PEPPER DRIVE SCHOOL
0000001447	9/29/2016	2538	DEPARTMENT OF GENERAL SERVICES	FINAL CLOSE-OUT FEES LRC/ADMIN	\$ 13,288.59	002	PEPPER DRIVE SCHOOL
0000001453	9/29/2016	1400	WASTE MANAGEMENT OF EL CAJON -	ROLL OFF - PD HVAC PROJECT	\$ 613.40	002	PEPPER DRIVE SCHOOL
0000001460	9/30/2016	1400	NINYO & MOORE	PROFESSIONAL SERVICES	\$ 529.50	002	PEPPER DRIVE SCHOOL
				TOTAL	\$ 46,607.63		PEPPER DRIVE SCHOOL
0000001346	9/15/2016	0100	AMAZON.COM	CLASSROOM SUPPLIES	\$ 18.35	003	CARLTON HILLS SCHOOL
0000001369	9/19/2016	0100	DELL MARKETING L.P.	PRINTER SUPPLIES	\$ 51.29	003	CARLTON HILLS SCHOOL
0000001371	9/19/2016	0100	AMAZON.COM	SUPPLIES	\$ 116.54	003	CARLTON HILLS SCHOOL
0000001376	9/19/2016	0100	OFFICE DEPOT INC	SUPPLIES	\$ 1,350.67	003	CARLTON HILLS SCHOOL
0000001395	9/20/2016	0100	AMERICAN FENCE COMPANY	SHADE MATERIALS FOR VOL. DAY	\$ 700.00	003	CARLTON HILLS SCHOOL
0000001405	9/21/2016	0100	SEATING COMPONENT MANUFACTURING	ADA LUNCH TABLE	\$ 1,616.76	003	CARLTON HILLS SCHOOL
0000001407	9/21/2016	0100	DELL MARKETING L.P.	LAPTOP	\$ 988.45	003	CARLTON HILLS SCHOOL
0000001442	9/27/2016	0100	AMAZON.COM	CLASSROOM SUPPLIES	\$ 291.28	003	CARLTON HILLS SCHOOL
0000001467	9/30/2016	0100	LEHIGH HANSON HEIDELBERG	SUPPLIES FOR VOLUNTEER DAY	\$ 543.84	003	CARLTON HILLS SCHOOL
				TOTAL	\$ 5,677.18		CARLTON HILLS SCHOOL
0000001335	9/14/2016	0100	DELL MARKETING L.P.	TONER FOR PRINTER	\$ 274.39	004	SYCAMORE CANYON SCH
0000001376	9/19/2016	0100	OFFICE DEPOT INC	SUPPLIES	\$ 989.19	004	SYCAMORE CANYON SCH
0000001386	9/20/2016	0100	IDENT-A-KID SERVICES	OFFICE SUPPLIES	\$ 89.10	004	SYCAMORE CANYON SCH

0000001401	9/21/2016	0100	SCHOLASTIC BOOK FAIRS - 10	BOOK FAIR - SC	\$ 1,974.90	004	SYCAMORE CANYON SCH
0000001406	9/21/2016	0100	DELL MARKETING L.P.	PRINTER	\$ 323.67	004	SYCAMORE CANYON SCH
0000001409	9/21/2016	0100	SEHI COMPUTER PRODUCTS INC	EQUIP. REPLACEMENT PARTS	\$ 235.86	004	SYCAMORE CANYON SCH
0000001409	9/21/2016	0100	SEHI COMPUTER PRODUCTS INC	EQUIP. REPLACEMENT PARTS	\$ 6.00	004	SYCAMORE CANYON SCH
0000001415	9/22/2016	0100	SMILE MAKERS	HEALTH OFFICE SUPPLIES	\$ 27.98	004	SYCAMORE CANYON SCH
0000001421	9/26/2016	0100	SCHOOL HEALTH CORPORATION	AED SUPPLIES	\$ 44.05	004	SYCAMORE CANYON SCH
0000001461	9/30/2016	0100	UNITED HEALTH SUPPLIES	HEALTH OFFICE SUPPLIES	\$ 36.59	004	SYCAMORE CANYON SCH
0000001462	9/30/2016	0100	BADGE-A-MINIT	OFFICE EQUIPMENT	\$ 259.15	004	SYCAMORE CANYON SCH
					TOTAL \$ 4,260.88		SYCAMORE CANYON SCH
0000001249	9/1/2016	0100	DEMCO INC	CLASSROOM MATERIALS	\$ 118.60	005	PROSPECT AVENUE SCH
0000001260	9/6/2016	0100	SUPERIOR READY MIX CONCRETE	CONCRETE PADS FOR TABLES-PA	\$ 1,059.31	005	PROSPECT AVENUE SCH
0000001290	9/9/2016	0100	DELL MARKETING L.P.	TONER FOR PRINTER AT PA	\$ 1,846.72	005	PROSPECT AVENUE SCH
0000001291	9/9/2016	0100	LAKESHORE LEARNING MATERIALS	BACK PACK CART - PA	\$ 195.82	005	PROSPECT AVENUE SCH
0000001292	9/9/2016	0100	KUYPERS CONSULTING INC	REGULATION MANUAL	\$ 55.59	005	PROSPECT AVENUE SCH
0000001295	9/9/2016	0100	T-SHIRT MART	PE SUPPLIES	\$ 483.30	005	PROSPECT AVENUE SCH
0000001299	9/9/2016	0100	HEINEMANN	REGISTRATION FEES	\$ 199.00	005	PROSPECT AVENUE SCH
0000001301	9/9/2016	0100	SUPERINTENDENT OF SCHOOLS	REGISTRATION FEES	\$ 212.50	005	PROSPECT AVENUE SCH
0000001302	9/9/2016	0100	SUPERINTENDENT OF SCHOOLS	REGISTRATION FEES	\$ 375.00	005	PROSPECT AVENUE SCH
0000001312	9/12/2016	0100	KNOWBUDDY RESOURCES	CLASSROOM MATERIALS	\$ 509.86	005	PROSPECT AVENUE SCH
0000001345	9/15/2016	0100	GOPHER SPORT	PE SUPPLIES	\$ 1,357.56	005	PROSPECT AVENUE SCH
0000001347	9/15/2016	0100	HOME DEPOT COMMERCIAL ACCOUNT	SUPPLIES FOR PRIDE	\$ 90.53	005	PROSPECT AVENUE SCH
0000001354	9/15/2016	0100	AMAZON.COM	CLASSROOM SUPPLIES	\$ 41.53	005	PROSPECT AVENUE SCH
0000001376	9/19/2016	0100	OFFICE DEPOT INC	SUPPLIES	\$ 680.85	005	PROSPECT AVENUE SCH
0000001410	9/21/2016	0100	SKATE WORLD SAN DIEGO	ADMISSIONS	\$ 520.00	005	PROSPECT AVENUE SCH
0000001413	9/22/2016	0100	HOME DEPOT COMMERCIAL ACCOUNT	SUPPLIES FOR M&O DEPT.	\$ 9.92	005	PROSPECT AVENUE SCH
0000001438	9/27/2016	0100	SUPERINTENDENT OF SCHOOLS	REGISTRATION FEES	\$ 550.00	005	PROSPECT AVENUE SCH
					TOTAL \$ 8,306.09		PROSPECT AVENUE SCH
0000001251	9/1/2016	0100	WESTERN PSYCHOLOGICAL SERVICES	CLASSROOM MATERIALS	\$ 81.00	006	CAJON PARK SCHOOL
0000001253	9/6/2016	0100	CAMFEL PRODUCTIONS INC	ANTI-BULLYING PRESENTATION-CP	\$ 100.00	006	CAJON PARK SCHOOL
0000001265	9/7/2016	0100	AMAZON.COM	CLASSROOM SUPPLIES	\$ 298.48	006	CAJON PARK SCHOOL
0000001366	9/19/2016	0100	RESOURCES FOR EDUCATORS	MAGAZINE SUBSCRIPTION	\$ 338.00	006	CAJON PARK SCHOOL
0000001376	9/19/2016	0100	OFFICE DEPOT INC	SUPPLIES	\$ 1,852.27	006	CAJON PARK SCHOOL
0000001393	9/20/2016	0100	GB'S FENCE COMPANY	FENCING AT CAJON PARK	\$ 1,440.00	006	CAJON PARK SCHOOL
0000001418	9/26/2016	0100	BIZCHAIR.COM	CLASSROOM FURNITURE	\$ 2,397.47	006	CAJON PARK SCHOOL
					TOTAL \$ 6,507.22		CAJON PARK SCHOOL
0000001257	9/6/2016	0100	LH CONNECTED	SUBSCRIPTION	\$ 465.00	007	CHET F HARRITT SCH
0000001258	9/6/2016	0100	AL'S SPORT SHOP	LOGO DESIGN	\$ 20.00	007	CHET F HARRITT SCH
0000001266	9/7/2016	0100	LEARNING A-Z	SOFTWARE LICENSES	\$ 2,581.24	007	CHET F HARRITT SCH
0000001286	9/8/2016	0100	IKEA - SAN DIEGO STORE	CLASSROOM FURNITURE	\$ 1,500.00	007	CHET F HARRITT SCH
0000001287	9/9/2016	0100	DELL MARKETING L.P.	LAPTOPS	\$ 988.45	007	CHET F HARRITT SCH
0000001296	9/9/2016	0100	HEINEMANN	CLASSROOM MATERIALS	\$ 915.68	007	CHET F HARRITT SCH
0000001301	9/9/2016	0100	SUPERINTENDENT OF SCHOOLS	REGISTRATION FEES	\$ 425.00	007	CHET F HARRITT SCH
0000001333	9/14/2016	0100	LAKESHORE LEARNING MATERIALS	CLASSROOM SUPPLIES	\$ 471.36	007	CHET F HARRITT SCH
0000001336	9/14/2016	0100	DELL MARKETING L.P.	COMPUTERS FOR CFH	\$ 10,875.55	007	CHET F HARRITT SCH

0000001338	9/14/2016	0100	PARKWAY BOWL	ADMISSIONS	\$ 258.00	007	CHET F HARRITT SCH
0000001339	9/14/2016	0100	SCHOLASTIC BOOK FAIRS - 10	BOOK FAIR AT CFH	\$ 2,379.33	007	CHET F HARRITT SCH
0000001361	9/16/2016	0100	SUPERINTENDENT OF SCHOOLS	REGISTRATION FEES	\$ 300.00	007	CHET F HARRITT SCH
0000001364	9/16/2016	0100	BADGE-A-MINIT	SUPPLIES	\$ 518.30	007	CHET F HARRITT SCH
0000001370	9/19/2016	0100	NIMCO INC	RED RIBBON WEEK SUPPLIES	\$ 844.02	007	CHET F HARRITT SCH
0000001376	9/19/2016	0100	OFFICE DEPOT INC	SUPPLIES	\$ 934.96	007	CHET F HARRITT SCH
0000001404	9/21/2016	0100	STEM MAGAZINE INC.	SUBSCRIPTION	\$ 240.00	007	CHET F HARRITT SCH
0000001408	9/21/2016	0100	SOUTHWEST SCHOOL SUPPLY	SUPPLIES	\$ 53.03	007	CHET F HARRITT SCH
					TOTAL \$ 23,769.92		CHET F HARRITT SCH
0000001330	9/14/2016	0100	FERGUSON ENTERPRISES INC	WATER BOTTLE REFILLING STATION	\$ 1,600.27	008	CARLTON OAKS SCHOOL
0000001352	9/15/2016	0100	VOCABULARY SPELLING CITY	SOFTWARE LICENSES	\$ 53.00	008	CARLTON OAKS SCHOOL
0000001376	9/19/2016	0100	OFFICE DEPOT INC	SUPPLIES	\$ 727.98	008	CARLTON OAKS SCHOOL
0000001392	9/20/2016	0100	CARLTON OAKS ASB	REIMBURSE CARLTON OAKS ASB	\$ 10,496.93	008	CARLTON OAKS SCHOOL
0000001397	9/20/2016	0100	TIME FOR KIDS	SUBSCRIPTIONS - CO	\$ 579.80	008	CARLTON OAKS SCHOOL
0000001398	9/20/2016	0100	SCHOOL SPECIALTY, INC	CLASSROOM SUPPLIES	\$ 153.14	008	CARLTON OAKS SCHOOL
0000001399	9/20/2016	0100	EPS LITERACY & INTERVENTION	CLASSROOM MATERIALS	\$ 778.92	008	CARLTON OAKS SCHOOL
0000001400	9/21/2016	0100	SCHOLASTIC INC	SUBSCRIPTIONS FOR CO	\$ 538.33	008	CARLTON OAKS SCHOOL
0000001402	9/21/2016	0100	BLICK ART MATERIALS	CLASSROOM SUPPLIES	\$ 78.25	008	CARLTON OAKS SCHOOL
0000001417	9/26/2016	0100	KYOCERA	RISO MAINT. AGREEMENT - CO	\$ 1,750.00	008	CARLTON OAKS SCHOOL
0000001450	9/29/2016	0100	IZADESIGN	PE CLOTHES	\$ 650.22	008	CARLTON OAKS SCHOOL
					TOTAL \$ 17,406.84		CARLTON OAKS SCHOOL
0000001365	9/19/2016	0100	SCHOLASTIC BOOK FAIRS - 10	BOOK FAIR	\$ 5,629.77	009	RIO SECO SCHOOL
0000001376	9/19/2016	0100	OFFICE DEPOT INC	SUPPLIES	\$ 213.43	009	RIO SECO SCHOOL
0000001377	9/19/2016	0100	OFFICEMAX CONTRACT INC	OFFICE SUPPLIES	\$ 782.61	009	RIO SECO SCHOOL
0000001416	9/22/2016	0100	CHRISTIAN YOUTH THEATER	ADMISSIONS	\$ 798.00	009	RIO SECO SCHOOL
0000001419	9/26/2016	0100	SEHI COMPUTER PRODUCTS INC	PARTS FOR EQUIP. REPAIRS	\$ 235.44	009	RIO SECO SCHOOL
0000001419	9/26/2016	0100	SEHI COMPUTER PRODUCTS INC	PARTS FOR EQUIP. REPAIRS	\$ 6.00	009	RIO SECO SCHOOL
0000001420	9/26/2016	0100	SCHOOL HEALTH CORPORATION	AED SUPPLIES	\$ 44.05	009	RIO SECO SCHOOL
0000001445	9/29/2016	0100	CHRISTIAN YOUTH THEATER	ADMISSIONS	\$ 280.00	009	RIO SECO SCHOOL
					TOTAL \$ 7,989.30		RIO SECO SCHOOL
0000001288	9/9/2016	0100	SEHI COMPUTER PRODUCTS INC	PROJECTOR	\$ 616.68	010	HILL CREEK SCHOOL
0000001301	9/9/2016	0100	SUPERINTENDENT OF SCHOOLS	REGISTRATION FEES	\$ 212.50	010	HILL CREEK SCHOOL
0000001353	9/15/2016	4000	SHINE UP SOLAR	SOLAR PANEL CLEANING - HC	\$ 2,286.00	010	HILL CREEK SCHOOL
0000001363	9/16/2016	0100	LEARNING A-Z	SOFTWARE LICENSES	\$ 1,754.10	010	HILL CREEK SCHOOL
0000001377	9/19/2016	0100	OFFICEMAX CONTRACT INC	OFFICE SUPPLIES	\$ 553.33	010	HILL CREEK SCHOOL
0000001422	9/26/2016	0100	SAFE-T-LITE	PAINT	\$ 107.42	010	HILL CREEK SCHOOL
0000001432	9/27/2016	0100	CLARK SECURITY PRODUCTS,	LOCKS SUPPLIES	\$ 484.49	010	HILL CREEK SCHOOL
					TOTAL \$ 6,014.52		HILL CREEK SCHOOL
0000001376	9/19/2016	0100	OFFICE DEPOT INC	SUPPLIES	\$ 156.26	015	ALTERNATIVE SCHOOL
					TOTAL \$ 156.26		ALTERNATIVE SCHOOL
0000001376	9/19/2016	0100	OFFICE DEPOT INC	SUPPLIES	\$ 96.41	062	SUPERINTENDENT DEPT
					TOTAL \$ 96.41		SUPERINTENDENT DEPT
0000001314	9/13/2016	0100	FEDERAL EXPRESS CORPORATION	OVERNIGHT MAIL DELIVERIES	\$ 20.38	064	BUSINESS SERVICES
0000001376	9/19/2016	0100	OFFICE DEPOT INC	SUPPLIES	\$ 106.60	064	BUSINESS SERVICES

0000001380	9/19/2016	0100	CASBO - SD/IMPERIAL SECTION	REGISTRATION FEES	\$ 35.00	064	BUSINESS SERVICES
0000001458	9/30/2016	0100	AMAZON.COM	OFFICE SUPPLIES	\$ 224.21	064	BUSINESS SERVICES
				TOTAL \$	386.19		BUSINESS SERVICES
0000001379	9/19/2016	0100	DISCOVERY BENEFITS	COBRA/RETIREE ADMINISTRATION	\$ 10,000.00	065	HUMAN RESOURCES
				TOTAL \$	10,000.00		HUMAN RESOURCES
0000001254	9/6/2016	0100	ESGI	SOFTWARE LICENSES FOR 16/17	\$ 5,250.00	066	EDUCATIONAL SERVICES
0000001310	9/12/2016	0100	ALLIANCE FOR AFRICAN ASSISTANCE	CONSULTING SERVICES	\$ 74.15	066	EDUCATIONAL SERVICES
0000001332	9/14/2016	0100	SUPERINTENDENT OF SCHOOLS	REGISTRATION FEES	\$ 3,250.00	066	EDUCATIONAL SERVICES
0000001355	9/16/2016	0100	SUPERINTENDENT OF SCHOOLS	REGISTRATION FEES	\$ 849.00	066	EDUCATIONAL SERVICES
0000001358	9/16/2016	0100	SUPERINTENDENT OF SCHOOLS	REGISTRATION FEES	\$ 45.00	066	EDUCATIONAL SERVICES
0000001360	9/16/2016	0100	SUPERINTENDENT OF SCHOOLS	REGISTRATION FEES	\$ 1,300.00	066	EDUCATIONAL SERVICES
0000001367	9/19/2016	0100	ALLIANCE FOR AFRICAN ASSISTANCE	CONSULTING SERVICES	\$ 489.69	066	EDUCATIONAL SERVICES
0000001376	9/19/2016	0100	OFFICE DEPOT INC	SUPPLIES	\$ 116.57	066	EDUCATIONAL SERVICES
0000001385	9/20/2016	0100	DOCUMENT TRACKING SERVICES LLC	LICENSING AGREEMENT	\$ 2,300.00	066	EDUCATIONAL SERVICES
				TOTAL \$	13,674.41		EDUCATIONAL SERVICES
0000001259	9/6/2016	0100	ADAPTIVEMALL.COM	SUPPLIES FOR SPEC. ED	\$ 1,020.60	067	SPECIAL EDUCATION
0000001300	9/9/2016	0100	SUPERINTENDENT OF SCHOOLS	REGISTRATION FEES	\$ 40.00	067	SPECIAL EDUCATION
0000001307	9/9/2016	0100	RIFTON EQUIPMENT	SPEC. ED FURNITURE	\$ 2,385.45	067	SPECIAL EDUCATION
0000001309	9/12/2016	0100	SPOT KIDS THERAPY, INC.	PSYCHOLOGIST SERVICES	\$ 16,000.00	067	SPECIAL EDUCATION
0000001357	9/16/2016	0100	SUPERINTENDENT OF SCHOOLS	REGISTRATION FEES	\$ 40.00	067	SPECIAL EDUCATION
0000001362	9/16/2016	0100	SOCIAL THINKING	REGISTRATION FEES	\$ 300.00	067	SPECIAL EDUCATION
0000001446	9/29/2016	0100	UNITED PARCEL SERVICE	SHIPPING CHARGES	\$ 29.99	067	SPECIAL EDUCATION
0000001459	9/30/2016	0100	NEW BRIDGE SCHOOL	NPS SERVICES	\$ 847.20	067	SPECIAL EDUCATION
				TOTAL \$	20,663.24		SPECIAL EDUCATION
0000001256	9/6/2016	0100	HOUGHTON MIFFLIN HARCOURT	CLASSROOM MATERIALS	\$ 14,711.03	071	DISTRICT LIBRARY
0000001294	9/9/2016	0100	BARNES AND NOBLE BOOKSELLERS	LIBRARY BOOKS	\$ 441.34	071	DISTRICT LIBRARY
0000001331	9/14/2016	0100	HOUGHTON MIFFLIN HARCOURT	MATH EXPRESSIONS - 2ND ORDER	\$ 12,560.96	071	DISTRICT LIBRARY
0000001411	9/21/2016	0100	CPM EDUCATIONAL PROGRAM	CLASSROOM MATERIALS	\$ 367.20	071	DISTRICT LIBRARY
				TOTAL \$	28,080.53		DISTRICT LIBRARY
0000001340	9/14/2016	6300	AMAZON.COM	SUPPLIES FOR PROJ. SAFE	\$ 142.89	072	PROJECT SAFE
0000001341	9/14/2016	6300	SYSCO FOOD SERVICES OF	PROJECT SAFE FOOD SUPPLIES	\$ 1,545.76	072	PROJECT SAFE
0000001342	9/14/2016	6300	SYSCO FOOD SERVICES OF	PROJECT SAFE FOOD SUPPLIES	\$ 1,757.30	072	PROJECT SAFE
0000001376	9/19/2016	6300	OFFICE DEPOT INC	SUPPLIES	\$ 1,261.26	072	PROJECT SAFE
0000001378	9/19/2016	6300	AMAZON.COM	PROJECT SAFE SUPPLIES	\$ 463.47	072	PROJECT SAFE
0000001412	9/22/2016	0100	CITI CARDS /	PROJECT SAFE SUPPLIES	\$ 224.73	072	PROJECT SAFE
0000001412	9/22/2016	0100	CITI CARDS /	PROJECT SAFE SUPPLIES	\$ 156.38	072	PROJECT SAFE
0000001412	9/22/2016	6300	CITI CARDS /	PROJECT SAFE SUPPLIES	\$ 2,531.10	072	PROJECT SAFE
0000001412	9/22/2016	6300	CITI CARDS /	PROJECT SAFE SUPPLIES	\$ 2,154.88	072	PROJECT SAFE
0000001414	9/22/2016	6300	SMART & FINAL	PROJECT SAFE SUPPLIES	\$ 200.00	072	PROJECT SAFE
0000001443	9/28/2016	6300	SYSCO FOOD SERVICES OF	FOOD SUPPLIES FOR PROJ. SAFE	\$ 1,354.85	072	PROJECT SAFE
0000001466	9/30/2016	6300	HOME DEPOT COMMERCIAL ACCOUNT	SHED FOR PROJ. SAFE	\$ 1,169.63	072	PROJECT SAFE
				TOTAL \$	12,962.25		PROJECT SAFE
0000001255	9/6/2016	0100	UZBL	IPAD CASES	\$ 14,256.00	073	TECHNOLOGY SERVICES
0000001255	9/6/2016	0100	UZBL	IPAD CASES	\$ 2,646.00	073	TECHNOLOGY SERVICES

0000001287	9/9/2016	0100	DELL MARKETING L.P.	LAPTOPS	\$ 6,919.12	073	TECHNOLOGY SERVICES
0000001287	9/9/2016	0100	DELL MARKETING L.P.	LAPTOPS	\$ 988.45	073	TECHNOLOGY SERVICES
0000001289	9/9/2016	0100	DATTEL SYSTEMS	IPAD STORAGE CABEINETS	\$ 3,952.80	073	TECHNOLOGY SERVICES
0000001349	9/15/2016	0100	DELL MARKETING L.P.	COMPUTERS	\$ 1,952.55	073	TECHNOLOGY SERVICES
0000001350	9/15/2016	0100	INSIGHT INVESTMENTS	COMPUTER MONITORS	\$ 615.60	073	TECHNOLOGY SERVICES
0000001376	9/19/2016	0100	OFFICE DEPOT INC	SUPPLIES	\$ 452.98	073	TECHNOLOGY SERVICES
					TOTAL \$ 31,783.50		TECHNOLOGY SERVICES
0000001267	9/7/2016	0100	MAINTEX INC	CUSTODIAL SUPPLIES	\$ 84.96	074	OPERATIONS/CUSTODIAL
0000001329	9/14/2016	0100	A-DISCOUNT VACUUM	VACUUM PARTS FOR REPAIRS	\$ 27.00	074	OPERATIONS/CUSTODIAL
0000001433	9/27/2016	0100	A-DISCOUNT VACUUM	VACUUM REPAIRS	\$ 54.00	074	OPERATIONS/CUSTODIAL
0000001463	9/30/2016	0100	LOWE'S STORE #1661	SUPPLIES	\$ 11.60	074	OPERATIONS/CUSTODIAL
					TOTAL \$ 177.56		OPERATIONS/CUSTODIAL
0000001278	9/7/2016	0100	ENNISS INC	DROPS GRANT SUPPLIES	\$ 2,860.39	075	MAINTENANCE
0000001280	9/7/2016	0100	KNIFFING'S DISCOUNT NURSERIES	DROPS GRANT TREES	\$ 589.19	075	MAINTENANCE
0000001281	9/7/2016	0100	EWING IRRIGATION PRODUCTS	DROPS GRANT SUPPLIES	\$ 150.93	075	MAINTENANCE
0000001284	9/7/2016	0100	KRC ROCK INC	DROPS GRANT SUPPLIES	\$ 469.26	075	MAINTENANCE
0000001285	9/7/2016	0100	KRC ROCK INC	GROUNDS SUPPLIES	\$ 379.62	075	MAINTENANCE
0000001313	9/12/2016	0100	E.B. BRADLEY CO.	SUPPLIES FOR MAINT. DEPT	\$ 52.75	075	MAINTENANCE
0000001318	9/14/2016	0100	SOUTH BAY FENCE INC.	WIND/STORM DAMAGE SHADE REPL.	\$ 4,446.00	075	MAINTENANCE
0000001322	9/14/2016	0100	R&R CONTROLS, INC.	HVAC SUPPLIES	\$ 40.00	075	MAINTENANCE
0000001344	9/15/2016	0100	ABABA BOLT	LOCK / HARDWARE SUPPLIES	\$ 48.54	075	MAINTENANCE
0000001413	9/22/2016	0100	HOME DEPOT COMMERCIAL ACCOUNT	SUPPLIES FOR M&O DEPT.	\$ 177.16	075	MAINTENANCE
0000001434	9/27/2016	0100	GEARY PACIFIC SUPPLY	HVAC SUPPLIES	\$ 415.18	075	MAINTENANCE
0000001452	9/29/2016	0100	KRC ROCK INC	LANDSCAPE SUPPLIES	\$ 685.80	075	MAINTENANCE
0000001454	9/29/2016	0100	WESTERN ENVIRONMENTAL & SAFETY	HAZMAT SAMPLING - CH	\$ 1,620.00	075	MAINTENANCE
0000001456	9/29/2016	0100	CABLE, PIPE & LEAK DETECTION,	UNDERGROUND UTILITY DETECTION	\$ 375.00	075	MAINTENANCE
0000001457	9/29/2016	0100	EMEDCO INC	SIGNS	\$ 316.19	075	MAINTENANCE
					TOTAL \$ 12,626.01		MAINTENANCE
0000001252	9/6/2016	0100	CALIFORNIA DEPARTMENT OF EDUCATION	CERTIFICATION FEES	\$ 185.00	076	TRANSPORTATION
0000001269	9/7/2016	0100	DAY WIRELESS SYSTEMS	RADIOS INTO NEW VANS	\$ 1,341.58	076	TRANSPORTATION
0000001270	9/7/2016	0100	O'REILLY AUTO PARTS	SUPPLIES FOR BUS REPAIRS	\$ 176.58	076	TRANSPORTATION
0000001271	9/7/2016	0100	PENSKE FORD	VEHICLE/BUS REPAIRS	\$ 3,054.14	076	TRANSPORTATION
0000001272	9/7/2016	0100	AUTO ZONE	PARTS/SUPPLIES FOR REPAIRS	\$ 18.64	076	TRANSPORTATION
0000001273	9/7/2016	0100	KIRKS RADIATOR	BUS REPAIRS	\$ 174.77	076	TRANSPORTATION
0000001274	9/7/2016	0100	VALLEY TRACTOR & EQUIPMENT	PARTS FOR EQUIPMENT REPAIRS	\$ 166.09	076	TRANSPORTATION
0000001275	9/7/2016	0100	TIRE CENTERS, LLC	PARTS FOR BUS REPAIRS	\$ 408.05	076	TRANSPORTATION
0000001276	9/7/2016	0100	WESTERN GRAPHIX	EQUIPMENT REPAIRS	\$ 245.00	076	TRANSPORTATION
0000001277	9/7/2016	0100	DAVID STEVENS	BUS REPAIRS	\$ 1,975.00	076	TRANSPORTATION
0000001297	9/9/2016	0100	HOSE & RUBBER PRODUCTS	SUPPLIES FOR REPAIRS	\$ 135.00	076	TRANSPORTATION
0000001298	9/9/2016	0100	MASON'S SAW & LAWNMOWER SERVICE,	SUPPLIES FOR EQUIPMENT REPAIRS	\$ 54.58	076	TRANSPORTATION
0000001316	9/13/2016	0100	TIRE CENTERS, LLC	TIRES FOR BUSES	\$ 2,526.98	076	TRANSPORTATION
0000001319	9/14/2016	0100	O'REILLY AUTO PARTS	SUPPLIES/PARTS FOR BUS REPAIRS	\$ 67.89	076	TRANSPORTATION
0000001325	9/14/2016	0100	KIRKS RADIATOR	SPEC. ED BUS REPAIRS	\$ 1,585.99	076	TRANSPORTATION
0000001326	9/14/2016	0100	SCHOOL BUS PARTS COMPANY	PARTS/SUPPLIES FOR BUS REPAIRS	\$ 352.58	076	TRANSPORTATION

0000001327	9/14/2016	0100	A-Z BUS SALES, INC.	PARTS FOR REG. ED BUS REPAIRS	\$ 116.08	076	TRANSPORTATION
0000001328	9/14/2016	0100	CREATIVE BUS SALES INC	PARTS FOR SPEC. ED BUS	\$ 23.04	076	TRANSPORTATION
0000001423	9/26/2016	0100	TNT MOBILE SERVICES	TRAILER REPAIR SVCS	\$ 2,571.75	076	TRANSPORTATION
0000001424	9/26/2016	0100	SCHOOL BUS PARTS COMPANY	SHOP SUPPLIES	\$ 91.07	076	TRANSPORTATION
0000001425	9/26/2016	0100	KNIGHT PRODUCTS GROUP	WASH STATION SUPPLIES	\$ 86.18	076	TRANSPORTATION
0000001426	9/26/2016	0100	O'REILLY AUTO PARTS	PARTS/SUPPLIES FOR REPAIRS	\$ 122.49	076	TRANSPORTATION
0000001427	9/26/2016	0100	INTERSTATE BATTERY OF	PARTS FOR BUS REPAIRS	\$ 210.07	076	TRANSPORTATION
0000001428	9/26/2016	0100	CALIFORNIA ENVIRONMENTAL SOLUTIONS	BUS REPAIRS	\$ 225.00	076	TRANSPORTATION
0000001429	9/26/2016	0100	AUTO ZONE	PARTS FOR REPAIRS	\$ 63.01	076	TRANSPORTATION
0000001429	9/26/2016	0100	AUTO ZONE	PARTS FOR REPAIRS	\$ (7.58)	076	TRANSPORTATION
0000001430	9/27/2016	0100	AMAZON.COM	TRANSPORTATION SUPPLIES	\$ 226.74	076	TRANSPORTATION
0000001436	9/27/2016	0100	GRAINGER	SUPPLIES FOR TRANS. DEPT.	\$ 259.46	076	TRANSPORTATION
0000001437	9/27/2016	0100	CALIFORNIA DEPARTMENT OF EDUCATION	CERTIFICATION COURSE APP. FEE	\$ 35.00	076	TRANSPORTATION
0000001444	9/28/2016	0100	THOMAS INDUSTRIAL WATER	BUS WASHING STATION SUPPLIES	\$ 140.00	076	TRANSPORTATION
0000001446	9/29/2016	0100	UNITED PARCEL SERVICE	SHIPPING CHARGES	\$ 12.85	076	TRANSPORTATION
0000001465	9/30/2016	0100	DAVID STEVENS	BUS REPAIR SERVICES	\$ 125.00	076	TRANSPORTATION
					TOTAL \$ 16,768.03		TRANSPORTATION
0000001250	9/1/2016	0100	MERCURY DISPOSAL SYSTEMS INC	LIGHT BULB DISPOSAL	\$ 2,152.23	077	FACILITIES MODERNIZATION
0000001261	9/6/2016	0100	BEST-RATE REPAIR CO INC	DEMO WORK - CO ON-SITE	\$ 999.00	077	FACILITIES MODERNIZATION
0000001283	9/7/2016	0100	FERGUSON ENTERPRISES INC	SINKS FOR PD REMODEL	\$ 54.99	077	FACILITIES MODERNIZATION
0000001315	9/13/2016	0100	SCHOOL OUTFITTERS	PROJECTOR SCREEN - CFH-RM 28	\$ 468.21	077	FACILITIES MODERNIZATION
0000001317	9/13/2016	0100	BEST-RATE REPAIR CO INC	DECK FOR LIVE-ON	\$ 999.00	077	FACILITIES MODERNIZATION
0000001321	9/14/2016	0100	SAFE-T-LITE	SUPPLIES FOR VOLUNTEER DAY	\$ 530.57	077	FACILITIES MODERNIZATION
0000001323	9/14/2016	0100	LAKESIDE EQUIPMENT SALES AND	EQUIP. RENTAL-VOLUNTEER DAY	\$ 1,345.20	077	FACILITIES MODERNIZATION
0000001324	9/14/2016	0100	RCP BLOCK & BRICK INC	SUPPLIES FOR VOLUNTEER DAY	\$ 149.10	077	FACILITIES MODERNIZATION
0000001356	9/16/2016	0100	SHIFFLER EQUIPMENT SALES INC	RESTROOM PARTITIONS - DO	\$ 2,076.48	077	FACILITIES MODERNIZATION
0000001387	9/20/2016	0100	WALTERS WHOLESALE ELECTRIC CO	LIGHTING RETROFIT KITS	\$ 249.00	077	FACILITIES MODERNIZATION
0000001389	9/20/2016	0100	WASTE MANAGEMENT OF EL CAJON -	ROLL-OFF AT CP	\$ 816.24	077	FACILITIES MODERNIZATION
0000001394	9/20/2016	0100	GB'S FENCE COMPANY	FENCING AT SYCAMORE CANYON	\$ 3,130.00	077	FACILITIES MODERNIZATION
0000001395	9/20/2016	0100	AMERICAN FENCE COMPANY	SHADE MATERIALS FOR VOL. DAY	\$ 1,082.00	077	FACILITIES MODERNIZATION
0000001435	9/27/2016	0100	BEST-RATE REPAIR CO INC	PATIO COVER - CO	\$ 990.00	077	FACILITIES MODERNIZATION
0000001441	9/27/2016	0100	MERINO LANDSCAPE INC.	LANDSCAPING IMPROVEMENT - DO	\$ 14,900.00	077	FACILITIES MODERNIZATION
0000001451	9/29/2016	0100	HOME DEPOT COMMERCIAL ACCOUNT	LIGHTING RETROFIT KIT SUPPLIES	\$ 106.88	077	FACILITIES MODERNIZATION
0000001455	9/29/2016	0100	SAFE-T-LITE	DRIVEWAY WIDENING - CH	\$ 1,367.10	077	FACILITIES MODERNIZATION
0000001463	9/30/2016	0100	LOWE'S STORE #1661	SUPPLIES	\$ 2.85	077	FACILITIES MODERNIZATION
0000001464	9/30/2016	0100	HOME DEPOT COMMERCIAL ACCOUNT	PAINTING SUPPLIES	\$ 24.72	077	FACILITIES MODERNIZATION
					TOTAL \$ 31,443.57		FACILITIES MODERNIZATION
0000001241	9/1/2016	0100	SOUTHWEST SCHOOL SUPPLY	INVENTORY REPLENISHMENT	\$ 548.08	078	WAREHOUSE
0000001242	9/1/2016	0100	US GAMES	INVENTORY REPLENISHMENT	\$ 101.74	078	WAREHOUSE
0000001243	9/1/2016	0100	MAINTEX INC	INVENTORY REPLENISHMENTS	\$ 419.62	078	WAREHOUSE
0000001244	9/1/2016	0100	SCHOOL SPECIALTY, INC	INVENTORY REPLENISHMENT	\$ 125.19	078	WAREHOUSE
0000001245	9/1/2016	0100	MISSION JANITORIAL SUPPLIES	INVENTORY REPLENISHMENT	\$ 9,274.61	078	WAREHOUSE
0000001246	9/1/2016	0100	KELLY PAPER	INVENTORY REPLENISHMENT	\$ 792.72	078	WAREHOUSE
0000001248	9/1/2016	0100	CAMEO PAPER & JANITORIAL	INVENTORY REPLENISHMENT	\$ 648.00	078	WAREHOUSE

0000001263	9/6/2016	0100	SOUTHWEST SCHOOL SUPPLY	INVENTORY REPLENISHMENT	\$ 363.92	078	WAREHOUSE
0000001264	9/7/2016	0100	AMAZON.COM	INVENTORY REPLENISHMENT	\$ 302.88	078	WAREHOUSE
0000001303	9/9/2016	0100	SOUTHWEST SCHOOL SUPPLY	INVENTORY REPLENISHMENT	\$ 989.14	078	WAREHOUSE
0000001304	9/9/2016	0100	MAINTEX INC	INVENTORY REPLENISHMENT	\$ 710.44	078	WAREHOUSE
0000001305	9/9/2016	0100	OFFICE DEPOT INC	INVENTORY REPLENISHMENT	\$ 61.82	078	WAREHOUSE
0000001308	9/12/2016	0100	A-DISCOUNT VACUUM	INVENTORY REPLENISHMENT	\$ 829.18	078	WAREHOUSE
0000001343	9/15/2016	0100	US GAMES	INVENTORY REPLENISHMENT	\$ 1,066.87	078	WAREHOUSE
0000001372	9/19/2016	0100	SOUTHWEST SCHOOL SUPPLY	INVENTORY REPLENISHMENT	\$ 852.76	078	WAREHOUSE
0000001373	9/19/2016	0100	SCHOOL SPECIALTY, INC	INVENTORY REPLENISHMENT	\$ 338.60	078	WAREHOUSE
0000001374	9/19/2016	0100	CM SCHOOL SUPPLY	INVENTORY REPLENISHMENT	\$ 86.40	078	WAREHOUSE
0000001375	9/19/2016	0100	OFFICE DEPOT INC	INVENTORY REPLENISHMENT	\$ 1,625.19	078	WAREHOUSE
0000001391	9/20/2016	0100	VERITIV OPERATING COMPANY	INVENTORY REPLENISHMENT	\$ 21,228.48	078	WAREHOUSE
0000001448	9/29/2016	0100	MAINTEX INC	INVENTORY REPLENISHMENT	\$ 534.21	078	WAREHOUSE
0000001449	9/29/2016	0100	SOUTHWEST SCHOOL SUPPLY	INVENTORY REPLENISHMENT	\$ 613.23	078	WAREHOUSE
				TOTAL	\$ 41,513.08		WAREHOUSE
0000001279	9/7/2016	1300	HOME DEPOT COMMERCIAL ACCOUNT	SUPPLIES FOR CNS	\$ 48.60	090	FOOD SERVICES
0000001287	9/9/2016	1300	DELL MARKETING L.P.	LAPTOPS	\$ 988.45	090	FOOD SERVICES
0000001376	9/19/2016	1300	OFFICE DEPOT INC	SUPPLIES	\$ 175.81	090	FOOD SERVICES
0000001463	9/30/2016	1300	LOWE'S STORE #1661	SUPPLIES	\$ 9.26	090	FOOD SERVICES
				TOTAL	\$ 1,222.12		FOOD SERVICES
					\$ 348,092.74		

Consent Item D.2.4. Approval/Ratification of Revolving Cash Report
Prepared by Karl Christensen
October 18, 2016

BACKGROUND:

The Revolving Cash Fund of \$198,677 is used for prompt payment to vendors and saves the costs associated with processing payments of small amounts through the County Superintendent of Schools. The attached report of numerical listings by check number include the issue date, name of payee, a general description of items purchased, and the amount of the check.

RECOMMENDATION:

Administration recommends approval of check #24430 on the \$198,677 Revolving Cash Account.

This recommendation supports the following District goal:

Fiscal Accountability

- Financially support the vision, mission, and goals of the District by maximizing resources, controlling expenses, and managing assets to ensure fiscal solvency and flexibility.

FISCAL IMPACT:

The fiscal impact is \$97.41 as disclosed on the following report.

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item. All fiscal resources impact student achievement.

Motion: _____ Second: _____ Vote: _____

Agenda Item D.2.4.

**SANTEE SCHOOL DISTRICT
REVOLVING CASH REPORT - \$198,677**

Date	Number	Name	Memo	Amount
10/04/16	24430	Lakeside School District	Transfer of 6th grade camp fundraising	126.00
		Total Checks Written		\$126.00
09/30/16		Bank earnings - September, 2016		-28.59
		Total to be Reimbursed		\$97.41

Consent Item D.2.5. Acceptance of Donations
 Prepared by Karl Christensen
 October 18, 2016

BACKGROUND:

Board of Education policy #3290 specifies that gifts and donations, with a value over \$50, must be officially received by the Board of Education. The following donations have been offered to the District:

<i>Item</i>	<i>Approximate Value</i>	<i>Donated By</i>	<i>Designated For Use At</i>
Funds to Support the Instructional Program and Supplement Classroom Supplies	\$226.00	DonorsChoose.org	Pepper Drive School
	\$420.00	DonorsChoose.org	PRIDE Academy
	\$131.47	DonorsChoose.org	Rio Seco School
	\$300.53	United Way	Districtwide
TOTAL DONATIONS RECEIVED	\$1,078.00		

RECOMMENDATION:

Administration recommends acceptance of the donation listed above for the District and authorization granted to send a letter of appreciation on behalf of the governing Board.

This recommendation supports the following District goals:

Educational Achievement

- Assure the highest level of educational achievement for all students.

Fiscal Accountability

- Financially support the vision, mission, and goals of the District by maximizing resources, controlling expenses, and managing assets to ensure fiscal solvency and flexibility.

FISCAL IMPACT:

The donation above is valued at \$1,078.00.

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item. All fiscal resources impact student achievement.

Motion: _____ Second: _____ Vote: _____

Agenda Item D.2.5.

BACKGROUND:

From time to time, the District contracts with individuals, companies, or organizations to provide various types of services within the following scopes:

- Consultants: Those providing professional advice or specialized technical or training services
- General Service Providers: Those providing general services not fitting the description of a consultant

The Internal Revenue Service requires an analysis of the nature and type of work performed to determine whether the service provider qualifies as an independent contractor to be paid by commercial warrant or an employee to be paid by payroll warrant for withholding and payment of appropriate payroll taxes. This analysis generally involves an assessment of the degree of control the District will have over the service provider's schedule and work methods.

The attached table presents requests for Consultants and General Service Providers. (NOTE: Those providing services on an annual, on-going basis are approved separately by the Board as Annual Contract Renewals)

RECOMMENDATION:

It is recommended that the Board of Education approve/ratify agreements with Consultants and General Service Providers as presented.

This recommendation supports the following District goals:

Educational Achievement

- Assure the highest level of educational achievement for all students.

Fiscal Accountability

- Financially support the vision, mission, and goals of the District by maximizing resources, controlling expenses, and managing assets to ensure fiscal solvency and flexibility.

FISCAL IMPACT:

The fiscal impact is disclosed on the attached page.

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item. All fiscal resources impact student achievement.

Motion: _____ Second: _____ Vote: _____

Agenda Item D.2.6.

**Consultant / General Service Provider Report
October 18, 2016**

Vendor Name	Type (Consultant or General Service Provider)	Description of Services	Date(s) of Service	Amount	Funding	Payment Type (Independent Contractor or Employee)
Blythe Olander	General Service Provider	Speech Therapy	10/10/16 - 06/20/17	\$67.50/hour (not to exceed \$33,750.00)	Special Education	Employee
Joy Burchard	Consultant	Accounting Training	10/12/16 - 10/31/16	\$26.87/hour (not to exceed \$430.00)	Business Services	Employee
Grossmont-Cuyamaca Community College	General Service Provider	Grossmont College Theatre Arts Department Performance of "Blue"	10/20/16	\$200.00 (not to exceed)	Carlton Oaks	Independent Contractor
Edudance Classroom in Motion	General Service Provider	Ballroom Dance Program	09/16/16 - 12/16/16	\$1,440 (not to exceed)	Pepper Drive	Independent Contractor

BACKGROUND:

The Santee School District is required to provide for transportation of Special Education students when their Individualized Education Plan (IEP) includes the need for this service. In lieu of the District providing transportation, the District offers parents/guardian the opportunity to transport their own children and receive reimbursement for their incurred mileage at the IRS-approved rate.

The Commercial Warrants Audit manual stipulates that an agreement is to be executed with the Parent/Guardian whenever mileage reimbursement is provided. Agreements with parents/guardians opting to receive mileage reimbursement for the 2016-17 school year for the transportation of their own child(ren) are listed below:

School of Attendance	Round Trip Miles Per Day	# of Days	Per Mile Rate	Total Estimated Annual Cost
Cajon Park School	42	180	\$0.5400	\$4,082.40
Cajon Park School	1	180	\$0.5400	\$ 97.20
Carlton Hills School	6.2	180	\$0.5400	\$ 602.64
Carlton Oaks School	13	180	\$0.5400	\$1,263.60
Davila Day School	42	180	\$0.5400	\$4,082.40
Emerald Middle School	15	180	\$0.5400	\$1,458.00
Sycamore Canyon School	12	180	\$0.5400	\$1,166.40
Sycamore Canyon School	7	180	\$0.5400	\$ 680.40
Sycamore Canyon School	5	180	\$0.5400	\$ 486.00
Sycamore Canyon School	11.4	180	\$0.5400	\$1,108.08
Sycamore Canyon School	6	180	\$0.5400	\$ 583.20
Total:				\$15,610.32

RECOMMENDATION:

It is recommended that the Board of Education approve/ratify agreements with Parents/Guardians for mileage reimbursement in lieu of District transportation.

This recommendation supports the following District goals:

Learning Environment

- Provide a safe, engaging environment that promotes creativity, innovation, and personalized learning.

Fiscal Accountability

- Financially support the vision, mission, and goals of the District by maximizing resources, controlling expenses, and managing assets to ensure fiscal solvency and flexibility.

FISCAL IMPACT:

The fiscal impact of \$15,610.32 is paid in lieu of District provided transportation.

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item. All fiscal resources impact student achievement.

Motion:		Second:		Vote:		Agenda Item D.2.7.
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Consent Item D.2.8.
Prepared by Karl Christensen
October 18, 2016

Approval of Award of Contract to Ace Coolers Inc.
through the CUPCCAC Process for a Walk-In
Refrigerator in the Central Kitchen

BACKGROUND:

On September 4, 2012, the Board approved a resolution to utilize the California Uniform Public Construction Cost Accounting Act (CUPCCAC) for public works projects over the \$15,000 formal bid threshold. Staff has developed an approved vendor list following the procedures of the CUPCCAC process. This allows staff to seek informal bids or quotes for public works projects using the qualified vendors list for projects up to \$175,000.

Child Nutrition has an existing walk-in refrigerator in the Central Kitchen that is over 25 years old and needs replacement. The proposed replacement will be energy efficient and provide additional storage space.

Informal bids were solicited through the CUPCCAC process and three (3) proposals were received. The results are as follows:

Ace Coolers Inc.	Precision Temperature.	Pacific Refrigeration
25,992.60	28,200.00	No Bid

RECOMMENDATION:

It is recommended that the Board of Education award a contract to Ace Coolers Inc. through the CUPCCAC process for a walk-in refrigerator in the Central Kitchen.

This recommendation supports the following District goal:

Fiscal Accountability

- Financially support the vision, mission, and goals of the District by maximizing Resources, controlling expenses, and managing assets to ensure fiscal solvency and Flexibility.

FISCAL IMPACT:

The fiscal impact is \$25,992.60 to be paid from the Child Nutrition Fund.

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item. All fiscal resources impact student achievement.

Motion:		Second:		Vote:		Agenda Item D.2.8.
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Consent Item D.3.1.

Approval of Memorandum of Understanding Between Santee School District's After School Education and Safety Program (ASES) and San Diego County Superintendent of Schools for Fiscal Year 2016-2017

Prepared by Dr. Stephanie Pierce
October 18, 2016

BACKGROUND:

The After School Education and Safety Program (ASES) operates in accordance with the provisions of the California Education Code (EC) sections 8482-8484.7 and has provided before and after school programs since the 2007-2008 school year. This program delivers a minimum of 1.5 hours of activities before school and a minimum of 3.0 hours after school. ASES is eligible to receive a three-year grant that shall be awarded in three one-year increments and is subject to semiannual attendance reporting once every three years and has proven to be a successful program.

Included in the Memorandum of Understanding (MOU) are stipulations and conditions such as attendance and staffing requirements, expenditure and monitoring guidelines, and pupil and school safety. Presented tonight is the MOU for approval.

RECOMMENDATION:

Administration recommends approval of the MOU between ASES and San Diego County Superintendent of Schools for fiscal year 2016-2017.

This recommendation supports the following district goal:

- Assure the highest level of educational achievement for all students.

FISCAL IMPACT:

ASES is a self-supporting, fee-based program and will not impact the general fund.

STUDENT ACHIEVEMENT IMPACT:

It is the District's intention to provide support for staff and students to meet educational and other relevant needs.

Motion: _____ Second: _____ Vote: _____

Agenda Item D.3.1.

MEMORANDUM OF AGREEMENT

This Agreement for the After School Education and Safety (ASES) is entered into this 1st day of July 2016 by and between the **San Diego County Superintendent of Schools** (herein known as "SDCOE" or "County") and **Santee School District** (herein known as "District") with the provisions of the California *Education Code* (EC) sections 8484.7-8484.9. Failure to comply with the following grant rules, regulations, and policies may result in denial of the remaining grant amount and an invoice from the County to the District for up to the entire grant amount allocated for the ASES Program. Any invoice from the California Department of Education (CDE) to the County due to the District's failure to comply with grant rules, regulations and policies will result in the District reimbursing the full invoice amount(s) to the County within 30 days of submission of such invoice(s).

1. General Conditions:

ASES Program Hours of Operation and Attendance Requirements:

1. The After School Program will begin operation immediately upon the end of the regular school day and operate until at least 6:00 pm for a minimum of 15 hours per week, and on every "regular school day" and any day that students attend and instruction takes place.
2. For After School programs, provide program services for a minimum of three hours and at least up to 6:00 p.m. every regular school day. For Before School programs, provide program services for a minimum of 1 1/2 to 2 hours every school day as stipulated in the individual application.
3. Elementary students to participate every day that the after school component operates. Middle school and/or Junior high school should participate a minimum of nine (9) hours a week and three (3) days a week to accomplish ASES after school component program goals.
4. Establish a policy for early release of students attending the ASES after school component needing to leave a program before closing which includes written parental permission stating the dates, times, and reasons for the early release. However, the after school component must remain open until at least 6:00 p.m.
5. Ensure that Elementary students participate in every day's activity that the ASES before school component is operational. Middle school or Junior high school should participate a minimum of six (6) hours a week or three (3) days a week to accomplish program goals.
6. Establish a policy for late arrival of those students attending the ASES before school component needing to arrive late to the before school component of the program. This late arrival policy should include parental permission stating dates, times and reasons for the late arrival.
7. To ensure that subsequent ASES grant awards will not be reduced due to insufficient program attendance and performance, District must enforce the grant rules in compliance with **California Education Code 8483.7. (a) (1) (A)**. California Education Code 8483.7. (a) (1) (A) states: Each school that establishes a program pursuant to this article is eligible to receive a three-year direct grant, that shall be awarded in three one-year increments and is subject to semiannual attendance reporting and requirements as described in Section 8482.3 once every three years:

- i. The CDE shall provide technical support for development of a program improvement plan for grantees under the following conditions: (I) If actual pupil attendance falls below 75 percent of the target attendance level in any year of the grant. (II) If the grantee fails, in any year of the grant, to demonstrate measurable outcomes pursuant to Section 8484.
- ii. The CDE shall adjust the grant level of any school within the program that is under its targeted attendance level by more than 15 percent in each of two consecutive years.
- iii. In any year after the initial grant year, if the actual attendance level of a school within the program falls below 75 percent of the target attendance level, the CDE shall perform a review of the program and adjust the grant level as the CDE deems appropriate.

Failure to comply with **California Education Code 8483.7 shall result in a reduction of the ASES grant award allocations.**

2. Web-Based Attendance and Daily Attendance Accountability Requirements.

1. In FY 16/17 District receiving ASES funds must implement the City Span Web-based Attendance Tracking System (www.youthservices.net/sandiego) for daily program attendance entry.
2. District must fully utilize the “Automated Card Scanning” capability for the system. The City Span Web-based Attendance Tracking System will ensure that full attendance is documented only for students complying with their individual Early Release/Late Arrival times on file in accordance with ASES Program California Education Code Section and the intent of the Early Release/Late Arrival Policies for students in the ASES program.
3. Use the web-based attendance system’s card scanning features to ensure that all students are counted for attendance purposes in compliance with *EC* Section 8483(a)(1) and *EC* Section 8483(1)(a)(1).
4. Should District choose not to implement the City Span System the District must provide a description and demonstration of their attendance tracking system to SDCOE for review. All districts choosing not to use the SDCOE Web-based Attendance System must fully demonstrate that the attendance system they implement has the necessary capability to ensure that full attendance is documented only for students complying with their individual Early Release/Late Arrival times on file in accordance with ASES Program California Education Code Section and the intent of the Early Release/Late Arrival Policies for students in the ASES program. Also, all districts choosing not to use the City Span system must use daily automated attendance features that will ensure that all students that are counted for attendance purposed follow *EC* Section 8483(a)(1) and *EC* Section 8483(1)(a)(1). All non-City Span systems will be reviewed by SDCOE staff to ensure State Audit Guide and California Education Code compliance. Each district will be subject to site review of the attendance procedures at a minimum of 15 ASES programs. During the attendance review the district’s system must ensure that all Early Release/Late Arrival Policies as well as ensure that all students that are counted for attendance purposed follow *EC* Section 8483(a)(1) and *EC* Section 8483(1)(a)(1).

5. District will identify key staff members to participate in trainings provided by SDCOE/City Span for implementation of the new Card Scanning System.
6. In addition, District must monitor on a weekly basis that all student sign-in (AM Program) and sign-out (PM Program) times comply with the Early Release/Late Arrival times on file for each student.

3. Staffing Requirements:

1. District must ensure a student-to-staff ratio of no more than 20 to 1 at all ASES sites.
2. District must establish qualifications for each staff position that, at a minimum, ensure that all staff members who directly supervise pupils meet the minimum qualifications for an instructional aide, pursuant to the policies of the District.
3. District shall be solely responsible for students, staff, and parents accessing services under this Agreement. District certifies that it shall provide adequate supervision of the students, parents, staff, trainees and other providers, and that its staff will follow legal guidelines on reporting child abuse/neglect.
4. District must certify that all personnel providing services to students are adequately screened so as to prevent the assignment of personnel who may pose a threat to the safety and welfare of students, and that such personnel has already provided evidence of freedom from tuberculosis prior to starting service at the school site.
5. District must reserve the right to accept or reject the assignment of any personnel and the right to remove him/her from District's premises

4. State Mandated Data and Evaluation Requirements:

1. Participate in statewide evaluation process as determined by the CDE and provide all required information.
2. Respond to additional surveys or other methods of data collection that may be required throughout the duration of the program.
3. Annually provide participating pupils' regular school day and program attendance and test results as required by CDE.
4. To standardize procedures and collection tools developed for evaluation purposes.
5. Ensure the timely and accurate collection of data required to conduct the ASES program evaluations including but not limited to Annual Performance Reports.
6. District will submit an annual ASES Program Quality Improvement Plan (QIP) at the district and site level as required by California Senate Bill (SB) 1221. These requirements are codified in Section 8484 of the 2016 California *Education Code*. While the quality improvement process should be undertaken at the program level, District is responsible for ensuring that it is fully implemented at all of their sites. District is required to report the QIP via the City Span Web-based Attendance and Fiscal Management System by October 17, 2016.

5. Student Reimbursement Rate, Payment, and Program Expenditure Guidelines:

1. Distribute allocated funds to participating schools and ensure fiscal responsibility in accordance with CDE guidelines. This includes a reimbursement calculation formula that is consistent with CDE guidelines that provide for a rate of \$7.50 per student per day for PM

(After School) reimbursement and a rate of \$5.00 per student per day for AM (Before School) reimbursement.

2. Allow participation of any student of a participating school regardless of their ability to pay.
3. Upon notification of overpayment of the ASES grant in excess of the grant award amount or request for reimbursement of unexpended ASES grant funds by the CDE, the District will be required to return the entire amount of funding in question to the SDCOE.
4. Ensure that expenditures shall comply with all applicable provisions of state and local rules, regulations and policies relating to the administration, use, and accounting for public school funds, including, but not limited to, the EC.
5. Failure to comply with California Education Code 8483.7 shall result in a reduction of the ASES grant award during the current fiscal year or in subsequent years of the grant.

6. Federal Program Monitoring and Annual Program Audit Guidelines.

1. The District follows all fiscal and auditing standards required by the CDE. (EC §§ 8482.3(f) (5), 8484.8(b) (3), (4).).
2. Provide a copy of Federal Program Monitoring (FPM) and Annual Program Audit findings/exceptions to SDCOE relative to the administration of the ASES Grant Requirements per California State Education Code Sections 8482-8484.6 and the Standards and Procedures for Audits of California K-12 Local Education Agencies 2007-2008; Article 3.1. § 19846. After School Education and Safety Program.
3. Participate in Federal Program Monitoring (FPM) training as conducted by SDCOE.

7. Budget Restrictions

1. No more than 15% of the grant monies may be used for administrative costs (including indirect costs equal to the lesser of 5% of the grant amount or the District approved CDE indirect cost rate).
2. Each grantee must expend at least 85% of grant funding directly for pupils.
3. Identify and secure Matching Funds/In-Kind Contributions for the ASES program that garner cash or contributions to the equal to at least 33% or one-third of the total annual grant amount for District. District is required to submit the 33% Match/In-Kind via the City Span Web-based Attendance and Fiscal Management System by October 31, 2016.
4. No more than 15% of the annual grant amount may be used for start-up costs in year one only.
5. Funds must supplement, not supplant, existing services. Programs cannot use ASES funds to pay for existing levels of service.
6. Only sites operating programs are eligible to claim administrative, operational, and/or start-up.
7. The LEA/grantee agency maintains an inventory record for each piece of equipment, with an acquisition cost of \$500 or more per unit that is purchased with state and/or federal funds. Also, District has conducted a physical check of the inventory of equipment within the past two years and has reconciled the result with inventory records. (34 CFR 80.32(d))

(2.) District will also be required to report and all Inventory Items via the City Span Web-based Attendance and Fiscal Management System by October 31, 2016.

8. The record describes the acquisition by:

- (a) Type
- (b) Model
- (c) Serial number
- (d) Funding source
- (e) Acquisition date
- (f) Cost
- (g) Location
- (h) Current condition
- (i) Transfer, replacement, or disposition of obsolete or unusable equipment
EC § 35168; 5 CCR 3946; 34 CFR 80.32(d) (I.)

9. To ensure that District follows all fiscal and auditing standards required by the California Department of Education (EC §§ 8482.3(f)(5), 8484.8(b)(3), (4).), District can be required to provide copies of the following documents to SDCOE:

- Before and After School Program (BASP) contracts – for ASES subcontracts to provider agencies that operate Before and/or After School Programs.
- BASP duty statements and/or job descriptions that are related to the cost that are associated with operating the BASP.
- BASP reports program expenditures at the district and site level that clearly demonstrate that the 85/15 requirement is met. District will be required to submit the 85/15 reports via the City Span Web-based Attendance and Fiscal Management System by October 31, 2016.
- BASP line item budgets.
- BASP time sheets, including time accounting methods.

8. Additional ASES Program Operation Requirements.

1. Designate an ASES Contact person.
2. Ensure the designated ASES Contact attends the scheduled ASES District Contact meetings provided by the Resource Technical Assistance Center (RTAC), the After School Administrative Program Support Center (ASC), the Children’s Initiative (CI), and the San Diego County Office of Education.
3. Operate the ASES Program to improve academic achievement and provide safe and healthy recreation and prevention activities for students at qualified school sites.
4. Commit resources to ensure the delivery of integrated, age-appropriate ASES programs.
5. Ensure that the program will include an educational and literacy element designed to provide tutoring and/or homework assistance in one or more of the following core content subject areas: language arts, mathematics, history and social science, science and computer training.

6. The program will have an educational enrichment element that may include, but not limited to fine arts, recreation, health awareness, physical fitness and prevention activities. Such activities should be determined based on students' needs and interests.
7. Plan the program through a collaborative process that includes parents, youth, and representatives of participating public school sites, governmental agencies (e.g. city and county parks and recreation departments), local law enforcement, community organizations, and the private sector.
8. If the site is not located on a school campus, it must be as accessible and available as the school site with safe transportation being provided by District or designee to enrolled pupils.
9. Provide a snack that conforms to nutrition standards as established by the U.S. Department of Agriculture.
10. Provide information regarding the After School Program in a form and language that is easily understandable to all parents.
11. Each partner in the application will share responsibility for the quality of the program.
12. Collaborate and coordinate with the regular school day program.
13. Identify, assign, and maintain indoor/outdoor space at participating school sites that are to be utilized by the ASES program.
14. Notify the County in the event the district intends to close or relocate an ASES program school site, either temporarily or permanently.
15. All staff and volunteers will fulfill health screening and fingerprint clearance requirements in current law according to district policy
16. Each ASES funded district will be responsible for the development of a FY 2016-2017 After School Program Plan as part of the San Diego ASES program Consortium. The District's ASES Program Plan template has been provided by the Resource Technical Assistance Center (RTAC). Working in collaboration with the District Contact, Site Coordinator, Site Principal and other CBO partnerships the district ASES program plan is due on October 17, 2016 to RTAC.
17. District staff will review the ASES program plan annually and provide updates and/or revisions based on ASES program components, California Department of Education guidelines, identified district program changes based on grant reduction or new sites.
18. Each district ASES Program plan will identify FY 2016-2017 Attendance Goals described in Section VII of the San Diego Consortium After School Program Plan.
19. Ensure that ASES staff attends countywide, regional, and district-training opportunities designed to maximize program effectiveness.
20. Host scheduled technical assistance site visits conducted by staff from RTAC, the After School Administrative Program Support Center (ASC) and the Children's Initiative.
21. Work with staff from RTAC, the ASC and the Children's Initiative to review site visitation and technical assistance reports and plan for continuous program improvement.
22. Ensure the proper record keeping and documentation of program activities and the timely submission of all required reports.
23. Contribute 2% from the grant funds to SDCOE for countywide program coordination, training, technical assistance and administrative support.

9. As the official Grantee of Record, the County will provide the following:

1. In coordination with District, inform statewide after school efforts impacting San Diego County by working with the California Department of Education, the Governor's Office, the Office of the Secretary of Education, the Department of Finance, the California State Legislature, and the California Advisory Committee on Before and After School Programs.
2. In coordination with District, educate and involve stakeholders and elected officials including: parents, government agencies, community organizations and the private sector in after school issues and efforts.
3. Serve as the fiscal, technical, and program liaison between the districts, school sites, and the California Department of Education regarding the ASES programs.
4. Maintain files of MOAs and invoices submitted by implementing districts.
5. Establish and maintain master files of ASES participants, funding levels, attendance, expenditures, allocations and payment transmittals.
6. Verify all ASES funding levels and allocations based on official records provided by CDE.
7. Ensure the timely collection of all required data and submission of evaluation reports, and incur the associated sub-contracted costs, as negotiated.
8. Develop, verify, and obtain appropriate signatures on all required ASES reports for submission to CDE.
9. Using information provided by CDE, prepare end of grant reconciliation reports and submit to CDE by the required deadlines.
10. Provide funding notification and payment distribution to districts in a timely manner.
11. Ensure that program goals are met efficiently and effectively.
12. Ensure that information on fiscal requirements is shared with all partners expediently.
13. Compile required annual progress reports and submit them in a timely manner.
14. Share data on program process and outcomes via District Contact meetings and Consortium Steering Committee meetings.
15. Convene, in coordination with the District, meetings of after school stakeholders, as necessary.
16. Coordinate any publicity, press releases or media coverage of programs with District prior to release and distribution.
17. Ensure that all staff positions, project materials, or services funded with the 2% consortium fee directly provide and serve the county's ASES funded before and after school programs.
18. Provide training and technical assistance to districts in San Diego County in excess of those provided through the ASC and RTAC resources.
19. Ensure the development and maintenance of a web-based attendance reporting system for use of all consortium members for Phase I (District Monthly Attendance Reporting). Additionally, provide Phase II (Daily Site Attendance Reporting) and Phase III (Student Uploading of data from Infinite Campus) as venues to participating districts.
20. Ensure consortium-wide program evaluation and the preparation of CDE required evaluation reports.
21. Conduct annual needs assessment and convene task forces for needed areas of program training, technical assistance, products and support.
22. With input from consortium members, develop protocols for site visits, information sharing, advocacy, public relations and marketing activities, and other events impacting after school programs.

23. Provide training and technical assistance in preparation for Federal Program Monitoring (FPM) visits from California Department of Education. This preparation will include mock site visits.

10. Terms and Conditions of the Grant Award

1. All statutes and regulations applicable to each program under which state funds are made available through this application will be met by the District in its administration of each site program. The district will follow its program plans as specified by the agency application.
2. District will make reports to the County as necessary to enable the County to perform its duties and will maintain such records and provide access to those records as the County deems necessary. The district shall maintain such records for at least five years after the completion of the activities for which the funds are used.
3. District will make any application, evaluation, periodic program plan, or report relating to each program available to parents and other members of the general public. (California Public Records Act, Government Code Section 6250 et seq.)
4. **Record revenues and expenditures for this grant as follows: for Standardized Account Code Structure (SASC) coding, use Resource Code 9065 and Revenue Object Code 8677. For expenses, use Goal 7111 – Non agency Educational appropriation function and object code where the funds are expended.**
5. This grant shall be administered in accordance with the provisions of California Education Code (EC) sections 8482-8484.6. Further, expenditures shall comply with all applicable provisions of federal, state and local rules, regulations and policies relating to the administration, use and accounting for public school funds, including, but not limited to, the Education Code of the State of California.
6. The grantee shall use these funds in accordance with the approved application.
7. If a program participant receives state funds to operate ASES in excess of the amount warranted due to the program failing to operate and the program serving fewer pupils than planned, raising an inadequate amount of matching funds, failing to expend funds fully or any other reason during the grant period, the county shall reduce any subsequent allocations by the amount equal to the overpayment.
8. If an ASES program site stops program operations, the county will bill the agency for the amount of the overpayment. If payment is not received within three months of the billing invoice date, any overpayment will be withheld from the next payment to the district.
9. District shall submit quarterly expenditure reports and program reports (including evaluation reports) as required. **FAILURE TO SUBMIT INTERIM REPORTS AS REQUIRED MAY RESULT IN DENIAL OF THE REMAINING GRANT AMOUNT. FAILURE TO SUBMIT AN ANNUAL EXPENDITURE REPORT WITHIN THREE MONTHS OF THE REPORTING DATE MAY RESULT IN DENIAL OF THE REMAINING GRANT AMOUNT.**
10. **FAILURE TO SUBMIT A FINAL EXPENDITURE REPORT WITHIN SIX MONTHS OF THE REPORTING DATE WILL RESULT IN A BILLING FROM THE CDE FOR THE ENTIRE AMOUNT OF ANY GRANT FUNDS ADVANCED AND POSSIBLE REDUCTION OF ANY SUBSEQUENT YEARS' GRANT (S).**
11. District shall comply with the General Assurances attached to this MOA.

12. This award is made contingent upon the availability of funds. If the Legislature takes action to reduce or defer the funding upon which this award is based, then this award will be amended accordingly.
13. The CDE GRANT NO., FY, PCA, VENDOR NO., and SUFFIX as specified below will be used on all communications:

**CDE GRANT NO. 37-23939-1037-EZ FY 16/17: PCA: 23939
VENDOR NO. 1037: SUFFIX NO. EZ**

11. PERIOD OF AGREEMENT- COMPENSATION/COST AND PAYMENT

SCHEDULE

According to the terms of the ASES Program (ASES) grant, the term of this Agreement shall be July 1, 2016 through June 30, 2017.

The After School Education and Safety Programs are considered direct grants and CDE shall pay grantees (County) according to the following schedule authorized in Education Code 8482.4:

“The department shall allocate 65 percent of the first-year grant amount no later than 30 days after the grantee submits the grant award acceptance letter to the CDE. Of the remaining 35 percent of the grant, the CDE shall allocate 25 percent or more of the funds within the operational period of the program and may retain up to 10 percent of the total grant until all administrative requirements of the grant have been met .”

Program funds will be dispersed to District based on Education Code 8482.4 reimbursement from CDE. Annual ASES allocation(s) **shall not exceed \$192,682.95** for District.

Payments of the grant may actually differ from the granted amount as determined by CDE due to: 1) Non operation of a program at a school sites or non-operation of a funded grant component. 2) The districts inability to expend the total grant award by the June 30, 2017 final expenditure deadline for all ASES grant funds as determined by CDE. 3) Any ASES program Audit Findings or Program Compliance issues that result in the reduction of grant award or repayment of expended ASES funding will be paid by District.

All payments will be made by SDCOE subsequent to actual receipt of funds from CDE. * SDCOE will receive a 2% contribution of grant funds for countywide program coordination, technical assistance and program support, as agreed herein. The 2% payments will be deducted after program funds have been deposited to the district via auditor transfer.

12. DISTRICT & COUNTY CONTACT PERSONS' NAMES & ADDRESSES

District Contact:

County Contact:

Daymon Beach, Lead Coordinator
SDCOE, Learning & Leadership Srv.
6401 Linda Vista Road Rm 321S
San Diego, CA 92111
(858) 569-3133

13. CONFIDENTIALITY

1. This agreement, all communications and information obtained by District from the County Office relating to this agreement, and all information developed by District under this agreement, are confidential. Except as provided in Subsection 3, without the prior written consent of an authorized representative of the County, District shall neither divulge to, nor discuss with, any third party either the work and services provided hereunder, or any communication or information in connection with such services or work, except as required by law. Prior to any disclosure of such matters, whether as required by law or otherwise, District shall inform the County, in writing, of the nature and reasons for such disclosure. District shall not use any communications or information obtained from the County for any purpose other than the performance of this agreement, without the County's written prior consent.
2. At the conclusion of the performance of this agreement, District shall return to the County all written materials constituting or incorporating any communications or information obtained from the County. Upon the County's specific approval, District may retain copies of such materials, subject to the requirements of Subsection 1.
3. District may disclose to any subcontractor, or County approved third parties, any information otherwise subject to Subsection 1 that is reasonably required for the performance of the subcontractor's work. Prior to any such disclosure, District shall obtain the subcontractor's written agreement to the requirements of Subsection 1 and shall provide a copy of such agreement to the County.
4. District represents that it shall not publish or cause to be disseminated through any press release, public statement, or marketing or selling effort any information which relates to this agreement without the prior written approval of the County.
5. District obligation of confidence with respect to information submitted or disclosed to District by County hereunder shall survive termination and comply with all requirements outlined in this Agreement which is attached hereto and made a part hereof.

14. CONFIDENTIALITY OF SERVICES

Identities of all respondents including but not limited to staff, principal(s), parent(s), student(s) and individual responses on surveys in conjunction with this evaluation will be kept confidential by the Contractor. Reports generated will reflect aggregated data. No individual responses will

be used. Contractor is not authorized to redistribute or share any data or information with any agency, entity or individual without the written consent of the County.

Contractor agrees to all of the following:

(a) Neither Contractor nor any of its Subcontractors shall disclose Private Information obtained from the County in the performance of this Agreement to any other Subcontractor, person, or other entity, unless one of the following is true:

- (i) The disclosure is authorized by this Agreement;
- (ii) The Contractor received advance written approval from the Contracting Department to disclose the information; or
- (iii) The disclosure is required by law or judicial order.

(b) Notwithstanding any other provisions of law, any school district, including any county office of education or superintendent of schools, may participate in an interagency data information system that permits access to a computerized database system within and between governmental agencies or districts as to information or records which are non-privileged, and where release is authorized as to the requesting agency under state or federal law or regulation, if each of the following requirements are met:

- (i) Each agency and school district shall develop security procedures or devices by which unauthorized personnel cannot access data contained in the system.
- (ii) Each agency and school district shall develop procedures or devices to secure privilege or confidential data from unauthorized disclosure.
- (iii) Each school district shall comply with access log requirements of Section 49064.
- (iv) The right of access granted shall not include the right to add, delete, or alter data without the written permission of the agency holding the data.
- (v) An agency or school district may not make public or otherwise release information on an individual contained in the database where the information is protected from disclosure or release as to the requesting agency by state or federal law or regulation.

(c) Any disclosure or use of Private Information authorized by this Agreement shall be in accordance with any conditions or restrictions stated in this Agreement. Any disclosure or use of Private Information authorized by a Contracting Department shall be in accordance with any conditions or restrictions stated in the approval.

(d) Any failure of Contractor to comply with the Nondisclosure of Private Information Ordinance shall be a material breach of this Agreement. In such an event, in addition to any other remedies available to it under equity or law, the County may terminate this Agreement, debar Contractor, or bring a false claim action against Contractor.

15. TERMINATION FOR CONVENIENCE

1. The County may, by written notice to District, terminate this agreement in whole or in part at any time, for the County's convenience. Upon receipt of such notice, District shall:

- a) Immediately discontinue all services affected (unless the notice directs otherwise) and
 - b) Deliver to the County all information and material as may have been involved in the provision of services in the performance of this agreement, whether completed or in process. Termination of this agreement shall be as of the date of receipt by District of such notice.
2. If the termination is for the convenience of the County, District shall submit a final invoice within 60 days of termination and upon approval by the County, the County shall pay District the sums earned for the services actually performed prior to the effective date of termination and other costs reasonably incurred by District to implement the termination.
 3. District shall not be entitled to anticipatory or consequential damages as a result of any termination under this section. Payment to District in accordance with this section shall constitute the District's exclusive remedy for any termination hereunder. The rights and remedies of the County provided in this section are in addition to any other rights and remedies provided by law or under this agreement.

16. TERMINATION FOR DEFAULT

1. The County may, by written notice to District, terminate this agreement in whole or in part at any time because of the failure of District to fulfill its contractual obligations. Upon receipt of such notice, District shall:
 - a) Immediately discontinue all services affected (unless the notice directs otherwise) and
 - b) Deliver to the County all information and material as may have been involved in the provision of services in the performance of this agreement, whether completed or in process. Termination of this agreement shall be as of the date of receipt by District of such notice.
2. If the termination is due to the failure of District to fulfill its contractual obligations, the County may take over the services, and complete the services by contract or otherwise. In such case, District shall be liable to the County for any reasonable costs or damages occasioned to the County thereby.

17. INDEPENDENT CONTRACTOR

It is expressly understood that at all times, while rendering the services described herein, and in complying with any terms and conditions of this Agreement, District is acting as an independent contractor and not as an officer, agent, or employee of the County.

18. HOLD HARMLESS

District agrees to hold harmless, defend, and to indemnify the County, its officers, agents, and employees against any and all losses, injuries, claims, actions, judgments, and liens arising from, or alleged to have arisen from, District performance, or lack thereof, under this Agreement.

19. WORKERS' COMPENSATION

District shall provide workers' compensation insurance or shall self-insure their services in compliance with provisions of Section 3700 of the Labor Code of the State of California. A Certificate of Insurance may be provided, providing for such, or District shall sign and file with the County the following certificate:

“I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provision of that Code, and I will comply with such provision before commencing the performance of the work of this Agreement.”

20. NON-FUNDING

Notwithstanding any of the foregoing provisions, if for any fiscal year of this Agreement the San Diego County Board of Education fails to appropriate or allocate funds for future periodical payments under this Agreement, the County will not be obligated to pay the balance of funds remaining unpaid beyond the fiscal period for which funds have been appropriated or allocated, and may terminate this Agreement with 30 days' written notice.

21. AUDIT

District agrees to maintain and preserve until five years after termination of the Agreement with the County, and to permit the State of California or any of its duly authorized representatives, to have access to and to examine and audit any pertinent books, documents, papers, and records related to this Agreement.

22. INSURANCE REQUIREMENTS

District must ensure that it shall maintain and shall cause each Subcontractor to maintain Public Liability and Property Damage Insurance to protect them and the Superintendent of Schools from all claims for personal injury, including accidental death, as well as from all claims for property damage arising from the operations under this Agreement. The minimum amounts of such insurance shall be as hereinafter set forth.

Amounts of Insurance:

General Liability	Bodily Injury and	<u>\$1,000,000</u>
Comprehensive form -	Property Damage	Amount
Products/Completed		
Operations		

Auto Liability Comprehensive form - Owned, Non-owned Hired	Bodily Injury and Property Damage Combined	<u>\$1,000,000</u> Amount
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District shall file, with the County, Certificates of Insurance indicating a thirty-day (30) cancellation notice and naming the **SAN DIEGO COUNTY SUPERINTENDENT OF SCHOOLS** as an additional insured.

23. GOVERNING LAW/VENUE SAN DIEGO

In the event of litigation, the Agreement and related matters shall be governed by and construed in accordance with the laws of the State of California. Venue shall be with the appropriate State or Federal court located in San Diego County.

24. COMPLIANCE WITH LAW

District shall be subject to, and shall comply with, all Federal, State, and local laws and regulations applicable with respect to its performance under this Agreement including, but not limited to: licensing, employment, and purchasing practices, and wages, hours, and conditions of employment, including non-discrimination.

25. FINAL APPROVAL

This Agreement is of no force or effect until approved by signature by the County Superintendent of Schools or his designee, the Assistant Superintendent of Business Services.

26. TOBACCO-FREE FACILITY

The County is a tobacco-free facility. Tobacco use (smoked or smokeless) is prohibited at all times on all areas of County Office property.

27. PUPIL SAFETY / SCHOOL SAFETY ACT

Pupil Safety/School Safety Act: The SDCOE Program Manager has determined that the Contractor/Provider will have “**greater than limited contact**” with pupils and the Contractor/Provider shall require their employees, including the employees of any subcontractor, who will provide these services, to submit their fingerprints in order to conduct a criminal background check per Education Code §45122.1. The Contractor/Provider shall not permit any employee, including the employees of any subcontractor, to perform services under this contract until:

1. The Department of Justice has determined that these employees have not been convicted of, or have charges pending for a defined felony.

2. The Contractor/Provider has **certified in writing** to the SDCOE Program Manager that the employer and all of these employees have not been convicted of, or do not have charges pending for a defined felony.

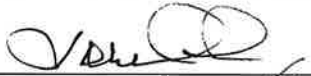
28. ENTIRE AGREEMENT

This Agreement represents the entire Agreement and understandings of the parties hereto and no prior writings, conversations or representations of any nature shall be deemed to vary the provisions hereof. This Agreement may not be amended in any way except by a writing duly executed by both parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be duly executed, such parties acting by their representatives being thereunto duly authorized.

**SAN DIEGO COUNTY
SUPERINTENDENT OF SCHOOLS**

**SANTEE
SCHOOL DISTRICT**



By (Authorized Signature)

By (Authorized Signature)

Lora Duzyk

Name (Type or Print)

Name (Type or Print)

Assistant Superintendent, Business Services

Title

Title

10-3-16

Date

Date

Federal I.D. No/Social Security #

**San Diego County Office of Education
Funding Status per School
2016-2017**

Grant Number	District Name	CDSCode	School Name	School Type	Sub Program	Amount Awarded
37-23939-1037-EZ	Santee Elementary	37683616040380	PRIDE Academy at Prospect Avenue	E	After School Base	\$112,500.00
37-23939-1037-EZ	Santee Elementary	37683616040380	PRIDE Academy at Prospect Avenue	E	After School Supplemental	\$33,750.00
37-23939-1037-EZ	Santee Elementary	37683616040380	PRIDE Academy at Prospect Avenue	E	Before School Base	\$35,717.65
37-23939-1037-EZ	Santee Elementary	37683616040380	PRIDE Academy at Prospect Avenue	E	Before School Supplemental	\$10,715.30
					TOTAL GRANT AMOUNT	\$192,682.95
					GRANT AMOUNT, LESS 2%	\$188,829.29

Consent Item D.3.2.

Approval of Nonpublic School Master Contract
with Stein School for Nonpublic School Services

Prepared by Dr. Stephanie Pierce
October 18, 2016

BACKGROUND:

At times, students with disabilities require enrollment in an alternative educational setting (i.e., nonpublic school) due to their specific needs and to demonstrate educational progress. One student with disabilities requires enrollment at Stein School for the 2016-2017 school year to address his unique needs.

RECOMMENDATION:

Administration recommends the Board of Education approve the Nonpublic School Master Contract with Stein School for one student for the term of October 3, 2016 through June 30, 2017. These contracts will be available at the Board Meeting for review.

This recommendation supports the following District goal:

- Assure the highest level of educational achievement for all students.

FISCAL IMPACT:

The terms of the Master Contract are as follows:

School/Agency	Number of Students	Duration of Service	Cost per Day	Total Cost
Stein School	1 student	190 days 10/3/16–6/30/17, including ESY instruction	\$229.91	\$43,682.90

STUDENT ACHIEVEMENT:

Some students require alternative settings to demonstrate educational progress.

Motion: _____ Second: _____ Vote: _____

Agenda Item D.3.2.

Consent Item D.3.3.

Approval of Extended Field Trip Request for Pepper Drive Students to the San Diego Opera

Prepared by Dr. Stephanie Pierce
October 18, 2016

BACKGROUND:

Ms. Mary Hayward, sixth grade teacher at Pepper Drive School, requests Board approval to take approximately 33 sixth grade students on an extended field trip to the San Diego Opera’s dress rehearsal of “La Cenerentola” (Cinderella) at the San Diego Civic Theater on October 20, 2016. The trip will begin at 5:30 p.m. at Pepper Drive School. Students will travel by district bus, returning to school at approximately 10:15 p.m.

The extended travel request form is attached for review.

RECOMMENDATION:

Administration recommends approval of the extended field trip for Pepper Drive sixth grade students to attend the San Diego Opera’s dress rehearsal of “La Cenerentola” on October 20, 2016.

FISCAL IMPACT:

There is no cost to the District. All expenses will be paid by the San Diego Opera.

STUDENT ACHIEVEMENT IMPACT:

Providing students with visual and performing arts opportunities increases student access to a well-rounded education.

Motion: _____ Second: _____ Vote: _____

Agenda Item D.3.3.

SANTEE SCHOOL DISTRICT

EXTENDED FIELD TRIP REQUEST FORM

SCHOOL SITE(S): Pepper Drive DATE: 10-10-16

TEACHER(S): Mary Hayward GRADE(S): 6

The sponsor of the organization desiring to take an extended trip will insure that the following requirements/stipulations are met and are presented to the principal in a timely manner:

DESTINATION OF TRIP: San Diego Civic Theater

Itinerary: Depart Pepper Drive at 5:30pm. Arrive at Civic Theater for 6:30pm showing of the San Diego Opera's dress rehearsal of "La Cenerentola" (Cinderella.) Performance scheduled until 9:45pm. Return to school estimated at approximately 10:15pm

Educational Objectives of the Trip: Music and arts appreciation.

Specific Dates: 10-20-16 Mode of Travel: School Bus

Number of Student Participants: 33 Cost Per Student: \$0 (paid for by SD Opera)

Insurance Coverage: _____

Supervision: Mary Hayward

Number of Substitute Days Required: 0

Money will be Raised or Provided to Cover Costs by: n/a

Provision for Financial Hardship Cases: n/a



Principal Approval

10/10/16

Date

Assistant Superintendent, Educational Services

Board Approval Date

BACKGROUND:

The following personnel appointments, changes of status, leave requests, resignations, dismissals and consultant requests are submitted for Board consideration. Italicized information indicates a change.

Certificated Staff

A. New Appointments:

Employee	Location	Class/Step	Previous Annual Salary	New Annual Salary	Effective Date
1. Chaffin Sharon (replacing Jamie Lafuze)	Cajon Park	III-01	\$0.00	\$50,504.00	09-13-16 to 12-16-16
2. Hoffman, Beth (replacing Jolie Schiering)	Sycamore Canyon	IV-09	\$0.00	\$66,392.00	09-30-16 to 06-13-17

B. Temporary Rehires:

Employee	Location	Class/Step	Previous Annual Salary	New Annual Salary	Effective Date
1. Mattison, Alexis (replacing Kiersten Lindsay)	Hill Creek	III-01	\$48,562.00	<i>\$50,504.00</i>	09-26-16 to 01-13-17

C. Change of Status/Location:

Employee	Location	Class/Step	Previous Annual Salary	New Annual Salary	Effective Date
1. Lister, Amanda	Cajon Park	IV-05 to V-05	\$57,988.00	<i>\$62,190.00</i>	08-15-16
2. Lichty, Susan	Pepper Drive	III-01 to VI-05	\$50,504.00	<i>\$66,812.00</i>	08-22-16
3. McKee, Rachel (replacing Naomi Daft)	Carlton Oaks to <i>PRIDE Academy</i>	III-01	\$50,504.00	\$50,504.00	09-12-16
4. Orsinelli, Kelcie	Chet F. Harritt	III-02 to IV-02	\$50,504.00	<i>\$51,685.00</i>	08-15-16
5. Zoehrer, Jonathan	Hill Creek	V-21 to VI-21	\$89,503.00	<i>\$96,226.00</i>	08-15-16

D. Unpaid Leave Requests:

Employee	Location	Class/Step	Previous Annual Salary	New Annual Salary	Effective Date

E. Resignations:

Employee	Location	Class/Step	Reason	Effective Date
1. Campbell, Bruce	Special Education	VI-30	Retirement	06-14-17

F. 39-Month Reemployment:

Employee	Location	Class/Step	Reason	Effective Date

G. Dismissals:

Employee	Location	Class/Step	Effective Date

Classified Staff

H. New Appointments:

Employee	Location	Position/Class/Hours	Previous Monthly Salary	New Monthly Salary	Effective Date
1. Johnson, Stephanie	Pepper Drive	Campus Aide CA A / 2.0 hrs	\$0.00	\$450.50	10-03-16
2. Madrid, Jennifer	Pepper Drive	Food Service Worker III A 22.5 A / 1.75 Hrs	\$0.00	\$638.45	10-05-16
3. Ogle, Heather (replacing Beverly Miller)	PRIDE Academy	Campus Aide CA A / 2.0 Hrs	\$0.00	\$450.50	10-10-16
4. Osuna, Sylvia (replacing Elaine Worthy)	Pepper Drive	Campus Aide CA A / 2.0 hrs	\$0.00	\$450.50	10-04-16
5. Palmeri, Bree (replacing Jennifer Gamboa)	Hill Creek	Campus Aide CA A / 2.0 hrs	\$0.00	\$450.50	10-03-16

Classified Staff – continued

H. New Appointments: continued

6. Thompson, Amelia (replacing Cindy Pratt)	Carlton Hills	Campus Aide CA A / 2.0 hrs	\$0.00	\$450.50	09-30-16
7. Wood, Robert (replacing Erik Hawke)	Child Nutrition Services	Food Service Utility Worker 24 A / 8.0 hrs	\$0.00	\$2,917.03	09-22-16

I. Rehires:

Employee	Location	Position/Class/Hours	Previous Monthly Salary	New Monthly Salary	Effective Date
1. Henriksen, Leslie (replacing Chante Gonzales Vido)	Pepper Drive	Out of School Time Group Leader 19.5 E / 5.5 hrs Out of School Time Site Leader 22 D / 5.75 hrs	\$1,828.75	\$2,374.19	10-11-16

J. Change of Status/Location:

Employee	Location	Position/Class/Hours	Previous Monthly Salary	New Monthly Salary	Effective Date
1. Bright, David	Carlton Oaks to <i>Carlton Hills</i>	Project SAFE Assistant 17 B / 3.0 hrs to 17 B / 3.75 hrs	\$876.75	\$1,096.05	10-17-16
2. Fahl, Jesse	Chet F. Harritt	Food Service Worker IIIA 22.5 E / 1.25 hrs to <i>Food Service Worker IA</i> 20 E / 2.5 hrs	\$555.64	\$981.87	09-26-16
3. Glover, Dandridge (replacing Yashira Torres)	Hill Creek	Campus Aide CA A / 1.0 hr to CA A / 2.0 hrs	\$225.25	\$450.50	09-26-16
4. Kathol, Hayley	Carlton Hills to <i>Sycamore Canyon</i>	Instructional Assistant, Special Ed II 21 A / 3.25 Hrs	\$1,099.85	\$1,099.85	10-10-16
5. McCullough, Leigh	Carlton Oaks to <i>Carlton Hills</i>	Instructional Assistant, Special Ed II 21 E / 5.5 hrs to 21 E / 6.0 hrs	\$2,270.81	\$2,477.25	10-14-16
6. Provost, Donna	Chet F. Harritt	Instructional Assistant, Special Ed I 20 C / 4.67 hrs to 20 C / 5.0 hrs	\$1,342.83	\$1,780.00	10-06-16
7. Quezada, Kiva (replacing Joy Burchard)	Superintendent's Office and Human Resources to <i>Business Services</i>	Secretary I 24 A / 8.0 hrs to <i>Accounting Assistant III</i> 28 A / 8.0 hrs	\$3,142.00	\$3,829.00	10-06-16 <i>corrected</i>
8. Stark, Kristina (replacing Jennifer Gasteiger)	Pepper Drive to PRIDE Academy	Food Service Worker I A 20 E / 2.5 hrs to <i>Instructional Assistant I</i> 19 E / 3.0 hrs	\$981.87	\$1,121.62	09-12-16
9. Temple, Candace	Sycamore Canyon to <i>Hill Creek</i>	Instructional Assistant, Special Ed II 21 B / 3.25 hrs to 21 B / 6.0 hrs	\$1,156.00	\$2,136.00	10-03-16
10. Urbanski, Patricia (replacing Julie Moody)	Sycamore Canyon	Early Childhood Group Leader I 19.5 B / 3.5 hrs to 19.5 B / 5.75 hrs	\$1,156.75	\$1,900.50	10-10-16
11. Yaqob, Khawla	Sycamore Canyon to <i>Carlton Hills</i>	Early Childhood Assistant II 18 E / 7.0 hrs	\$2,492.00	\$2,492.00	09-19-16

K. Unpaid Leave Requests:

Employee	Location	Position/Class/Hours	Reason	Recommendation	Effective Date

L. Resignations:

Employee	Location	Position	Reason	Effective Date

Classified Staff – continued

M. 39-63 Month Reemployment:

Employee	Location	Position/Class/Hours	Effective Date

N. Dismissals:

Employee	Location	Position	Effective Date

RECOMMENDATION:

Administration recommends approval of listed personnel appointments, changes of status, leave requests, resignations, dismissals, and consultants. This recommendation supports the following District goal: Assure the highest quality of school district services, including, but not limited to, academic, social, emotional and health services by hiring and retaining employees with not only required technical skills in the areas of their responsibilities but also the ability to handle diverse challenges.

Motion: _____ Second: _____ Vote: _____

Agenda Item D.4.1.

Consent Item D.4.2.

Approval of Recommendation of Classified Non-Management Reallocation Study for Braille Transcriber Position

Prepared by Tim Larson
October 18, 2016

BACKGROUND:

After careful review, the reallocation committee has determined that the current classification for vacant Braille Transcriber position should be increased when paralleled to other districts comparable to Santee School District.

If the Board approves the recommended increase in classification, the position will be filled in accordance with the Classified Collective Bargaining Agreement between Santee School District and California School Employees Association (CSEA) and its Chapter 557.

RECOMMENDATION:

It is recommended that the Board of Education approve the reallocation recommendation effective October 19, as follows:

- Increase the Braille Transcriber classification from 22.5 to 25

FISCAL IMPACT:

The annual increase in cost to the General Fund to increase the classification will be \$2,904.

STUDENT ACHIEVEMENT IMPACT:

It is the District's intention to provide support for all students.

Motion: _____ Second: _____ Vote: _____

Agenda Item D.4.2.

Consent Item D.4.3. Adoption of Resolution No. 1617-11 to Eliminate a Classified Non-Management Position

Prepared by Tim Larson
October 18, 2016

BACKGROUND:

Due to a student in the visually impaired (VI) program no longer requiring 1:1 assistance, there is no longer a need for an Instructional Assistant, VI position to support that program.

Notice will be provided to the affected classified employee that their position will be eliminated pursuant to applicable provisions of the Education Code of the State of California.

RECOMMENDATION:

It is recommended that the Board of Education approve to eliminate the following position effective October 19, 2016.

- One (1) 5.0-hour Instructional Assistant, VI position at Carlton Oaks School

FISCAL IMPACT:

The savings for eliminating the Instructional Assistant, VI position will be \$39,694.

STUDENT ACHIEVEMENT IMPACT:

It is the District's intention to provide support for all programs and departments.

Motion: _____ Second: _____ Vote: _____

Agenda Item D.4.3.

**SANTEE SCHOOL DISTRICT
Resolution No. 1617-11**

**ELIMINATION OF A
CLASSIFIED NON-MANAGEMENT POSITION**

WHEREAS, due to a student in the visually impaired (VI) program no longer requiring 1:1 assistance, it is determined that there is no longer a need for an Instructional Assistant, VI position to support that program;

NOW, THEREFORE, BE IT RESOLVED that as of the 18th day of October 2016, the Governing Board of Santee School District approved to eliminate the following position effective October 19, 2016:

- One (1) 5.0-hour Instructional Assistant, VI position at Carlton Oaks School

BE IT FURTHER RESOLVED that the Board authorizes the District Superintendent to give notice to the affected classified employees that their position will be eliminated and/or reduced in work hours/year pursuant to applicable provisions of the Education Code of the State of California, such notice to be given sixty (60) days prior to the effective date of reduction/layoff as set forth above.

The foregoing Resolution was passed and adopted at a regular meeting of the Governing Board of the Santee School District on the 18th day of October 2016, by the following vote:

AYES: _____
NOES: _____
ABSENT: _____

Dated 10/18/16

Clerk, Board of Education

Consent Item D.4.4. Adoption of Resolution No. 1617-12 to Eliminate a Vacant Classified Non-Management Position

Prepared by Tim Larson
October 18, 2016

BACKGROUND:

Due to the decrease in case load of RSP students at Chet F. Harritt School, administration has determined that it is no longer necessary to fill a recently vacated Instructional Assistant, Special Education I position.

RECOMMENDATION:

It is recommended that the Board of Education approve to eliminate the following vacant position effective October 19, 2016:

- One (1) 3.75-hour Instructional Assistant, Special Education I position at Chet F. Harritt School

FISCAL IMPACT:

The savings for eliminating the Instructional Assistant, Special Education I position will be \$14,246.

STUDENT ACHIEVEMENT IMPACT:

It is the District's intention to provide support for all programs and departments.

Motion: _____ Second: _____ Vote: _____

Agenda Item D.4.4.

**SANTEE SCHOOL DISTRICT
Resolution No. 1617-12**

**ELIMINATION OF A VACANT
CLASSIFIED NON-MANAGEMENT POSITION**

WHEREAS, it has been determined that due to the decrease in case load of RSP students at Chet F. Harritt School, it is no longer necessary to fill a recently vacated Instructional Assistant, Special Education I position;

NOW, THEREFORE, BE IT RESOLVED that as of the 18th day of October 2016, the Governing Board of Santee School District approved to eliminate the following vacant position effective October 19, 2016:

- One (1) 3.75-hour Instructional Assistant, Special Education I position at Chet F. Harritt School

BE IT FURTHER RESOLVED that the Board will not require the District Superintendent to give sixty (60) days' notice prior to the effective date of elimination as the position is vacant and will not affect any classified employees.

The foregoing Resolution was passed and adopted at a regular meeting of the Governing Board of the Santee School District on the 18th day of October 2016, by the following vote:

AYES: _____
NOES: _____
ABSENT: _____

Dated 10/18/16

Clerk, Board of Education

Item E. DISCUSSION AND/OR ACTION ITEMS

The Board invites citizens to address the Board about any of the items listed under Discussion and/or Action. Citizens wishing to address the Board about a Discussion and/or Action item are requested to submit a Request to Speak card in advance.

Discussion and/or Action Item E.1.1.
Prepared by Karl Christensen
October 18, 2016

Approval of Amendment to Agreement with
DS&C for Financial Advisory Services Related
to Refunding of Certificates of Participation and
General Obligation Bonds

BACKGROUND:

On November 3, 2015, the District entered into an agreement with DS&C to provide financial advisor services related to refunding of outstanding Certificates of Participation (COPs) and General Obligation Bonds (GO Bonds).

Refundings undertaken to date have resulted in \$11.6 million in debt service savings for the General Fund and \$21.9 million in debt service savings for property owners.

To move forward with the next phase for advance refunding a portion of the Series B Current Interest Bonds, it is necessary to amend the agreement with DS&C. This amendment allows future refundings to occur without the need to further amend the Agreement.

RECOMMENDATION:

It is recommended that the Board of Education approve the Amendment to the Agreement with DS&C for Financial Advisor Services related to refunding of Certificates of Participation and General Obligation Bonds.

This recommendation supports the following District goal:

Fiscal Accountability

- Financially support the vision, mission, and goals of the District by maximizing resources, controlling expenses, and managing assets to ensure fiscal solvency and flexibility.

FISCAL IMPACT:

The fiscal impact is a \$95,000 fee for refunding of Current Interest Bonds.

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item. All fiscal resources impact student achievement.

Motion:		Second:		Vote:		Agenda Item E.1.1.
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October 11, 2016

Board of Trustees c/o
Cathy Pierce, Superintendent
Santee School District
9625 Cuyamaca Street
Santee, CA 92071

**Re: Santee School District
Agreement for Financial Advising Services AMENDMENT**

Ladies and Gentlemen:

Dale Scott & Co., Inc. ("DS&C") proposes to the Santee School District (the "District"; together with DS&C, the "Parties") the following amendment (the "Amendment") to the *Agreement for Financial Advising Services* the Parties signed on November 4, 2015 (the "Agreement"). The terms of this Amendment shall be effective upon the District's acceptance by signature as of the date written below.

- 1) Section II of the Agreement is amended by the following additions (indicated by italics) and deletions (indicated by strikethrough) as follows:
 - II. **Compensation.** The payment of all fees and expenses is wholly contingent on the sale of the Bonds or COPs and shall be paid solely from Bond and COP funds. For its services as set forth in this Agreement, DS&C shall be compensated as follows:
 - a. **Refunding of the COPs.** For the refunding of the COPs, DS&C shall be paid a fee of \$95,000.
 - b. **Refunding of the Series A Current Interest GO Bonds.** For the refunding of the all or a portion of ~~Series A~~ Current Interest GO Bonds, DS&C shall be paid a fee of \$95,000 *per series of Refunding Bonds.*
 - c. **Refunding of the Series B-E Capital Appreciation Bonds.** For the refunding of the all or a portion of ~~the Series B-E~~ Capital Appreciation Bonds, DS&C shall be paid *per series of Refunding Bonds* a fee of \$10,000 plus an amount based on cumulative tax savings resulting from the CRBs as calculated under Table 1 in Appendix A. Cumulative tax savings shall be defined as the difference between the total debt service payments due on the Refunded Bonds, less the total debt service from the resulting Refunding Bonds.
 - d. **Expenses.** The District agrees to reimburse DS&C approved reasonable and necessary out-of-pocket expenses at their direct cost plus 5% percent.
- 2) Except as set forth in this Amendment, the Agreement is unaffected and shall continue in full force and effect in accordance with its terms. If there is conflict between this Amendment and the Agreement, the terms of this Amendment will prevail.

Sincerely,



Dale Scott
President

Accepted:

Name:
Title:
Date:

PLEASE NOTE: Supplemental information is available as a separate attachment with the Board Packet and will be available at the meeting for review.

Discussion and/or Action Item E.1.2.
Prepared by Karl Christen
October 18, 2016

Adoption of Resolution No. 1617-13 of the Board of Education of the Santee School District Authorizing the Sale and Issuance of Not To Exceed \$14,000,000 Aggregate Principal Amount of Santee School District General Obligation Refunding Bonds, in One or More Series, Approving the Forms of and Authorizing the Execution and Delivery of One or More Escrow Agreements, Bond Purchase Agreements, and Continuing Disclosure Certificates, Approving the Form, and Authorizing a Method for Review and Approval by Members of Said Board, of One or More Official Statements, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions in connection Therewith

BACKGROUND:

This Resolution authorizes the issuance and sale of General Obligation Refunding Bonds of the District in the maximum principal amount of \$14 million for the purpose of refunding prior series of general obligation bonds which were authorized at the 2006 Bond election. The prior series of bonds consist of the Series B Bonds issued in 2008. Proceeds of the Refunding Bonds will be used to provide funds to pay the redemption price of the prior bonds on the redemption date. The refunding is expected to result in significant savings to District taxpayers. This Resolution authorizes the sale of the Refunding Bonds by negotiated sale to an underwriting firm.

RECOMMENDATION:

It is recommended that the Board of Education adopt Resolution No. 1617-13 of the Board of Education of the Santee School District Authorizing the Sale and Issuance of Not To Exceed \$14,000,000 Aggregate Principal Amount of Santee School District General Obligation Refunding Bonds, in One or More Series, Approving the Forms of and Authorizing the Execution and Delivery of One or More Escrow Agreements, Bond Purchase Agreements, and Continuing Disclosure Certificates, Approving the Form, and Authorizing a Method for Review and Approval by Members of Said Board, of One or More Official Statements, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions in connection Therewith.

This recommendation supports the following District goal:

Fiscal Accountability

- Financially support the vision, mission, and goals of the District by maximizing resources, controlling expenses, and managing assets to ensure fiscal solvency and flexibility.

FISCAL IMPACT:

The fiscal impact will not be known until sale of the General Obligation Bonds is completed.

STUDENT ACHIEVEMENT IMPACT:

This is a fiscal item. All fiscal resources impact student achievement.

Motion:		Second:		Vote:		Agenda Item E.1.2.
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RESOLUTION NO. 1617-13

A RESOLUTION OF THE BOARD OF EDUCATION OF THE SANTEE SCHOOL DISTRICT AUTHORIZING THE SALE AND ISSUANCE OF NOT TO EXCEED \$14,000,000 AGGREGATE PRINCIPAL AMOUNT OF SANTEE SCHOOL DISTRICT GENERAL OBLIGATION REFUNDING BONDS, IN ONE OR MORE SERIES, APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE ESCROW AGREEMENTS, BOND PURCHASE AGREEMENTS, AND CONTINUING DISCLOSURE CERTIFICATES, APPROVING THE FORM, AND AUTHORIZING A METHOD FOR REVIEW AND APPROVAL BY MEMBERS OF SAID BOARD, OF ONE OR MORE OFFICIAL STATEMENTS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Santee School District (the “District”), located in the County of San Diego, California (the “County”), has heretofore issued the Santee School District (San Diego County, California) General Obligation Bonds, 2006 Election, Series B (the “Prior Bonds”) in the original aggregate principal amount of \$12,385,076.75; and

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and other applicable law (the “Act”), the District is authorized to issue refunding bonds to refund all or a portion of the Prior Bonds; and

WHEREAS, it is desirable that all or a portion of the Prior Bonds be refunded (such refunded Prior Bonds being referred to herein as the “Refunded Bonds” and each series of Refunded Bonds, individually, a “Series of Refunded Bonds”); and

WHEREAS, in order to refund all or a portion of the Prior Bonds, it is desirable that the District issue one or more series of refunding bonds to be designated the “Santee School District (San Diego County, California) General Obligation Refunding Bonds,” with such additional or other series designations as may be approved as herein provided (collectively, the “Refunding Bonds” and each series of Refunding Bonds, individually, a “Series of Refunding Bonds”), according to the terms and in the manner herein provided; and

WHEREAS, the District desires to secure the timely payment of all or a portion of the principal of and interest on each Series of Refunding Bonds by obtaining a bond insurance policy with respect thereto, if such a policy is available and determined to be economically advantageous; and

WHEREAS, the moneys to redeem the Prior Bonds to be refunded will be applied to such purpose pursuant to one or more Escrow Agreements by and between the District and U.S. Bank National Association, as escrow bank (each such Escrow Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as an “Escrow Agreement”); and

WHEREAS, the Board of Education of the District (the “Board of Education”) desires to authorize the sale of each Series of Refunding Bonds by a negotiated sale pursuant to one or more Bond Purchase Agreements (each such Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as a “Bond Purchase Agreement”) to be entered into with one or more underwriters selected by the District as herein provided pursuant a proposal process (collectively, the “Underwriter”); and

WHEREAS, the District desires to appoint the Treasurer-Tax Collector of the County (together with any authorized deputy thereof, the “County Treasurer”) as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the “Paying Agent”) for each Series of Refunding Bonds and execute and deliver a Paying Agent Agreement by and between the District and the County with respect to each Series of Refunding Bonds (each such Paying Agent Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as a “Paying Agent Agreement”); and

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“Rule 15c2-12”) requires that, in order to be able to purchase or sell the Refunding Bonds, the underwriter thereof must have reasonably determined that the District has undertaken in a written agreement or contract for the benefit of the holders of the Refunding Bonds to provide disclosure of certain financial and operating information and certain enumerated events on an ongoing basis; and

WHEREAS, in order to cause such requirement to be satisfied, the District desires to execute and deliver one or more Continuing Disclosure Certificates (each such Continuing Disclosure Certificate, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as a “Continuing Disclosure Certificate”); and

WHEREAS, a form of the Preliminary Official Statement to be distributed in connection with a public offering of the initial Series of Refunding Bonds has been prepared (such Preliminary Official Statement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Preliminary Official Statement”); and

WHEREAS, the San Diego County Superintendent of Schools has jurisdiction over the District; and

WHEREAS, this Board of Education desires that the County levy and collect a tax on all taxable property within the District sufficient to provide for payment of each Series of Refunding Bonds, and intends by the adoption of this Resolution to notify the Board of Supervisors of the County (the “Board of Supervisors”), the Auditor and Controller of the County (together with any authorized deputy thereof, the “County Auditor-Controller”), the County Treasurer and other officials of the County that they should take such actions as shall be necessary to provide for the levy and collection of such a tax and payment of each Series of Refunding Bonds and such

portion of the Prior Bonds as shall remain outstanding following the issuance of the related Series of Refunding Bonds; and

WHEREAS, there have been prepared and submitted to this meeting forms of:

- (a) the Escrow Agreement;
- (b) the Bond Purchase Agreement;
- (c) the Paying Agent Agreement;
- (d) the Continuing Disclosure Certificate; and
- (e) the Preliminary Official Statement; and

WHEREAS, the District desires to proceed to issue and sell one or more Series of Refunding Bonds and to authorize the execution of such documents and the performance of such acts as may be necessary or desirable to effect the offering, sale and issuance of each such Series of Refunding Bonds; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California (the “State”) to exist, to have happened and to have been performed precedent to and in connection with the consummation of the actions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the District is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such actions for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, BE IT RESOLVED by this Board of Education of the Santee School District, County of San Diego, California, as follows:

Section 1. Recitals. All of the above recitals are true and correct and the Board of Education so finds and determines.

Section 2. Determination. This Board of Education hereby determines that prudent management of the fiscal affairs of the District requires that, subject to the provisions of Section 4 hereof, the District issue one or more Series of Refunding Bonds under the provisions of the Act to refund all or a portion of the Prior Bonds.

Section 3. Authorization and Designation of Refunding Bonds. Subject to the provisions of Section 4 hereof, the issuance from time to time (but not later than one year from the date of adoption hereof) of one or more Series of Refunding Bonds, in the aggregate principal amount of not to exceed \$14,000,000, on the terms and conditions set forth, and subject to the limitations specified, herein, is hereby authorized and approved. Each Series of Refunding Bonds shall be dated, shall accrue interest at the rates, shall mature on the dates, and shall be as otherwise provided in the related Bond Purchase Agreement, as the same shall be completed as provided in this Resolution.

Section 4. Sale of Bonds. Because of the need for flexibility in timing the sale of the Refunding Bonds in order to achieve maximum interest cost savings, the Board of Education hereby determines to sell each Series of Refunding Bonds by a negotiated sale. The Bond Purchase Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved. The President of this Board of Education, and such other member of this Board of Education as the President may designate, the Superintendent of the District and the Assistant Superintendent, Business Services, and such other officer or employee of the District as the Superintendent may designate (the "Authorized Officers") are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute and deliver one or more Bond Purchase Agreements in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the applicable Bond Purchase Agreement by such Authorized Officer; provided, however, that (i) no Series of Refunding Bonds shall be authorized in a principal amount which, when combined with the principal amount of all Series of Refunding Bonds previously authorized and issued pursuant hereto, is in excess of \$14,000,000, (ii) no Series of Refunding Bonds shall have a final maturity date later than the latest maturity date of the corresponding Refunded Bonds, (iii) the total net interest cost to maturity of each applicable Series of Refunding Bonds, plus the principal amount of such Series of Refunding Bonds, shall not be in excess of the total net interest cost to maturity of the applicable Refunded Bonds, plus the principal amount of such Refunded Bonds, and (iv) the underwriter's discount (not including any original issue discount) shall not exceed 1.00% of the aggregate principal amount of the corresponding Series of Refunding Bonds. In connection with each negotiated sale of a Series of Refunding Bonds, the Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to select one or more firms to serve as the Underwriters for such Series of Refunding Bonds pursuant a proposal process, such selection to be conclusively evidenced by the execution of the applicable Bond Purchase Agreement by an Authorized Officer.

Section 5. Designated Costs of Issuing Refunding Bonds. The refunding of all or a portion of the Prior Bonds is hereby approved. Each such refunding shall be accomplished by paying the principal of and interest on the Refunded Bonds due and payable through and including the earliest practicable date for which notice of redemption can be given (the "Redemption Date") and redeeming such Refunded Bonds on the Redemption Date and paying the redemption price therefor, plus accrued interest thereon to the Redemption Date. In accordance with Section 53553 of the Act, with respect to each Series of Refunding Bonds, this Board of Education hereby designates the following costs and expenses as the "designated costs of issuing the refunding bonds:"

(i) all expenses incident to the calling, retiring, or paying of the applicable Refunded Bonds and incident to the issuance of such Series of Refunding Bonds, including the charges of any escrow agent or trustee in connection with the issuance of such Series of Refunding Bonds or in connection with the redemption or retirement of such Refunded Bonds;

(ii) the interest upon the applicable Refunded Bonds from the date of sale of such Series of Refunding Bonds to the date upon which the applicable Refunded Bonds will be paid pursuant to call; and

(iii) any premium necessary in the calling or retiring of such Refunded Bonds.

Section 6. Escrow Agreement. The form of Escrow Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute and deliver one or more Escrow Agreements in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the applicable Escrow Agreement by such Authorized Officer.

Section 7. Form of Bonds; Execution. (a) *Form of Refunding Bonds.* Each Series of Refunding Bonds shall be issued in fully registered form without coupons. The Refunding Bonds, and the certificate of authentication and registration and the forms of assignment to appear on each of them, shall be in substantially the form attached hereto as Exhibit A, with necessary or appropriate variations, omissions and insertions as permitted or required by this Resolution.

(b) *Execution of Refunding Bonds.* The Refunding Bonds shall be signed by the manual or facsimile signature of the President of the Board of Education, and countersigned by the manual or facsimile signature of the Clerk of the Board of Education (or the designee of either such respective officers if the President or the Clerk of the Board of Education are unavailable). The Refunding Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent (as defined herein).

(c) *Valid Authentication.* Only such of the Refunding Bonds as shall bear thereon a certificate of authentication and registration as described in subsection (a) of this Section, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of authentication and registration shall be conclusive evidence that the Refunding Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Resolution.

(d) *Identifying Number.* The Paying Agent shall assign each Refunding Bond authenticated and registered by it a distinctive letter, or number, or letter and number, and shall maintain a record thereof at its principal office, which record shall be available to the District and the County for inspection.

Section 8. Terms of Bonds. (a) *Date of Refunding Bonds.* Each Series of Refunding Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the applicable Bond Purchase Agreement.

(b) *Denominations.* Each Series of Refunding Bonds shall be issued in denominations of \$5,000 principal amount or any integral multiple thereof, or such other denominations as shall be designated in the applicable Bond Purchase Agreement.

(c) *Maturity.* Each Series of Refunding Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the applicable Bond Purchase Agreement. No Refunding Bond shall mature later than the latest maturity date of the corresponding Refunded Bonds. No Refunding Bond shall have principal maturing on more than one principal maturity date.

(d) *Interest.* Each Series of Refunding Bonds shall bear interest at an interest rate or rates not to exceed 12.00% per annum, payable on such semiannual dates of each year as shall be set forth in the applicable Bond Purchase Agreement, commencing on the date set forth in the applicable Bond Purchase Agreement (each, an “Interest Payment Date”), computed on the basis of a 360-day year of twelve 30-day months. Each Refunding Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on the 15th day of the calendar month immediately preceding such Interest Payment Date, whether or not such day is a business day, or such other date or dates as may be set forth in the Bond Purchase Agreement (each, a “Record Date”), and on or prior to such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any Refunding Bond, interest is in default on any outstanding Refunding Bonds of such Series, such Refunding Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Refunding Bonds of such Series.

(e) *Tax Exempt or Taxable.* Each Series of Refunding Bonds may be issued such that the interest on such Series of Refunding Bonds is Tax-Exempt or such that the interest on such Series of Refunding Bonds is not Tax-Exempt. The term “Tax-Exempt” means, with respect to interest on any obligations of a state or local government, that such interest is excluded from the gross income of the holders thereof for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax under the Internal Revenue Code of 1986 (the “Code”). The term “Taxable Bonds” means those Refunding Bonds the interest on which is not Tax-Exempt. The Board of Education hereby finds and determines that, pursuant to Section 5903 of the California Government Code, the interest payable on each Series of Refunding Bonds issued as Taxable Bonds will be subject to federal income taxation under the Code in existence on the date of issuance of such Series of Refunding Bonds.

Section 9. Payment of Bonds. (a) *Request for Tax Levy.* The money for the payment of principal, redemption premium, if any, and interest on each Series of Refunding Bonds, and fees and expenses of the paying agent as permitted by Section 15232 of the Education Code, shall be raised by taxation upon all taxable property in the District and provision shall be made for the levy and collection of such taxes in the manner provided by law and for such payment out of the interest and sinking fund of the District. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on each Series of Refunding Bonds in such year, and to pay from such taxes all amounts due on such Refunding Bonds. The Board of Supervisors, the County Auditor-Controller, the County Treasurer and other officials of the

County are hereby requested to take and authorize such actions as may be necessary pursuant to law to provide for the levy and collection of a property tax on all taxable property of the District sufficient to provide for payment of all principal of and interest on each Series of Refunding Bonds, and all fees and expenses of the paying agent as permitted by Section 15232 of the Education Code, as the same shall become due and payable, and to apply moneys in the District's interest and sinking fund as necessary to the payment of such Series of Refunding Bonds, as provided herein, and to provide for the payment of any portion of any Prior Bonds which are to remain outstanding pursuant to the authorizing resolution or paying agent agreement, as applicable, under which such bonds were issued. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, (i) to transmit a certified copy of this Resolution and the debt service schedule for each Series of Refunding Bonds to the Board of Supervisors, the County Auditor-Controller and the County Treasurer in sufficient time to permit the County to establish tax rates and necessary funds or accounts for each Series of Refunding Bonds, and (ii) to formally request that the Board of Supervisors adopt a resolution to levy the appropriate taxes as herein provided.

(b) *Principal.* The principal of each Series of Refunding Bonds shall be payable in lawful money of the United States of America to the person whose name appears on the books for the registration and transfer of the Refunding Bonds maintained by the Paying Agent in accordance with Section 11(d) hereof (the "Registration Books") as the registered Owner thereof (the "Owner"), upon the surrender thereof at the principal corporate trust office of the Paying Agent.

(c) *Interest; Record Date.* The interest on each Series of Refunding Bonds shall be payable on each Interest Payment Date in lawful money of the United States of America to the Owner thereof as of the Record Date preceding such Interest Payment Date, such interest to be paid by check or draft mailed on such Interest Payment Date (if a business day, or on the next business day if the Interest Payment Date does not fall on a business day) to such Owner at such Owner's address as it appears on the Registration Books or at such address as the Owner may have filed with the Paying Agent for that purpose except that the payment shall be made by wire transfer of immediately available funds to any Owner of at least \$1,000,000 of outstanding Refunding Bonds of a Series who shall have requested in writing such method of payment of interest prior to the close of business on the Record Date immediately preceding any Interest Payment Date.

(d) *Interest and Sinking Fund.* Principal and interest due on each Series of Refunding Bonds shall be paid from the interest and sinking fund of the District as provided in Section 15146 of the California Education Code. If requested by the County Auditor-Controller, the Board of Education hereby authorizes and directs the County Auditor-Controller to create and maintain an account within the interest and sinking fund of the District for the payment of any Series of Refunding Bonds, which shall be maintained as a separate account, distinct from all other funds or accounts of the District.

(e) *Obligation of the District.* No part of any fund or account of the County is pledged or obligated to the payment of the Refunding Bonds. The obligation for repayment of the Refunding Bonds is the sole obligation of the District.

(f) *Pledge of Taxes.* The District hereby pledges all revenues from the property taxes collected from the levy by the Board of Supervisors of the County for the payment of Bonds (as defined below) of the District and amounts on deposit in the interest and sinking fund of the District to the payment of the principal or redemption price of and interest on the Bonds. This pledge shall be valid and binding from the date hereof for the benefit of the owners of the Bonds and successors thereto. The property taxes and amounts held in the interest and sinking fund shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the interest and sinking fund to secure the payment of the Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. The pledge is an agreement between the District and the owners of Bonds to provide security for the Bonds in addition to any statutory lien that may exist, and the Bonds secured by the pledge are or were issued to finance (or refinance) one or more of the projects specified in the applicable voter-approved measure. "Bonds" for purpose of this pledge means all bonds, including refunding bonds, of the District heretofore or hereafter issued pursuant to voter approved measures of the District, including bonds approved by the voters of the District on November 7, 2006, as all such Bonds are required by State law to be paid from the interest and sinking fund of the District.

(g) *Insurance.* The payment of principal of and interest on all or a portion of any Series of Refunding Bonds may be secured by a municipal bond insurance policy as shall be described in the applicable Bond Purchase Agreement. The applicable Bond Purchase Agreement may provide that no municipal bond insurance policy shall be obtained. The Authorized Officers are each hereby authorized and directed to apply for, or cause to be applied for, municipal bond insurance for each Series of Refunding Bonds and to obtain such insurance if doing so puts such Series of Refunding Bonds (or portion thereof) and the marketing thereof on a economically advantageous basis, and is deemed to be in the best interests of the District. The Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver a contract or contracts for such insurance if such contract is deemed by the Authorized Officer executing the same to be in the best interests of the District, such determination to be conclusively evidenced by such Authorized Officer's execution and delivery of such contract. If the Authorized Officers so deem and obtain municipal bond insurance, and such insurance is issued by a mutual insurance company, the Authorized Officers are each hereby authorized and directed to enter into any required mutual insurance agreement substantially in such insurer's standard form with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of such agreement by such Authorized Officer.

Section 10. Redemption Provisions. (a) *Optional Redemption.* Each Series of Refunding Bonds may be subject to redemption, at the option of the District, on the dates and terms as shall be designated in the applicable Bond Purchase Agreement. The applicable Bond Purchase Agreement may provide that the related Series of Refunding Bonds shall not be subject to optional redemption.

(b) *Selection.* If less than all of a Series of Refunding Bonds, if any, are subject to such redemption and are called for redemption, such Refunding Bonds shall be redeemed as directed by the District, or if not so directed, in inverse order of maturities (or as otherwise set forth in the Bond Purchase Agreement), and if less than all of the Refunding Bonds of any given maturity of a Series are called for redemption, the portions of such Refunding Bonds of a given maturity to be redeemed shall be determined by lot (or as otherwise set forth in the Bond Purchase Agreement).

(c) *Mandatory Sinking Fund Redemption.* The Refunding Bonds, if any, which are designated in a Bond Purchase Agreement as term bonds shall also be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot (or as otherwise set forth in the applicable Bond Purchase Agreement), from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in such Bond Purchase Agreement. Unless otherwise provided in the applicable Bond Purchase Agreement, the principal amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately or as otherwise directed by the District by the amount of any Refunding Bonds of that maturity redeemed in accordance with subsection (a) of this Section prior to the mandatory sinking fund payment date. The applicable Bond Purchase Agreement may provide that the Refunding Bonds of a Series shall not be subject to mandatory sinking fund redemption. The County Auditor-Controller is hereby authorized to create such sinking funds or accounts for the term Refunding Bonds as shall be necessary to accomplish the purposes of this Section.

(d) *Notice of Redemption.* Notice of any redemption of the Refunding Bonds of a Series shall be mailed by the Paying Agent, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date (i) by first class mail to the County and the respective Owners thereof at the addresses appearing on the Registration Books, and (ii) as may be further required in accordance with the applicable Continuing Disclosure Certificate.

Each notice of redemption shall state (i) the date of such notice; (ii) the name of the Series of Refunding Bonds and the date of issue of such Series of Refunding Bonds; (iii) the redemption date; (iv) the redemption price; (v) the dates of maturity or maturities of Refunding Bonds to be redeemed; (vi) if less than all of the Refunding Bonds of any maturity of a Series are to be redeemed, the distinctive numbers of the Refunding Bonds of each maturity of such Series to be redeemed; (vii) in the case of Refunding Bonds of a Series redeemed in part only, the respective portions of the principal amount of the Refunding Bonds of each maturity of such Series to be redeemed; (viii) the CUSIP number, if any, of each maturity of Refunding Bonds to be redeemed; (ix) a statement that such Refunding Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Refunding Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice.

(e) *Effect of Notice.* A certificate of the Paying Agent that notice of redemption has been given to Owners as herein provided shall be conclusive as against all parties. Neither the failure to receive the notice of redemption as provided in this Section, nor any defect in such

notice shall affect the sufficiency of the proceedings for the redemption of the Refunding Bonds called for redemption or the cessation of interest on the date fixed for redemption.

When notice of redemption has been given substantially as provided for herein, and when the redemption price of the Refunding Bonds called for redemption is set aside for the purpose as described in subsection (g) of this Section, the Refunding Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Refunding Bonds at the place specified in the notice of redemption, such Refunding Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Refunding Bonds so called for redemption after such redemption date shall be entitled to payment thereof only from the interest and sinking fund or the trust fund established for such purpose. All Refunding Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

(f) *Right to Rescind Notice.* 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 Refunding 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 interest and sinking 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 Refunding 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 Refunding 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.

(g) *Funds for Redemption.* Prior to or on the redemption date of any Refunding Bonds there shall be available in the interest and sinking fund of the District, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the redemption prices as in this Resolution provided, the Refunding Bonds designated in the notice of redemption. Such monies shall be applied on or after the redemption date solely for payment of principal of, interest and premium, if any, on the Refunding Bonds to be redeemed upon presentation and surrender of such Refunding Bonds, provided that all monies in the interest and sinking fund of the District shall be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date shall be paid from the interest and sinking fund of the District, unless otherwise provided to be paid from such monies held in trust. If, after all of the Refunding Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the interest and sinking fund of the District or otherwise held in trust for the payment of redemption price of the Refunding Bonds, the monies shall be held in or returned or transferred to the interest and sinking fund of the District for payment of any outstanding bonds of the District payable from such fund; provided, however, that if the monies are part of the proceeds of bonds of the District, the monies shall be transferred to the fund created for the payment of principal of and interest on such bonds. If no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

(h) *Defeasance of Refunding Bonds.* If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all of the outstanding Refunding Bonds of a Series all or any part of the principal, interest and premium, if any, on such Refunding Bonds at the times and in the manner provided herein and in such Refunding Bonds, or as provided in the following paragraph, or as otherwise provided by law consistent herewith, then such Owners of such Refunding Bonds shall cease to be entitled to the obligation of the District as provided in Section 9 hereof, and such obligation and all agreements and covenants of the District and of the County to such Owners hereunder and under such Refunding Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal, interest and premium, if any, represented by such Refunding Bonds, but only out of monies on deposit in the interest and sinking fund or otherwise held in trust for such payment; and provided further, however, that the provisions of subsection (i) of this Section shall apply in all events.

For purposes of this Section, the District may pay and discharge any or all of the Refunding Bonds of a Series by depositing in trust with the Paying Agent or an escrow agent, selected by the District, at or before maturity, money and/or non-callable direct obligations of the United States of America (including zero interest bearing State and Local Government Series) or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available monies then on deposit in the interest and sinking fund of the District, be fully sufficient to pay and discharge the indebtedness on such Refunding Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

(i) *Unclaimed Monies.* Any money held in any fund created pursuant to this Resolution, or by the Paying Agent or an escrow agent in trust, for the payment of the principal of, redemption premium, if any, or interest on a Series of Refunding Bonds and remaining unclaimed for two years after the principal of all of such Series of Refunding Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the interest and sinking fund of the District for payment of any outstanding bonds of the District payable from the fund; or, if no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

Section 11. Paying Agent. (a) *Appointment; Payment of Fees and Expenses.* This Board of Education does hereby appoint the County Treasurer to act Paying Agent for each Series of Refunding Bonds. The County Treasurer is authorized to contract with any third party to perform the services of Paying Agent under this Resolution. All fees and expenses of the Paying Agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds of sale of the applicable Series of Refunding Bonds, or from the interest and sinking fund of the District, insofar as permitted by law, including specifically by Section 15232 of the California Education Code, such fees and expenses shall be paid by the District.

(b) *Resignation, Removal and Replacement of Paying Agent.* The Paying Agent initially appointed or any successor Paying Agent may resign from service as Paying Agent and may be removed at any time by the County. If at any time the Paying Agent shall resign or be removed, the County Treasurer shall appoint a successor Paying Agent, which shall be any bank,

trust company, national banking association or other financial institution doing business in and having a corporate trust office in California, with at least \$100,000,000 in net assets.

(c) *Principal Corporate Trust Office.* Unless otherwise specifically noted, any reference herein to the Paying Agent shall initially mean the County Treasurer and his or her designated agents or his or her successors or assigns, acting in the capacity of Paying Agent, and any reference herein to the “principal corporate trust office” of the Paying Agent for purposes of transfer, registration, exchange, payment, and surrender of the Refunding Bonds shall initially mean the office of the County Treasurer or the principal corporate trust office of his or her designated agent bank or other office of his or her designated agent bank designated thereby for a particular purpose; provided, however, that in the event that “Paying Agent” shall refer to any successor paying agent, bond registrar, authenticating agent or transfer agent for the Refunding Bonds, “principal corporate trust office” shall include the principal corporate trust office or other office of such successor Paying Agent designated thereby for a particular purpose.

(d) *Registration Books.* The Paying Agent shall keep or cause to be kept at its principal corporate trust office sufficient books for the registration and transfer of the Refunding Bonds, which shall at all times be open to inspection by the District, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred on the Registration Books, Refunding Bonds as provided in Sections 12 and 13 hereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Refunding 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.

(e) *Merger or Consolidation.* Any bank, national banking association or trust company into which the Paying Agent may be merged or converted or with which it may be consolidated or any bank, national banking association or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national banking association or trust company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such bank, national banking association or trust company shall be eligible under subsection (b) of this Section shall be the successor to such Paying Agent, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

(f) *Paying Agent Agreement.* The form of Paying Agent Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute and deliver one or more Paying Agent Agreements in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution of the applicable Paying Agent Agreement by such Authorized Officer.

Section 12. Transfer Under Book-Entry System; Discontinuation of Book-Entry System. (a) Unless otherwise specified in the applicable Bond Purchase Agreement, The

Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for a Series of Refunding Bonds, including any such successor thereto appointed pursuant to this Section (“DTC”), is hereby appointed depository for each Series of Refunding Bonds and each Series of Refunding Bonds shall be issued in book-entry form only, and shall be initially registered in the name of “Cede & Co.,” as nominee of DTC (“Cede & Co.”). One bond certificate shall be issued for each maturity of each Series of Refunding Bonds; provided, however, that if different CUSIP numbers are assigned to Refunding Bonds of a Series maturing in a single year or, if Refunding Bonds of a Series maturing in a single year are issued with different interest rates, additional bond certificates shall be prepared for each such maturity. Registered ownership of such Refunding Bonds of each such maturity, or any portion thereof, may not thereafter be transferred except as provided in this Section or Section 13 hereof:

(i) To any successor of DTC, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this Section (a “substitute depository”); provided, however that any successor of DTC, as nominee of DTC or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) To any substitute depository not objected to by the District, upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the District to substitute another depository for DTC (or its successor) because DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) To any person as provided below, upon (1) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository; provided that no substitute depository which is not objected to by the District can be obtained, or (2) a determination by the District that it is in the best interests of the District to remove DTC or its successor (or any substitute depository or its successor) from its functions as depository.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) of this Section, upon receipt of the outstanding Refunding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, a new Refunding Bond for each maturity of each Series shall be executed and delivered (in the aggregate principal amount of such Refunding Bonds then outstanding), registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) of this Section, upon receipt of the outstanding Refunding Bonds by the Paying Agent together with a written request of the District to the Paying Agent, new Refunding Bonds shall be executed and delivered in such denominations, numbered in the manner determined by the Paying Agent, and registered in the names of such persons, as are requested in such written request of the District, subject to the limitations of Section 8 hereof and the receipt of such a written request of the District, and thereafter, the Refunding Bonds shall be transferred pursuant to the provisions set forth in Section 13 hereof; provided, however, that the Paying Agent shall not be required to

deliver such new Refunding Bonds within a period of less than 60 days after the receipt of any such written request of the District.

(c) In the case of partial redemption or an advance refunding of a Series of Refunding Bonds evidencing all or a portion of the principal amount then outstanding, DTC shall make an appropriate notation on the Refunding Bonds of such Series indicating the date and amounts of such reduction in principal.

(d) The District and the Paying Agent shall be entitled to treat the person in whose name any Refunding Bond is registered as the owner thereof, notwithstanding any notice to the contrary received by the District or the Paying Agent; and the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Refunding Bonds, and neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party, including DTC or its successor (or substitute depository or its successor), except for the Owner of any Refunding Bonds.

(e) So long as the outstanding Refunding Bonds are registered in the name of Cede & Co. or its registered assigns, the District and the Paying Agent shall cooperate with Cede & Co., as sole registered Owner, or its registered assigns in effecting payment of the principal of and interest on the Refunding Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

Section 13. Transfer and Exchange. (a) *Transfer.* Following the termination or removal of DTC or successor depository pursuant to Section 12 hereof, or upon the initial delivery of a Series of Refunding Bonds not registered in the name of Cede & Co., as nominee of DTC, any Refunding Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Refunding Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Refunding Bond or Refunding Bonds shall be surrendered for transfer, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 7 hereof, a new Refunding Bond or Refunding Bonds, of the same series, maturity, interest payment dates and interest rate or rates (for a like aggregate principal amount). The Paying Agent may require the payment by any Owner of Refunding Bonds requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of any Refunding Bond shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the applicable Series of Refunding Bonds for redemption, and (ii) after any Refunding Bond has been selected for redemption.

(b) *Exchange.* The Refunding Bonds of a Series may be exchanged for Refunding Bonds of other authorized denominations of the same series, maturity, interest payment dates and

interest rate or rates, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Refunding Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed request for exchange in a form approved by the Paying Agent.

Whenever any Refunding Bond or Refunding Bonds shall be surrendered for exchange, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 7 hereof, a new Refunding Bond or Refunding Bonds of the same series, maturity, interest payment dates and interest rate or rates (for a like aggregate principal amount). 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.

No exchange of any Refunding Bonds shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the Refunding Bonds for redemption, and (ii) after any Refunding Bond has been selected for redemption.

Section 14. Continuing Disclosure Certificate. The form of Continuing Disclosure Certificate, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute and deliver one or more Continuing Disclosure Certificates in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution of the applicable Continuing Disclosure Certificate by such Authorized Officer.

Section 15. Preliminary Official Statement. The form of Preliminary Official Statement relating to the first issuance of Refunding Bonds, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, with such changes therein as may be approved by an Authorized Officer, is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of such Refunding Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized, and any one of the Authorized Officers is hereby directed, to certify on behalf of the District that the information contained in such Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12). If and to the extent it is necessary to make substantial changes to such Preliminary Official Statement prior to the offering and sale of the initial Refunding Bonds, the use of the Preliminary Official Statement in connection with the offering and sale of such Refunding Bonds, and the certification of its finality within the meaning of Rule 15c2-12 by an Authorized Officer, shall follow the distribution to this Board of Education of a revised draft of such Preliminary Official Statement with accompanying directions and instructions to members of this Board of Education to review such revised Preliminary Official Statement and provide comments to such Authorized Officer. For subsequent Series of Refunding Bonds, the preparation of a Preliminary Official Statement with respect each such subsequent Series of Refunding Bonds, similar in form and content to the Preliminary Official Statement relating to the first Series of Refunding Bonds but with such updates as shall be deemed necessary, is hereby authorized and approved, and the certification of its finality within the meaning of Rule 15c2-12 by an Authorized Officer and its use in

connection with the offering and sale of each such subsequent Series of Refunding Bonds, which are also hereby authorized, shall follow the distribution to this Board of Education of a substantially complete draft of a Preliminary Official Statement relating to such Series of Refunding Bonds with accompanying directions and instructions to members of this Board of Education to review such Preliminary Official Statement and provide comments to such Authorized Officer.

Section 16. Official Statement. The preparation and delivery of a final Official Statement with respect a Series of Refunding Bonds and its use in connection with the offering and sale of such Series of Refunding Bonds are hereby authorized and approved. Each Official Statement shall be in substantially the form of the related Preliminary Official Statement, with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, to execute each final Official Statement, and any amendment or supplement thereto, for and in the name of the District.

Section 17. Tax Covenants. (a) The District shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on a Tax-Exempt Series of Refunding Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the District hereby covenants that it will comply with the requirements of the Tax Certificate (each, a “Tax Certificate”) to be executed by the District on the date of issuance of each Tax-Exempt Series of Refunding Bonds. The provisions of this subsection (a) shall survive payment in full or defeasance of the Refunding Bonds.

(b) In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any monies held by the County Treasurer on behalf of the District, in accordance with this Resolution or pursuant to law, the District shall so request of the County Treasurer in writing, and the District shall make its best efforts to ensure that the County Treasurer shall take such action as may be necessary in accordance with such instructions.

(c) Notwithstanding any provision of this Section, if the District shall provide to the County Treasurer an opinion of counsel of nationally recognized standing in the field of law relating to municipal bonds (“Opinion of Bond Counsel”) that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on the Tax-Exempt Series of Refunding Bonds under Section 103 of the Code, the County Treasurer may conclusively rely on such Opinion of Bond Counsel in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

Section 18. Cost of Issuance. The Authorized Officers are each hereby authorized to cause to be deposited in a costs of issuance account, which may be held by a bank, national banking association or trust company meeting the qualifications necessary to be a paying agent set forth in Section 11, as cost of issuance administrator, proceeds of the sale of each Series of Refunding Bonds, in an amount as shall be set forth in the applicable Bond Purchase Agreement,

for the purposes of paying the costs associated with the issuance of such Series of Refunding Bonds.

Section 19. Professional Services. In connection with the issuance of Refunding Bonds, Dale Scott & Company, Inc., is hereby appointed to serve as Financial Advisor to the District, and Orrick, Herrington & Sutcliffe LLP is hereby appointed to serve as Bond Counsel and Disclosure Counsel to the District.

Section 20. Delegation of Authority. The officers and employees of the District are, and each of them hereby is, authorized and directed to execute and deliver, for and on behalf of the District, any and all documents and instruments and to do and cause to be done any and all acts and things necessary or advisable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution.

Section 21. Approval of Actions. All actions heretofore taken by the officers and employees of the District with respect to the issuance and sale of the Refunding Bonds, or in connection with or related to any of the agreements or documents referred to herein, are hereby approved, confirmed and ratified.

Section 22. Contract with Bondholders. The provisions of this Resolution shall be a contract with each and every owner of Bonds and the duties of the District and of the Board of Education and the officers of the District shall be enforceable by any owner of Bonds by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

Section 23. Amendments. This Resolution may be modified or amended without the consent of the Owners in order to cure ambiguities or provide clarification, provided that such modification or amendment does not materially adversely affect the rights of owners of Bonds. For any other purpose, this Resolution may be modified or amended only with the consent of the Owners of a majority of the aggregate principal amount of all Refunding Bonds then outstanding; provided that any such modification or amendment to Section 9(f) or Section 22 shall require the consent of the owners of a majority of the aggregate principal amount of all Bonds then outstanding. No such modification or amendment shall extend the maturity of, reduce the interest rate or redemption premium on or principal amount of any Refunding Bond or reduce the percentage of consent required for amendment hereof without the express consent of all the owners so affected.

Section 24. Interpretation. The terms of this Resolution shall be interpreted broadly to effect the purpose of providing broad and clear authority for the officers and employees of the District to provide for the issuance of, and issue, from time to time, one or more Series of Refunding Bonds in accordance with the provisions of the documents described herein and the Act on the terms set forth in this Resolution.

Section 25. Effective Date. This Resolution shall take effect from and after its date of adoption.

PASSED AND ADOPTED this day, October 18, 2016.

President of the Board of Education of the
Santee School District

ATTEST:

Clerk of the Board of Education of the
Santee School District

EXHIBIT A

FORM OF REFUNDING BOND

Number **UNITED STATES OF AMERICA** **Amount**
R-__ **STATE OF CALIFORNIA** **\$_____**
COUNTY OF SAN DIEGO

SANTEE SCHOOL DISTRICT
(SAN DIEGO COUNTY, CALIFORNIA)
GENERAL OBLIGATION REFUNDING BONDS, SERIES 20__

Maturity Date Interest Rate Dated as of CUSIP No.
August 1, 20__ % ____, 20__ _____

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

Santee School District, County of San Diego, State of California (the "District"), acknowledges itself obligated to and promises to pay to the Registered Owner identified above or registered assigns (the "Registered Owner"), on the Maturity Date set forth above or upon prior redemption hereof, the Principal Amount specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this Bond (unless this bond is authenticated after the close of business on a Record Date (as defined herein) and on or prior to the succeeding interest payment date, in which event it shall bear interest from such interest payment date, or unless this Bond is authenticated on or before _____ 15, 20__, in which event it shall bear interest from the date hereof) at the Interest Rate per annum stated above, payable commencing on _____ 1, 20__, and thereafter on February 1 and August 1 in each year, until payment of the Principal Amount. This Bond is issued pursuant to a Resolution adopted by the Board of Education of the District on October 18, 2016 (the "Resolution"). Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

The principal hereof is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office of the paying agent/registrar and transfer agent of the District (the "Paying Agent"), initially the Treasurer-Tax Collector of the County. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the Registered Owner hereof as of the close of business on the 15th day of the month preceding an interest payment date (the "Record Date"), whether or not such day is a business day, such interest to be paid by check or draft mailed to such Registered Owner at the owner's address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date immediately preceding an interest payment date, of the owner of Refunding Bonds aggregating at least \$1,000,000 in principal amount, interest will be paid by wire transfer in immediately available funds to an account maintained in the United States as specified by the Registered Owner in such

request. So long as Cede & Co. or its registered assigns shall be the Registered Owner of this Bond, payment shall be made in immediately available funds as provided in the Resolution hereinafter described.

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, maturities and redemption provisions), in the aggregate principal amount of \$ _____, and designated as “Santee School District (San Diego County, California) General Obligation Refunding Bonds, Series 20__” (the “Bonds”). The Bonds were authorized by the Resolution and are issued pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and other applicable law. The Bonds are issued and sold by the Board of Education of the District pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and of the Resolution, and subject to the more particular terms specified in the Bond Purchase Agreement, dated _____, 2016 (the “Bond Purchase Agreement”), by and between the District and _____, as underwriter.

The Bonds are issuable as fully registered bonds without coupons in the denomination of \$5,000 principal amount or any integral multiple thereof, provided that no Bond shall have principal maturing on more than one principal maturity date. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Resolution, Bonds may be exchanged for a like aggregate principal amount of Bonds of the same tenor and maturity of other authorized denominations.

This Bond is transferable by the Registered Owner hereof, in person or by attorney duly authorized in writing, at the principal corporate trust office 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 transfer, a new Bond or Bonds of authorized denomination or denominations of the same tenor, interest payments, and same aggregate principal amount 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, and the District and the Paying Agent shall not be affected by any notice to the contrary.

The Bonds are subject to redemption on the terms and subject to the conditions specified in the Resolution and the Bond Purchase Agreement. If this Bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.

The Board of Education of the District hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this Bond, is within the limit provided by law; that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this Bond have been done and performed in strict conformity with the laws authorizing the issuance of this Bond; and that this Bond is in substantially the form prescribed by order of the Board of Education duly made and entered on its minutes. The Bonds represent an obligation payable out of the interest and sinking fund of the District, and the money for the

payment of principal of, premium, if any, and interest hereon, shall be raised by taxation upon the taxable property of the District.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Paying Agent 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 DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the Paying Agent.

IN WITNESS WHEREOF, the Board of Education of the Santee School District, County of San Diego, State of California, has caused this bond to be signed by its President and countersigned by the Clerk of said Board, as of the date set forth above.

President of the Board of Education of the
Santee School District

Countersigned:

Clerk of the Board of Education of the
Santee School District

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bonds described in the within-mentioned Resolution and authenticated and registered on _____.

**U.S. BANK NATIONAL
ASSOCIATION**, as agent

By: _____
Authorized Officer

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

I.D. Number

Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: _____

Signature Guarantee: _____
Note: Signature must be guaranteed by an eligible guarantor institution.

CLERK'S CERTIFICATE

I, Dianne El-Hajj, Clerk of the Board of Education of the Santee School District, County of San Diego, California, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly held at the regular meeting place thereof on October 18, 2016, and entered in the minutes thereof, of which meeting all of the members of the Board of Education had due notice and at which a quorum thereof was present, and that at said meeting the resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of the meeting was posted at least 72 hours before the meeting at 9625 Cuyamaca Street, Santee, California, a location freely accessible to members of the public, and a brief description of the resolution appeared on the agenda.

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office; the foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: _____ 2016

Clerk of the Board of Education of
Santee School District

ESCROW AGREEMENT

by and between

SANTEE SCHOOL DISTRICT

and

U.S. BANK NATIONAL ASSOCIATION

Dated as of _____, 1, 2016

**Santee School District
General Obligation Bonds,
2006 Election, Series B
(San Diego County, California)**

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this “Escrow Agreement”), dated as of _____, 1, 2016, is by and between the SANTEE SCHOOL DISTRICT, a school district organized and existing under the laws of the State of California (the “District”), and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as escrow bank (the “Escrow Bank”).

W I T N E S S E T H:

WHEREAS, the District, located in the County of San Diego, California (the “County”), has heretofore issued the Santee School District (San Diego County, California) General Obligation Bonds, 2006 Election, Series B (the “Prior Bonds”) in the original aggregate principal amount of \$12,385,076.75; and

WHEREAS, the Prior Bonds were issued pursuant to a Resolution adopted by the Board of Education (the “Board”) of the District on July 15, 2008 (the “Resolution”); and

WHEREAS, the District has determined that debt service savings can be achieved by refunding a portion of the Prior Bonds maturing on August 1 of each of the years 2020 through 2029, inclusive, 2033, 2038 and 2048 (the “Refunded Bonds”), as further described in Exhibit A hereto; and

WHEREAS, the Treasurer-Tax Collector of the County (the “County Treasurer”) serves as paying agent with respect to the Prior Bonds (the “Prior Paying Agent”); and

WHEREAS, in order to provide the funds necessary to refund the Refunded Bonds, the District has issued \$_____ aggregate initial principal amount of Santee School District (San Diego County, California) General Obligation Refunding Bonds, Series 2016B (the “Refunding Bonds”); and

WHEREAS, the Refunding Bonds are issued pursuant to a resolution adopted by the Board of the District on October 18, 2016 (the “Refunding Resolution”); and

WHEREAS, County Treasurer, is the paying agent (the “Paying Agent”) under the Refunding Resolution; and

WHEREAS, the District has determined to apply a portion of the proceeds of the Refunding Bonds for the purpose of providing the funds necessary to pay, when due, the interest on the Refunded Bonds to and including August 1, 2018 and to redeem the Refunded Bonds on August 1, 2018 (the “Redemption Date”) at a redemption price (the “Redemption Price”) equal to 100% of the principal amount of the Refunded Bonds; and

WHEREAS, the Refunded Bonds are subject to redemption on the Redemption Date and the District has determined to provide for the call for redemption on the Redemption Date of the Refunded Bonds outstanding on the Redemption Date;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the District and the Escrow Bank agree as follows:

Section 1. Definitions. Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed thereto in the Resolution.

Section 2. The Escrow Fund. (a) There is hereby established a fund (the “Escrow Fund”) to be held as an irrevocably pledged escrow by the Escrow Bank, which the Escrow Bank shall keep separate and apart from all other funds of the District and the Escrow Bank and which shall be applied solely as provided in this Escrow Agreement. The Escrow Fund is established for the purpose of refunding the Refunded Bonds and, for purposes of Section 53555 of the California Government Code, shall be deemed to be a fund in the treasury of the District.

Pending application as provided in this Escrow Agreement, amounts on deposit in the Escrow Fund are hereby pledged and assigned solely to the payment of the interest on and principal and Redemption Price of the Refunded Bonds, which amounts shall be held in trust by the Escrow Bank for the Owners of the Refunded Bonds.

(b) Upon the issuance of the Refunding Bonds, there shall be deposited in the Escrow Fund \$ _____ received from the proceeds of the sale of the Refunding Bonds.

(c) Upon the deposit of moneys pursuant to Section 2(b), the moneys on deposit in the Escrow Fund will be at least equal to an amount sufficient to purchase the aggregate principal amount of [non-callable direct obligations of the United States of America or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America] (“Defeasance Securities”) set forth in Exhibit B hereto (the “Exhibit B Securities”), which principal, together with all interest due or to become due on such Exhibit B Securities, and any uninvested cash held by the Escrow Bank in the Escrow Fund, will be sufficient to make the payments required by Section 4 hereof.

Section 3. Use and Investment of Moneys. (a) The Escrow Bank hereby acknowledges deposit of the moneys described in Section 2(b) and agrees to invest \$ _____ of such moneys in the Exhibit B Securities upon receipt of certification by a nationally recognized firm of independent certified public accountants that the Exhibit B Securities will mature in such principal amounts and earn interest in such amounts and, in each case, at such times, so that sufficient moneys will be available from maturing principal and interest on the Exhibit B Securities, together with any uninvested moneys then held by the Escrow Bank in the Escrow Fund, to make all payments required by Section 4 hereof. Except as provided in Section 3(b) or Section 3(c), the balance of the moneys described in Section 2 shall be held uninvested in the Escrow Fund.

(b) Upon the written request of the District, but subject to the conditions and limitations herein set forth, the Escrow Bank shall purchase substitute Defeasance Securities for the Defeasance Securities then held in an Escrow Fund with the proceeds derived from the sale, transfer, redemption or other disposition of Defeasance Securities then on deposit in such Escrow Fund and any uninvested money then held by the Escrow Bank hereunder in accordance with the provisions of this Section. Such sale, transfer, redemption or other disposition of Defeasance Securities then on deposit in such Escrow Fund and substitution of other Defeasance Securities shall be effected by the Escrow Bank upon the written request of the District but only by a simultaneous transaction and only upon receipt of (i) certification by a nationally recognized firm of independent certified public accountants that the Defeasance Securities to be substituted,

together with the Defeasance Securities which will continue to be held in such Escrow Fund, will mature in such principal amounts and earn interest in such amounts and, in each case, at such times so that sufficient moneys will be available from maturing principal and interest on such Defeasance Securities held in such Escrow Fund, together with any uninvested moneys, to make all payments required by Section 4 hereof, which have not previously been made, and (ii) receipt by the Escrow Bank of an opinion of counsel of recognized standing in the field of law relating to municipal bonds to the effect that the sale, transfer, redemption or other disposition and substitution of Defeasance Securities will not adversely affect the exclusion of interest on the Refunded Bonds or the Refunding Bonds from gross income for purposes of federal income taxation.

(c) Upon the written request of the District, but subject to the conditions and limitations herein set forth, the Escrow Bank shall apply any moneys received from the maturing principal of or interest or other investment income on any Defeasance Securities held in an Escrow Fund, or the proceeds from any sale, transfer, redemption or other disposition of Defeasance Securities pursuant to Section 3(b) not required for the purposes of said Section (i) to the extent such moneys will not be required at any time for the purpose of making a payment required by Section 4 hereof, as certified by a nationally recognized firm of independent certified public accountants delivered to the Escrow Bank, such moneys shall be transferred to the County Treasurer for deposit in the District's interest and sinking funds established for the Refunding Bonds upon the written request of the District as received by the Escrow Bank, free and clear of any trust, lien, pledge or assignment securing the Refunded Bonds or otherwise existing hereunder, and (ii) to the extent such moneys will be required for such purpose at a later date, shall, to the extent practicable, be invested or reinvested in Defeasance Securities maturing at times and in amounts sufficient, as certified by a nationally recognized firm of independent certified public accountants delivered to the Escrow Bank, to make such payment required by Section 4 hereof. Prior to investing or reinvesting such moneys in Defeasance Securities pursuant to this subsection (c), the Escrow Bank shall receive an opinion of counsel of recognized standing in the field of law relating to municipal bonds to the effect that the investment or reinvestment of such moneys will not adversely affect the exclusion of interest on the Refunded Bonds or the Refunding Bonds from gross income for purposes of federal income taxation.

(d) All Defeasance Securities purchased pursuant to this Escrow Agreement shall be deposited in and held for the credit of the Escrow Fund. Except as provided in this Section 3, no moneys or Defeasance Securities deposited with the Escrow Bank pursuant to this Escrow Agreement nor principal of, or interest payments or other investment income on, any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Refunded Bonds as provided by Section 4 hereof.

(e) The Owners of the Refunded Bonds shall have a first and exclusive lien on the moneys and Defeasance Securities in the Escrow Fund until such moneys and Defeasance Securities are used and applied as provided in this Escrow Agreement.

(f) If the Escrow Bank learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of state and local government series securities ("SLGS") that is to be submitted pursuant to this Escrow Agreement, if any, the

Escrow Bank shall promptly request alternative written investment instructions from the District with respect to funds which were to be invested in SLGS. The Escrow Bank shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Bank shall hold such funds uninvested and without liability for interest until receipt of further written instructions from the District. In the absence of investment instructions from the District, the Escrow Bank shall not be responsible for the investment of such funds or interest thereon.

(g) The Escrow Bank shall not be held liable for investment losses resulting from compliance with the provisions of this Escrow Agreement.

Section 4. Payment of Refunded Bonds. From the maturing principal of the Defeasance Securities held in the Escrow Fund and the investment income and other earnings thereon and any uninvested money then held in the Escrow Fund, the Escrow Bank shall:

(a) on each Interest Payment Date to and including the Redemption Date, pay interest on the Refunded Bonds then due and payable to the Paying Agent in accordance with the terms of the Resolution and in accordance with debt service schedule set forth in the escrow verification report dated _____, 2016 provided by Causey Demgen & Moore P.C. (the “Escrow Verification Report”), attached hereto as Exhibit C; and

(b) on the Redemption Date, pay the Redemption Price to the Paying Agent in accordance with the terms of the Resolution and in accordance with the Escrow Verification Report, attached hereto as Exhibit C.

To the extent that the amount on deposit in the Escrow Fund on the Redemption Date is in excess of the amount necessary to make the required payments with respect to the Refunded Bonds, as shown in the Escrow Verification Report, attached hereto as Exhibit C, such excess shall be transferred to the County Treasurer for deposit in the District’s interest and sinking funds established for the Refunding Bonds.

Section 5. Irrevocable Instructions to Mail Notices. The District hereby irrevocably designates the Refunded Bonds for prior redemption on the Redemption Date as indicated in Section 4 hereof and hereby irrevocably instructs the Paying Agent, to (a) give, in accordance with Section 10(d) of the Resolution, notice of redemption of the Refunded Bonds, (b) file, in accordance with the continuing disclosure certificate of the District for the Refunded Bonds, notice of such early redemption and the defeasance of the Refunded Bonds on the Electronic Municipal Market Access (EMMA) website.

Section 6. Performance of Duties. The Escrow Bank agrees to perform the duties set forth herein and agrees that the irrevocable instructions to the Escrow Bank herein provided are in a form satisfactory to it.

Section 7. Escrow Bank’s Authority to Make Investments. The Escrow Bank shall have no power or duty to invest any funds held under this Escrow Agreement except as provided in Section 3 hereof. The Escrow Bank shall have no power or duty to transfer or otherwise dispose of the moneys held hereunder except as provided in this Escrow Agreement.

Section 8. Compensation. The District shall from time to time pay or cause to be paid to the Escrow Bank the agreed upon compensation for its services to be rendered hereunder, and reimburse the Escrow Bank for all of its reasonable advances, expenses and charges, including, without limitation, legal fees and expenses, in the exercise and performance of its duties hereunder; provided, however, that under no circumstances shall the Escrow Bank be entitled to any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services rendered or expenses incurred by the Escrow Bank under this Escrow Agreement or otherwise.

Section 9. Indemnification. To the extent permitted by law, the District shall indemnify and save the Escrow Bank and its officers, directors, agents and employees harmless against any liabilities, losses, costs, expenses (including, without limitation, legal fees and expenses), suits, judgments and claims which it or they may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or its willful misconduct. The indemnity contained in this Section shall survive the termination of this Escrow Agreement and the earlier removal or resignation of the Escrow Bank.

Section 10. Responsibilities of Escrow Bank. The Escrow Bank and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or any securities deposited therein, the purchase of the securities to be purchased pursuant hereto, the retention of such securities or the proceeds thereof, the sufficiency of the securities or any uninvested moneys held hereunder to accomplish the redemption of the Refunded Bonds, or any payment, transfer or other application of moneys or securities by the Escrow Bank in accordance with the provisions of this Escrow Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Bank made in good faith in the conduct of its duties. The recitals of fact contained in the "Whereas" clauses herein shall be taken as the statements of the District, and the Escrow Bank assumes no responsibility for the correctness thereof. The Escrow Bank makes no representation as to the sufficiency of the securities to be purchased pursuant hereto and any uninvested moneys to accomplish the redemption of the Refunded Bonds or to the validity of this Escrow Agreement as to the District and, except as otherwise provided herein, the Escrow Bank shall incur no liability in respect thereof. The Escrow Bank shall not be liable in connection with the performance of its duties under this Escrow Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Bank shall be determined by the express provisions of this Escrow Agreement. The Escrow Bank may consult with counsel, who may or may not be counsel to the District, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Bank shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Escrow Agreement, such matter (except the matters set forth herein as specifically requiring a certificate of a nationally recognized firm of independent certified public accountants or an opinion of counsel of recognized standing in the field of law relating to municipal bonds) may be deemed to be conclusively established by a written certification of the District.

No provision of this Escrow Agreement shall require the Escrow Bank to risk or advance its own funds. The Escrow Bank shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bonds or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Escrow Bank may execute any of its powers or duties hereunder through attorneys, agents or receivers and shall not be answerable for the actions of such attorneys, agents or receivers if selected by it with reasonable care.

The Escrow Bank agrees to accept and act upon instructions or directions pursuant to this Escrow Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Escrow Bank shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the District elects to give the Escrow Bank e-mail or facsimile instructions (or instructions by a similar electronic method) and the Escrow Bank in its discretion elects to act upon such instructions, the Escrow Bank's understanding of such instructions shall be deemed controlling. The Escrow Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Bank's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The District agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Escrow Bank, including without limitation the risk of the Escrow Bank acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 11. Resignation and Removal. The Escrow Bank may resign by giving written notice to the District, and upon receipt of such notice the District shall promptly appoint a successor Escrow Bank. If the District does not appoint a successor Escrow Bank within thirty days of receipt of such notice, the resigning Escrow Bank may petition a court of competent jurisdiction for the appointment of a successor Escrow Bank, which court may thereupon, upon such notice as it shall deem proper, appoint a successor Escrow Bank. Upon acceptance of appointment by a successor Escrow Bank, the resigning Escrow Bank shall transfer all moneys held by it in the Escrow Fund to such successor Escrow Bank and be discharged of any further obligation or responsibility hereunder.

The District may remove the Escrow Bank at any time by giving written notice of such removal to the Escrow Bank, and thereupon shall appoint a successor Escrow Bank by an instrument in writing. Upon acceptance of appointment by a successor Escrow Bank, the removed Escrow Bank shall transfer all moneys held by it in the Escrow Fund to such successor Escrow Bank and be discharged of any further obligation or responsibility hereunder.

Any successor Escrow Bank appointed under the provisions hereof shall be a trust company or bank having trust powers, having a corporate trust office in California, having a combined capital and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this paragraph the combined capital and surplus of such

bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

Any bank, corporation or association into which the Escrow Bank may be merged or converted or with which it may be consolidated, or any bank, corporation or association resulting from any merger, conversion or consolidation to which the Escrow Bank shall be a party, or any bank, corporation or association succeeding to all or substantially all of the corporate trust business of the Escrow Bank shall be the successor of the Escrow Bank hereunder without the execution or filing of any paper with any parties hereto or any further act on the part of any of the parties hereto except on the part of any of the parties hereto where an instrument or transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

Section 12. Amendments. The District and the Escrow Bank may (but only with the consent of the Owners of all of the Refunded Bonds) amend this Escrow Agreement or enter into agreements supplemental to this Escrow Agreement; provided, however, that such amendments and agreements are limited to (a) insertion of unintentionally omitted material, corrections of mistakes or clarifications of ambiguities, (b) pledging of additional legal security for the benefit of the Owners of the Refunded Bonds, or (c) providing for the deposit of additional cash and/or securities in the Escrow Fund.

Section 13. Term. This Escrow Agreement shall terminate on the date upon which the Refunded Bonds have been paid in accordance with this Escrow Agreement.

Section 14. Severability. If any one or more of the covenants or agreements provided in this Escrow Agreement on the part of the District or the Escrow Bank to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

Section 15. Counterparts. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

Section 16. Governing Law. This Escrow Agreement shall be construed under the laws of the State of California.

SANTEE SCHOOL DISTRICT

By: _____

**U.S. BANK NATIONAL
ASSOCIATION, AS ESCROW BANK**

By: _____

Authorized Officer

[Signature Page – Escrow Agreement]

EXHIBIT A
REFUNDED BONDS

<u>Maturity Date</u>	<u>Initial Principal Amount</u>	<u>Maturity Value</u>
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EXHIBIT B
DEFEASANCE SECURITIES

Type	Maturity Date	Par Amount	Interest Rate	Cost
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EXHIBIT C
ESCROW VERIFICATION REPORT

§ _____
SANTEE SCHOOL DISTRICT
(SAN DIEGO COUNTY, CALIFORNIA)
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016B

BOND PURCHASE AGREEMENT

_____, 2016

Santee School District
9625 Cuyamaca Street
Santee, California 92071

The undersigned, _____ (the "Underwriter"), acting on its own behalf and not as a fiduciary or agent of any other party, hereby offers to enter into this Bond Purchase Agreement (the "Bond Purchase Agreement") with the Santee School District (the "District") which, upon the acceptance hereof, will be binding upon the District and the Underwriter. By execution of this Bond Purchase Agreement, the District acknowledges the terms hereof and recognizes that it will be bound by certain of the provisions hereof, and to the extent binding on the District, acknowledges and agrees to such terms. This offer is made subject to the written acceptance of this Bond Purchase Agreement by the District and delivery of such acceptance to the Underwriter at or prior to 11:59 p.m., California time, on the date hereof.

1. Purchase and Sale of the Bonds. Upon the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, 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 the \$ _____ aggregate principal amount of the District's Santee School District (San Diego County, California) General Obligation Refunding Bonds, Series 2016B (the "Bonds"). The Bonds shall be issued in the principal amounts and shall bear interest at the rates set forth in Exhibit A hereto and shall be issued in fully registered form, in the authorized denominations of \$5,000 or any integral multiple thereof. The Bonds shall bear interest payable from the date thereof and such interest shall be payable on each February 1 and August 1, commencing February 1, 2017.

The Underwriter shall purchase the Bonds at a price of \$ _____ (which represents the aggregate principal amount of the Bonds, plus [net] original issuance [premium/discount] of \$ _____, and less Underwriter's discount in the amount of \$ _____) in immediately available funds by check, draft or wire transfer to or upon the order of the District.

The District acknowledges and agrees that: (a) the purchase and sale of the Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the District and the Underwriter; (b) the Underwriter is acting solely as an underwriter and principal in connection with

the matters contemplated by and with respect to all communications under this Bond Purchase Agreement and is not acting as the agent or fiduciary or Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) of the District and its advisors in connection with the matters contemplated by this Bond Purchase Agreement; (c) the Underwriter has financial and other interests that differ from those of the District; (d) the Underwriter has not assumed any other obligation to the District except the obligations expressly set forth in this Bond Purchase Agreement, and this Bond Purchase Agreement expresses the entire relationship between the parties hereto; and (e) in connection with the purchase and sale of the Bonds, the District has consulted its own financial and other advisors to the extent it has deemed appropriate. The District also acknowledges that it previously received from the Underwriter a letter regarding the Municipal Securities Rulemaking Board (“MSRB”) Rule G-17 Disclosures, and that it has provided to the Underwriter an acknowledgement of such letter.

2. The Bonds. The Bonds shall be dated the date of delivery, and shall mature on the dates and be subject to redemption prior to their maturity all as set forth in the Exhibit A hereto. The Bonds shall otherwise be as described in and shall be issued and secured pursuant to the provisions of the resolution of the Board of Trustees of the District (the “Board of Trustees”) adopted on October 18, 2016 (the “Resolution”), which provides for the terms of the Bonds, this Bond Purchase Agreement and Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “Act”). The Bonds are being issued (i) to refund a portion of the District’s outstanding Santee School District (San Diego County, State of California) General Obligation Bonds, 2006 Election, Series B, maturing on August 1 of each of the years 2020 through 2029, inclusive, 2033, 2038 and 2048 (the “Prior Bonds”) and (ii) to pay costs of issuance of the Bonds.

The District and U.S. Bank National Association, as escrow bank (the “Escrow Bank”), will enter into the Escrow Agreement, dated as of _____ 1, 2016 (the “Escrow Agreement”), relating to the Prior Bonds. In order to assist the Underwriter with compliance with Rule 15c2-12 of the Securities and Exchange Commission under the Securities and Exchange Act of 1934, as amended (the “Rule”), the District will enter into the Continuing Disclosure Certificate, dated _____, 2016 (the “Continuing Disclosure Certificate”). Capitalized terms used herein and not defined herein shall have the meanings set forth in the Resolution.

The Bonds shall be executed and delivered under and in accordance with the provisions of this Bond Purchase Agreement and the Resolution. The Bonds shall be in definitive 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 payment of principal of and interest on the Bonds will be secured by a municipal bond insurance policy (the “Policy”) to be issued simultaneously with the issuance of the Bonds by _____ (the “Insurer”).]

3. Use of Documents. The District hereby authorizes the Underwriter to use, in connection with the offer and sale of the Bonds, this Bond Purchase Agreement, the Preliminary Official Statement (defined below), the Official Statement (defined below), the Resolution, the Escrow Agreement, the Continuing Disclosure Certificate and all information contained herein and therein and

all of the documents, certificates or statements furnished by the District to the Underwriter in connection with the transactions contemplated by this Bond Purchase Agreement.

4. Public Offering of the Bonds. The Underwriter agrees to make a bona fide public offering of all the Bonds at the initial public offering prices or yields as set forth in Exhibit 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, however, that the Underwriter shall not change the interest rates set forth in Exhibit A. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices.

Prior to delivery of the Bonds, as a condition to such delivery, the Underwriter shall be required to provide to the District initial offering price information in form and substance as Bond Counsel (defined below) may require for purposes of determining the yield on the Bonds.

5. Official Statement. The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, dated _____, 2016 (as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, the "Preliminary Official Statement"). The District represents that it deems the Preliminary Official Statement to be final as of its date, except for either revisions or additions to the offering price(s), interest rate(s), yield(s) to maturity, selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to the Rule. By the execution of this Bond Purchase Agreement, the District ratifies the use by the Underwriter of the Preliminary Official Statement.

The District hereby agrees to deliver or cause to be delivered to the Underwriter, within seven business days after the date hereof, copies of the Official Statement, consisting of the Preliminary Official Statement with such changes as may be made with the approval of the District and the Underwriter (the "Official Statement"), in such reasonable quantity as the Underwriter shall request. The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, and 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 agrees to file the Official Statement with the MSRB through its Electronic Municipal Market Access system.

Each party hereto agrees that it will notify the other party hereto if, within the period from the date of this Bond Purchase Agreement to and including the date which is 25 days following the End of the Underwriting Period (as hereinafter defined), such party discovers any pre-existing or subsequent fact or becomes aware of the occurrence of any event, in any such case which might cause the Official Statement (as the same may have been theretofore 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 written opinion of the District or the Underwriter, the preparation and publication of a supplement or amendment to the Official Statement is, as a result of such fact or event (or any other event which becomes known to the District or the Underwriter during such period), necessary so that the Official Statement does not contain any untrue statement of a material fact or 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, the District shall, at its expense, supplement or amend the Official Statement in such a manner so that the Official Statement, as so supplemented or amended, does not contain any untrue statement of a material fact or 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, and furnish copies of such supplement or amendment to the Underwriter in such numbers as the Underwriter may reasonably request. The District and the Underwriter agree that they will cooperate in the preparation of any such amendment or supplement. As used herein, the term "End of the Underwriting Period" means the later of such time as (a) the District delivers the Bonds to the Underwriter, or (b) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the "End of the Underwriting Period" shall be deemed to be the Closing Date (as defined herein). Any notice delivered pursuant to this provision shall be written notice delivered to the District at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the End of the Underwriting Period.

6. Closing. At 8:30 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 parties hereto (the "Closing" or "Closing Date"), the District shall direct U.S. Bank National Association, as the paying agent (the "Paying Agent"), to deliver to the Underwriter, through the facilities of DTC, or at such other place as the District and the Underwriter may mutually agree upon, the Bonds in fully registered book-entry form, duly executed, and shall cause the other documents hereinafter mentioned to be delivered at the offices of Orrick, Herrington & Sutcliffe LLP ("Bond Counsel") in Los Angeles, California. Upon fulfillment of all conditions to closing herein, the Underwriter shall accept such delivery and pay the purchase price thereof in immediately available funds (by wire transfer or such other manner of payment as the Underwriter and the District shall reasonably agree upon) to the account of the District.

7. Representations, Warranties and Agreements of the District. The District hereby represents, warrants and agrees with the Underwriter that:

(a) The District is a school district duly organized and validly existing under the laws of the State of California (the "State"), with the power to issue the Bonds pursuant to the Act;

(b) (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 Resolution was duly adopted at a meeting of the Board of Trustees, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption, and the Resolution has not been amended, modified or rescinded, (iii) the District has full legal right, power and authority to enter into this Bond Purchase Agreement, the Escrow Agreement and the Continuing Disclosure Certificate, to adopt the Resolution, to

issue and to deliver the Bonds to the Underwriter, to perform its obligations under each such document or instrument and to carry out and effectuate the transactions contemplated by this Bond Purchase Agreement, the Escrow Agreement and the Resolution, (iv) the execution and delivery or adoption of and the performance by the District of the obligations represented by, the Bonds, the Resolution, the Escrow Agreement, the Continuing Disclosure Certificate and this Bond Purchase Agreement have been duly authorized and such authorization shall be in full force and effect at the time of the Closing, (v) this Bond Purchase Agreement constitutes, and, when executed and delivered, each of the Escrow Agreement and the Continuing Disclosure Certificate will constitute, a valid and legally binding obligation of the District, enforceable against the District in accordance with its terms, and (vi) the District has duly authorized the consummation by it of all transactions contemplated by this Bond Purchase Agreement;

(c) 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;

(d) The District has complied with the Internal Revenue Code of 1986, as amended, with respect to the Bonds;

(e) As of the time of acceptance hereof and as of the time of the Closing, the District is not and will not be, in any manner which would adversely affect the transactions contemplated hereby and by the Resolution, in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the District is a party or is otherwise subject and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute, in any manner which would adversely affect the transactions contemplated hereby and by the Resolution, a default or event of default under any such instrument; and, as of such times, to the best knowledge of the District, the issuance of the Bonds, the execution, delivery and performance of this Bond Purchase Agreement, the Escrow Agreement and the Continuing Disclosure Certificate and the compliance with the provisions hereof and thereof and of the Resolution do not conflict with or constitute on the part of the District a violation of, or material default under, any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the District is a party or is otherwise subject and do not conflict with or result in a violation or breach of, or constitute a material 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) As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending (in which service of process has been completed against the District) or, to the best knowledge of the District, otherwise pending or threatened against the District (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices of the titles of the officials of the District to such offices, (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds or the levy of any taxes contemplated by the Resolution, or in any way contesting or affecting the validity or enforceability of the Bonds, this Bond Purchase Agreement, the Escrow Agreement, the Continuing Disclosure Certificate or the Resolution or contesting the powers of the District or its authority with respect to the Bonds, this Bond Purchase Agreement, the Escrow Agreement, the Continuing Disclosure Certificate or the Resolution, (iii) contesting the completeness or accuracy of the Preliminary Official Statement, or (iv) in which a final adverse decision could (A) result in any material adverse impact on the financial condition of the District, (B) materially adversely affect the operations of the District or the consummation of the transactions contemplated by this Bond Purchase Agreement, the Escrow Agreement, the Continuing Disclosure Certificate or the Resolution, (C) declare this Bond Purchase Agreement to be invalid or unenforceable in whole or in material part, or (D) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes or the exemption of such interest on the Bonds from California personal income taxation;

(g) Preparation and distribution of the Preliminary Official Statement and the Official Statement have been duly authorized by the Board of Trustees; the information contained therein (excluding the statements and information relating to the book entry system and any information provided by the Underwriter, and so identified as source thereof, for inclusion in the Official Statement) is true and correct in all material respects and such information does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, except that no representation and warranty is made concerning statements and information relating to the book entry system[, any information relating to the Insurer or the Policy] or any information provided by the Underwriter, and so identified as source thereof, for inclusion in the final Official Statement;

(h) The Preliminary Official Statement was as of its date, and the Official Statement is, and at all times subsequent to the date of the Official Statement up to and including the Closing will be, true and correct in all material respects, and the Preliminary Official Statement and the Official Statement contain, and up to and including the Closing will contain, no material misstatement of any material fact and do not, and up to and including the Closing will not, omit any statement necessary to make the statements contained therein, in light of the circumstances in which such statements were made, not misleading. At the time of the Closing, there shall not have been any material adverse changes in the financial condition of the District since the date of the Official Statement;

(i) The District agrees that if at any time before the Closing any event occurs as a result of which the Official Statement as then in effect would include any untrue statement of a material fact or omit to state any fact necessary to make the statements made therein not

misleading in any material respect, the District shall promptly prepare an amendment or supplement that will correct such statement or omission. The District will advise the Underwriter promptly of any proposal to so amend or supplement the Official Statement and will effect such amendment or supplement in a form and manner approved by the Underwriter;

(j) 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;

(k) To assist the Underwriter in complying with the Rule, the District will undertake, pursuant to the Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement;

(l) Except as disclosed in the Official Statement, in the preceding five years, the District has not failed to comply in all material respects with any previous undertakings with regard to the Rule to provide annual reports or notices of certain events;

(m) Between the date hereof and the Closing, without the prior written consent of the Underwriter, the District will not have issued any bonds, notes or other obligations for borrowed money except for such borrowing as may be described in or contemplated by the Official Statement;

(n) The District agrees to take all steps required by law and by the County of San Diego (the "County") to ensure that the Board of Supervisors of the County annually levies a tax upon all taxable property in the District sufficient to pay the principal of and interest on the Bonds as and when the same become due;

(o) The audited financial statements of the District for the fiscal year ended June 30, 2015, were prepared in accordance with generally accepted accounting principles consistently applied and fairly present the financial position and results of operation of the District for the period and at the date set forth therein, and there has been no material adverse change in the business, affairs, financial position, results of operations or condition, financial or otherwise, of the District since the date of such financial statements, except as otherwise disclosed in the Official Statement;

(p) The District hereby represents that it has not entered into any contract or agreement that would limit or restrict the District's ability to refund the Prior Bonds or enter into this Bond Purchase Agreement for the sale of the Bonds to the Underwriter;

(q) The District will apply the proceeds from the Sale of the Bonds for the purposes specified in the Resolution and as described in the Official Statement; and

(r) 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.

8. Representations, Warranties and Agreements of the Underwriter. The Underwriter hereby represents, warrants and agrees with the District that:

(a) The Underwriter is duly authorized to execute this Bond Purchase Agreement and to take any action under this Bond Purchase Agreement required to be taken by it; and

(b) The Underwriter has, and has had, no financial advisory relationship (as such term is defined in California Government Code Section 53590) with the District with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship (as such term is defined in California Government Code Section 53590).

9. Conditions to Closing. The Underwriter has entered into this Bond Purchase Agreement in reliance upon the representations and warranties of the District contained herein and the performance by the District of its obligations hereunder, both as of the date hereof and as of the date of Closing. The Underwriter's obligations under this Bond Purchase Agreement are and shall be subject at the option of the Underwriter, to the following further conditions at the Closing:

(a) The representations and warranties of the District contained herein shall be true, complete and correct in all material respects at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete and correct in all material respects on the date of the Closing; and the District shall be in compliance with each of the agreements made by it in this Bond Purchase Agreement;

(b) At the time of the Closing, (i) the Official Statement, this Bond Purchase Agreement, the Escrow Agreement, the Continuing Disclosure Certificate and the Resolution shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the parties hereto; (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 this Bond Purchase Agreement, the Escrow Agreement, the Continuing Disclosure Certificate, or the Official Statement to be performed at or prior to the Closing;

(c) No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Bond Purchase Agreement (and not reversed on appeal or otherwise set aside), or to the best knowledge of the District, shall be pending (in which service of process has been completed against the District) or threatened (either in state or federal courts) (A) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (B) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds, this Bond Purchase Agreement, the Escrow Agreement or the Continuing

Disclosure Certificate, or (C) in any way contesting the existence or powers of the District, or contesting in any way the completeness or accuracy of the Official Statement;

(d) Between the date hereof and the Closing, the market price for the Bonds, or the market for 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 by reason of any of the following:

(1) legislation enacted by the Congress of the United States, or by the legislature of the State, or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court of the United States or the State or by the United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(i) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service or other federal or State authority, which would have the purpose or effect of changing, directly or indirectly, the federal income tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof or State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof; or

(ii) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Resolution is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(2) the declaration of war or engagement in or escalation of major military hostilities by the United States or the occurrence of any other national or international emergency or calamity or crisis relating to the effective operation of the government or the financial community in the United States;

(3) the declaration of a general banking moratorium by federal, New York or State authorities having jurisdiction, or the general suspension of trading on any national securities exchange or fixing of minimum or maximum prices for trading or maximum ranges for prices for securities on any national securities exchange, whether by virtue or a determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction or a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred;

(4) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the Securities and

Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Bond Purchase Agreement or by the Official Statement, or any other document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act and the Trust Indenture Act;

(5) 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;

(6) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;

(7) the withdrawal or downgrading of any underlying rating or credit watch status or outlook of the District's outstanding indebtedness or any rating of the Insurer by a national rating agency;

(8) the occurrence of any adverse change of material nature of the financial condition, results of operation or properties of the District;

(9) there shall have occurred or any notice shall have been given of any intended downgrade, suspension, withdrawal or negative change in credit watch status by any national credit agency of the Insurer;

(10) the suspension by the Securities and Exchange Commission of trading in the outstanding securities of the District;

(11) any proceeding shall have been commenced or be threatened in writing by the Securities and Exchange Commission against the District;

(12) any amendment shall have been made to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the District, its property, income securities (or interest thereon) or the validity or enforceability of the levy of taxes to pay principal of and interest on the Bonds;

(13) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; or

(14) 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 set forth 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;

(e) At or prior to the Closing, the Underwriter shall have received the following documents, in each case satisfactory in form and substance to the Underwriter:

(1) A certificate of the Clerk of the Board of Trustees to the effect that (i) the copy of the Resolution attached thereto is a true and correct copy thereof, and (ii) 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;

(2) Executed copies of the Escrow Agreement, the Continuing Disclosure Certificate and the Official Statement;

(3) An approving opinion of Bond Counsel, substantially in the form attached as Appendix __ to the Official Statement, relating to the Bonds, dated the Closing Date and addressed to the District;

(4) A reliance letter from Bond Counsel to the effect that the Underwriter may rely upon the approving opinion described in (e)(3) above;

(5) A certificate, dated the Closing Date, signed by an appropriate official of the District, to the effect that (i) such official is authorized to execute the Escrow Agreement, the Continuing Disclosure Certificate and this Bond Purchase Agreement, (ii) the representations and warranties of the District herein are true and correct in all material respects as of the date of Closing, (iii) the District has complied with all the terms of the Escrow Agreement, the Continuing Disclosure Certificate and this Bond Purchase Agreement to be complied with by the District prior to or concurrently with the Closing and the Escrow Agreement, the Continuing Disclosure Certificate and this Bond Purchase Agreement are in full force and effect; (iv) to the best of such official's knowledge, no litigation is pending or threatened (either in state or federal courts) (A) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (B) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds, the Escrow Agreement, the Continuing Disclosure Certificate or this Bond Purchase Agreement, or (C) in any way contesting the existence or powers of the District, (v) such official has reviewed the Official Statement and on such basis

certifies that the Official Statement does 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 in which they were made, not misleading, (vi) each of the conditions listed in Section 9(e) of this Bond Purchase Agreement has been satisfied on the date hereof and the District is not aware of any other condition of this Bond Purchase Agreement that has not been satisfied on the date hereof, and (vii) the Bonds being delivered on the Closing Date to the Underwriter under this Bond Purchase Agreement substantially conform to the descriptions thereof contained in the Resolution and this Bond Purchase Agreement;

(6) A supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Underwriter, to the effect that (i) statements contained in the Official Statement under the captions [“THE SERIES 2016B BONDS” (excluding any and all information contained under the subheadings “– Authority for Issuance; Plan of Finance,” “– Bond Insurance,” “– Outstanding Bonds,” “– Debt Service,” “– Aggregate Debt Service” and “– Estimated Sources and Uses of Funds”) and “TAX MATTERS,”] excluding any material that may be treated as included under such captions by cross-reference, insofar as such statements expressly summarize certain provisions of the Bonds and the Resolution, and the form and content of Bond Counsel’s approving opinion, are accurate in all material respects, (ii) assuming due authorization, execution and delivery by all the parties thereto other than the District, the Continuing Disclosure Certificate, the Escrow Agreement and this Bond Purchase Agreement have each been duly executed and delivered by the District and constitute valid and binding obligations of the District, 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 (provided that no opinion need be rendered regarding the adequacy of the Continuing Disclosure Certificate for purposes of the Rule), and (iii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

(7) The opinion of Orrick, Herrington & Sutcliffe LLP, as disclosure counsel to the District (“Disclosure Counsel”), addressed to the District and the Underwriter, dated the Closing Date, to the effect that based on such counsel’s participation in conferences with representatives of the Underwriter, the District, the Paying Agent, [the Insurer,] their respective counsel, Dale Scott & Company, Inc., as financial advisor to the District, and others, during which conferences the contents of the Official Statement and related matters were discussed (but with no inquiry made of other attorneys in such counsel’s firm not working directly on the issuance of the Bonds who may have information material to the issue), and in reliance thereon and on the records, documents, certificates and opinions described therein, such counsel advises the District and the Underwriter, as a matter of fact and not opinion, that, during the course of its engagement as disclosure counsel no facts came to the

attention of such counsel's attorneys rendering legal services in connection with such representation which caused such counsel to believe that the Official Statement as of its date and as of the Closing Date (except for any CUSIP numbers, financial, accounting, statistical, economic or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about DTC or its book-entry system, litigation, ratings, rating agencies, the Underwriter, underwriting, and Appendices __, __, __ and __, included or referred to therein, as to which such counsel need express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(8) A non-arbitrage certificate of the District relating to the Bonds in form satisfactory to Bond Counsel;

(9) Evidence satisfactory to the Underwriter that any ratings described in the Official Statement are in full force and effect as of the Closing Date;

(10) A certificate of the Escrow Bank dated the Closing Date, signed by a duly authorized officer of the Escrow Bank, and in form and substance satisfactory to the Underwriter, to the effect that (i) to the best of such officer's knowledge, the representations and agreements of the Escrow Bank in the Escrow Agreement are true and correct as of the Closing Date, (ii) the Escrow Agreement has been duly authorized, executed and delivered and, assuming due execution by the other parties thereto, is enforceable against the Escrow Bank in accordance with its terms; and (iii) to such officer's knowledge, no litigation is pending or threatened (either in state or federal courts) in any way contesting or affecting any authority of the Escrow Bank for or in connection with its performance of the Escrow Agreement;

(11) A report by Causey, Demgen & Moore P.C., verifying the arithmetical accuracy of the computation of projected receipts for and of payments to retire the Prior Bonds (the "Verification Report");

(12) A defeasance opinion of Bond Counsel, dated the Closing Date and addressed to the District and the Underwriter, to the effect that, upon the deposit of cash and certain proceeds of the Bonds into the escrow funds established under the Escrow Agreement as provided in the resolutions pursuant to which the Prior Bonds were issued, and the investment of money and securities in accordance with the provisions of the Escrow Agreement, the Prior Bonds will have been satisfied and discharged and are no longer outstanding under said resolutions. In rendering this opinion, Bond Counsel may rely on the Verification Report as to the mathematical accuracy of the schedules with respect to the sufficiency of the escrow funds established to pay the Prior Bonds and will not independently verify the accuracy of the information contained in the Verification Report;

(13) An opinion of _____, as Underwriter's Counsel, addressed to the Underwriter in form and substance satisfactory to the Underwriter;

(14) [The Policy;]

(15) [A certificate of the Insurer in form and substance satisfactory to Bond Counsel and the Underwriter;]

(16) [An opinion of counsel to the Insurer in form and substance satisfactory to Bond Counsel and the Underwriter; and]

(17) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter may reasonably request to evidence (i) compliance by the District and the Paying Agent with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the District herein contained, and (iii) the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

If the District shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Bond Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement may be canceled 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 at its sole discretion.

10. 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.

11. Expenses. The District shall to the extent permitted by applicable law pay all expenses incident to the performance of its obligations hereunder from the proceeds of the sale of the Bonds, including, but not limited to (a) the costs of the preparation and reproduction of the Resolution, the Bonds, this Bond Purchase Agreement, the Escrow Agreement and the Continuing Disclosure Certificate, (b) the cost of the printing and distribution of the Preliminary Official Statement and the Official Statement, (c) the cost of the preparation, printing and delivery of the Bonds, (d) the fees and disbursements of Bond Counsel and Disclosure Counsel, and any other consultants to the District, including the District's financial advisor, (e) the fees for the Bond rating, including all necessary expenses for travel relating to such rating, (f) the initial fees of the Paying Agent and the fees of the Escrow Bank, (g) the costs of the preparation of the Verification Report, [(h) any premium for the Policy and related fees and expenses,] and (i) all other fees and expenses incident to the issuance and sale of the Bonds. All out-of-pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, expenses for travel (except in connection with securing a rating

on the Bonds or sale of the Bonds), the fees and disbursements of Underwriter's counsel and other expenses (except as provided above) shall be paid by the Underwriter.

12. Notices. Any notice or other communication to be given under this Bond Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the District, to the Santee School District at 9625 Cuyamaca Street, Santee, California 92071, Attention: Assistant Superintendent, Business Services, or if to the Underwriter, to _____, Attention: _____.

13. Severability. In the event any provision of this Bond Purchase Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

14. Parties in Interest; Survival of Representations and Warranties. This Bond Purchase Agreement when accepted by the District in writing as heretofore specified shall constitute the entire agreement between the District and the Underwriter. This Bond Purchase Agreement is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter). No person shall acquire or have any rights hereunder or by virtue hereof. All the representations, warranties and agreements of the District in this Bond Purchase Agreement shall survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Bonds hereunder, and (c) any termination of this Bond Purchase Agreement.

15. Execution in Counterparts. This Bond Purchase Agreement may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document.

16. **Applicable Law.** This Bond Purchase Agreement shall be interpreted, governed and enforced in accordance with the law of the State applicable to contracts made and performed in the State.

Very truly yours,

[UNDERWRITER]

By: _____
Authorized Representative

Accepted: _____, 2016

SANTEE SCHOOL DISTRICT

Time: _____ p. m.

By: _____

EXHIBIT A

MATURITY SCHEDULE

\$ _____
Santee School District
(San Diego County, California)
General Obligation Refunding Bonds, Series 2016B

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>
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TERMS OF REDEMPTION

PAYING AGENT AGREEMENT

THIS PAYING AGENT AGREEMENT (the "Agreement"), is entered into as of _____, 2016, between *the Santee School District (the "District"), and the County of San Diego acting through the Office of the Treasurer–Tax Collector, San Diego County, California (the "County")*, as Paying Agent and Registrar.

RECITALS

WHEREAS the District has duly authorized and provided for the issuance of its Bonds, entitled the "Santee School District (San Diego County, California) General Obligation Refunding Bonds, Series 2016B" (the "Bonds") in an aggregate principal amount of \$_____. The Bonds will be issued as fully registered bonds without coupons;

WHEREAS the District will ensure that all things necessary to make the Bonds the valid obligations of the District, in accordance with their terms and the requirements of State of California ("State") law, will be done upon the issuance, sale and delivery thereof;

WHEREAS the District and the County wish to provide the terms under which County will act as Paying Agent to pay the principal, redemption premium (if any), and interest on the Bonds, in accordance with the terms thereof, and under which the County will act as Registrar for the Bonds;

WHEREAS the County has agreed to serve in such capacities for and on behalf of the District and has full power and authority to perform and serve as Paying Agent and Registrar for the Bonds;

WHEREAS the District and the County have each authorized the execution and delivery of this Agreement; and all things necessary to make this Agreement a valid agreement have been done.

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE

DEFINITIONS

Section 1.01. Definitions.

For all purposes of this Agreement except as otherwise expressly provided or unless the context otherwise requires:

"Bond" or "Bonds" means any one or all of the \$_____ in aggregate principal amount of bonds entitled "Santee School District (San Diego County, California) General Obligation Refunding Bonds, Series 2016B."

"Bond Register" means the book or books of registration kept by the County in which are maintained the names and addresses of, and principal amounts registered to, each Registered Owner.

"Bond Resolution" means the Resolution of the District pursuant to which the Bonds were issued.

“County” means the Office of the Treasurer–Tax Collector, County of San Diego, California.

“District” means the Santee School District.

“District Request” means a written request signed in the name of the District and delivered to the County.

“DTC” or “Depository” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York in its capacity as securities depository for the Bonds.

“Fiscal Year” means the fiscal year of the District ending on June 30 of each year.

“Paying Agent” means the County when it is performing the function of paying agent for the Bonds.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government or any entity whatsoever.

“Purchase Agreement” means that certain Bond Purchase Agreement entered into by and between the District and the initial Underwriter of the Bonds. A copy of the Purchase Agreement shall be included in the transcript of proceedings prepared for the Bonds and furnished to the County.

“Registered Owner” means a Person in whose name a Bond is registered in the Bond Register.

“Registrar” means the County when it is performing the function of registrar and/or transfer agent for the Bonds.

ARTICLE TWO

APPOINTMENT OF COUNTY AS PAYING AGENT AND REGISTRAR

Section 2.01. Appointment and Acceptance.

The District hereby appoints the County to act as Paying Agent with respect to the Bonds, to pay, or to provide for payment, to the Registered Owners in accordance with the terms and provisions of this Agreement and the Bond Resolution, the principal of, redemption premium (if any), and interest on all or any of the Bonds.

The District hereby appoints the County as Registrar with respect to the Bonds. As Registrar, the County shall keep and maintain for and on behalf of the District books and records as to the ownership of the Bonds and with respect to the transfer and exchange thereof as provided herein and in the Bond Resolution.

The County hereby accepts its appointment, and agrees to act as Paying Agent and Registrar.

Section 2.02. Compensation.

As compensation for the County's services as Paying Agent and Registrar, the District hereby agrees to pay the County the fees and amounts set forth in Exhibit A.

In addition, the District agrees to reimburse the County, upon its request, for all reasonable and necessary out-of-pocket expenses, disbursements, and advances, including without limitation the reasonable fees, expenses, and disbursements of its agents and attorneys made or incurred by the County in connection with entering into and performing under this Agreement, and in connection with investigating and defending itself against any claim or liability in connection with its performance hereunder.

ARTICLE THREE

PAYING AGENT

Section 3.01. Duties of Paying Agent.

As Paying Agent, the County, provided sufficient collected funds have been provided to it for such purpose by or on behalf of the District, shall pay on behalf of the District the principal of, redemption premium (if any), and interest on each Bond in accordance with the provisions of the Bond Resolution.

As long as 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.

Section 3.02. Payment Dates.

The District hereby instructs the County to pay the principal of, redemption premium (if any), and interest on the Bonds on the dates specified in the Bond Resolution.

ARTICLE FOUR

REGISTRAR

Section 4.01. Initial Delivery of Bonds.

The Bonds will be initially registered and delivered to or upon the order of the purchaser designated by the District as one Bond for each maturity. If such purchaser delivers a written request to the County not later than five business days prior to the date of initial delivery, the County will, on the date of initial delivery, deliver Bonds of authorized denominations, registered in accordance with the instructions in such written request.

Section 4.02. Duties of Registrar.

The County shall provide for the proper registration of transfer, exchange and replacement of the Bonds. Every Bond surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature of which has been guaranteed by an eligible guarantor institution, in a form acceptable to the County, duly executed by the Registered Owner thereof or his attorney duly authorized in writing. The Registrar may request any supporting documentation it deems necessary or appropriate to effect a re-registration.

Any Bond may be exchanged for Bonds of the same series of like tenor, 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.

Section 4.03. Unauthenticated Bonds.

The District shall provide to the County on a continuing basis, an adequate inventory of unauthenticated Bonds to facilitate transfers. The County agrees that it will maintain such unauthenticated Bonds in safekeeping.

Section 4.04. Form of Bond Register.

The County as Registrar will maintain its records as Bond Registrar in accordance with the County's general practices and procedures in effect from time to time. The County as Paying Agent will keep or cause to be kept at its principal office sufficient books for the registration and transfer of the Bonds, which upon reasonable notice shall be open to inspection by the District.

Section 4.05. Reports.

The District may request the information in the Bond Register at any time the County is customarily open for business, provided that reasonable time is allowed the County to provide an up-to-date listing and to convert the information into written form.

The County will not release or disclose the content of the Bond Register to any person other than to the District at its written request, except upon receipt of a subpoena or court order or as may otherwise be required by law. Upon receipt of a subpoena or court order the County will notify the District.

Section 4.06. Cancelled Bonds.

All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the County, shall be promptly cancelled by it and, if surrendered to the District, shall be delivered to the County and, if not already cancelled, shall be promptly cancelled by the County. The District may at any time deliver to the County for cancellation any Bonds previously authenticated and delivered which the District may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the County. All cancelled Bonds shall be held by the County for its retention period then in effect and shall thereafter be destroyed and evidence of such destruction furnished to the District upon its written request.

ARTICLE FIVE

THE COUNTY

Section 5.01. Duties of County.

The County undertakes to perform the duties set forth herein. No implied duties or obligations shall be read into this Agreement against the County. The County hereby agrees to use the funds deposited with it for payment of the principal of, redemption premium (if any), and interest on the Bonds to pay the same as it shall become due and further agrees to establish and maintain such accounts and funds as may be required for the County to function as Paying Agent.

Section 5.02. Reliance on Documents, Etc.

The County may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the County by the District.

No provision of this Agreement shall require the County to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

The County may rely, or be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The County need not examine the ownership of any Bond, but shall be protected in acting upon receipt of Bonds containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Registered Owner or agent of the Registered Owner.

The County has no responsibility or liability for any aspects of the records relating to or payments made on account of beneficial ownership, or for maintaining, supervising or reviewing any records relating to beneficial ownership or interest on the Bonds.

The County may consult with counsel, and the written advice or opinion of counsel shall be full authorization and protection with respect to any action taken, suffered or omitted by it hereunder in good faith and reliance thereon.

The County may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys and shall not be liable for the actions of such agent or attorney if appointed by it with reasonable care.

Section 5.03. Recitals of District.

The recitals contained in the Bond Resolution and the Bonds shall be taken as the statements of the District, and the County assumes no responsibility for their correctness.

Section 5.04. May Own Bonds.

The County, in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights it would have if it were not the Paying Agent and Registrar for the Bonds.

Section 5.05. Money Held by County.

Money held by the County hereunder need not be segregated from other funds. Money held hereunder will be deposited in the District's interest and sinking fund and invested in the County investment pool and invested by the County Treasurer pursuant to its duties as Treasurer prior to the principal and interest payment dates of the Bonds and the District is entitled to receive interest earnings on such funds.

Any money deposited with or otherwise held by the County for the payment of the principal, redemption premium (if any), or interest on any Bond and remaining unclaimed for one year after such deposit will be paid by the County to the District, and the District and the County agree that the Registered Owner of such Bond shall thereafter look only to the District for payment thereof, and that all liability of the County with respect to such moneys shall thereupon cease.

Section 5.06. Other Transactions.

The County may engage in or be interested in any financial or other transaction with the District.

Section 5.07. Interpleader.

The District and the County agree that the County may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in a court of competent jurisdiction. The District and the County further agree that the County has the right to file an action in interpleader in any court of competent jurisdiction to determine the rights of any person claiming any interest herein.

Section 5.08. Indemnification.

The District shall indemnify the County, its officers, directors, employees and agents ("Indemnified Parties") for, and hold them harmless against any loss, cost, claim, liability or expense arising out of or in connection with the County's acceptance or administration of the County's duties hereunder or under the Bond Resolution (except any loss, liability or expense as may be adjudged by a court of competent jurisdiction to be attributable to the County's negligence or willful misconduct), including the cost and expense (including its counsel fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement. Such indemnity shall survive the termination or discharge of this Agreement or discharge of the Bonds.

ARTICLE SIX

MISCELLANEOUS PROVISIONS

Section 6.01. Amendment.

This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02. Assignment.

This Agreement may not be assigned by either party without the prior written consent of the other party.

Section 6.03. Notices.

Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the District or the County shall be mailed or delivered to the District or the County, respectively, at the address shown herein, or such other address as may have been given by one party to the other by fifteen (15) days written notice.

Section 6.04. Effect of Headings.

The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 6.05. Successors and Assigns.

All covenants and agreements herein by the District and the County shall bind their successors and assigns, whether so expressed or not.

Section 6.06. Severability.

If any provision of this Agreement shall be determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

Section 6.07. Benefits of Agreement.

Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim hereunder.

Section 6.08. Entire Agreement.

This Agreement and the Bond Resolution constitute the entire agreement between the parties hereto relative to the County acting as Paying Agent and Registrar. In the event of any conflict between any provision of this Agreement and the Bond Resolution, the terms of the Bond Resolution shall govern.

Section 6.09. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.10. Term and Termination.

This Agreement shall be effective from and after its date and until the County resigns or is removed by an instrument filed with the County and signed by the District in accordance with the Bond Resolution. The County may resign at any time and be discharged of its duties and obligations by giving written notice thereof to the District. If the County shall resign, be removed or become incapable of acting, the District shall promptly appoint a successor Paying Agent and Registrar. A successor Paying Agent shall be appointed by the District with the written consent of the County Treasurer, which consent shall not be unreasonably withheld. If an instrument of acceptance by a successor Paying Agent and Registrar shall not have been delivered to the County within thirty days after the County gives notice of resignation, the County may petition any court of competent jurisdiction at the expense of the District for the appointment of a successor Paying Agent and Registrar. In the event of resignation or removal of the County as Paying Agent and Registrar, upon the written request of the District and upon payment of all amounts owing to the County hereunder the County shall deliver to the District or its designee all funds and unauthenticated Bonds, and a copy of the Bond Register. The provisions of Section 5.08 hereof shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.11. Governing Law.

This Agreement shall be construed in accordance with and shall be governed by the laws of the State of California.

Section 6.12. Documents to be Filed with County.

At the time of the County's appointment as Paying Agent and Registrar, the District shall file with the County the following documents: (a) certified copies of the Bond Resolution and a specimen Bond; (b) a copy of the opinion of bond counsel provided to the District in connection with the issuance of the Bonds; (c) a District Request containing written instructions to the County with respect to the issuance and delivery of the Bonds, including the name of the Registered Owners and the denominations of the Bonds; and (d) if bond proceeds are to be held at the County, a Closing Memorandum Addendum, to be reviewed by Bond Counsel, providing instructions to the County for the deposit of all bond proceeds.

IN WITNESS WHEREOF, the District has caused this Paying Agent Agreement to be signed in its name by its representative thereunto duly authorized, and the County has caused this Paying Agent Agreement to be signed in its name by its officer thereunto duly authorized, all as of the day and year first above written.

_____ **SCHOOL DISTRICT**

By _____
Authorized Representative

**COUNTY OF SAN DIEGO, OFFICE OF THE
TREASURER-TAX COLLECTOR OF THE
COUNTY OF SAN DIEGO, CALIFORNIA, as
Paying Agent**

By _____
Treasurer-Tax Collector or Designee

APPROVED AS TO FORM:

By _____
Senior Deputy County Counsel

EXHIBIT A PAYING AGENT FEE SCHEDULE

Service Type	Fee	Frequency
A bond with no series	\$1500	At closing and annually
A bond with series Each additional series	\$1,000 per issue Add \$500 per series	At closing and \$1500 annually

Note: The District is responsible for any extraordinary costs associated with paying agent activities as provided in Section 2.02. The District will be notified of any extraordinary costs.

CONTINUING DISCLOSURE CERTIFICATE

THIS CONTINUING DISCLOSURE CERTIFICATE (this “Disclosure Certificate”) is executed and delivered by the Santee School District (the “District”) in connection with the issuance of \$ _____ aggregate principal amount of Santee School District (San Diego County, California) General Obligation Refunding Bonds, Series 2016B (the “Bonds”). The Bonds are being issued pursuant to a resolution adopted by the Board of Trustees of the District on October 18, 2016 (the “Resolution”). The District covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, 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 3 and 4 hereof.

“Beneficial Owner” shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

“Dissemination Agent” shall mean Dale Scott & Company, Inc., or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation.

“Holder” shall mean the person in whose name any Bond shall be registered.

“Listed Events” shall mean any of the events listed in Section 5(a) or (b) hereof.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Official Statement” shall mean the Official Statement, dated _____, 2016 (including all exhibits or appendices thereto), relating to the offer and sale of Bonds.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports. (a) The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District's fiscal year (which due date shall be March 31 of each year, so long as the fiscal year ends on June 30), commencing with the report for the 2015-16 fiscal year (which is due no later than March 31, 2017), provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may cross-reference other information as provided in Section 4 hereof; provided, however, that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the District's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(e) hereof. The Annual Report shall be submitted on a standard form in use by industry participants or other appropriate form and shall identify the Bonds by name and CUSIP number.

(b) Not later than 15 business days prior to the date specified in subsection (a), the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If the District is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the District shall send a notice in a timely manner to the MSRB, in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall:

(i) (if the Dissemination Agent is other than the District), provide any Annual Report received by it to the MSRB as provided herein; and

(ii) (if the Dissemination Agent is other than the District), file a report with the District certifying that the Annual Report has been provided to the MSRB pursuant to this Disclosure Certificate, stating the date it was provided to the MSRB.

Section 4. Content of Annual Reports. The District's Annual Report shall contain or include by reference the following:

(a) Audited financial statements of the District for the preceding fiscal year, prepared in accordance with the laws of the State of California and including all statements and information prescribed for inclusion therein by the Controller of the State of California. If the District's audited financial statements are not available by the time the Annual Report is required to be provided to the MSRB pursuant to Section 3(a) hereof, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be provided to the MSRB in the same manner as the Annual Report when they become available.

(b) To the extent not included in the audited financial statements of the District, the Annual Report shall also include the following:

(i) the average daily attendance in District schools on an aggregate basis for the preceding fiscal year;

(ii) pension plan contributions made by the District for the preceding fiscal year;

(iii) aggregate principal amount of short-term borrowings, lease obligations and long-term borrowings of the District as of the end of the preceding fiscal year;

(iv) description of the amount of general fund revenues and expenditures which have been budgeted for the current fiscal year, together with audited actual budget figures for the preceding fiscal year;

(v) the District's total local control funding formula and State revenue limit for the preceding fiscal year;

(vi) prior fiscal year total secured property tax levy and collections, showing current collections as a percent of the total levy; and

(vii) current fiscal year assessed valuation of taxable properties in the District.

(c) In addition to any of the information expressly required to be provided under subsections (a) and (b) hereof, the District shall provide such further information, if any, as may be necessary to make the specifically required statements, in light of the circumstances under which they are made, not misleading.

Any or all of the items listed above may be set forth in one or a set of documents or may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been made available to the public on the MSRB's website. The District shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events. (a) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds not later than ten business days after the occurrence of the event:

(i) principal and interest payment delinquencies;

(ii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) substitution of the credit or liquidity providers or their failure to perform;

(v) adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);

(vi) tender offers;

(vii) defeasances;

(viii) rating changes; or

(ix) bankruptcy, insolvency, receivership or similar event of the obligated person.

For the purposes of the event identified in subparagraph (ix), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the 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 business days after the occurrence of the event:

(i) unless described in paragraph 5(a)(v) hereof, 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 to rights of Bond Holders;

(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 the change of name of a paying agent.

(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 5(b) hereof, the District shall determine if such event would be material under applicable federal securities laws.

(e) If the District learns of the occurrence of a Listed Event described in Section 5(a) hereof, or determines that knowledge of a Listed Event described in Section 5(b) hereof would be material under applicable federal securities laws, the District shall within ten 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 6. Termination of Reporting Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(e) hereof.

Section 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be Dale Scott & Company, Inc.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Section 3(a) hereof, Section 4 hereof, or Section 5(a) or (b) hereof, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) the undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by the Holders in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(e) hereof, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate; provided, that any such action may be instituted only in Superior Court of the State of California in and for the County of San Diego or in U.S. District Court in or nearest to the County of San Diego. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and (if the Dissemination Agent is other than the District), the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the District

under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: _____, 2016

SANTEE SCHOOL DISTRICT

By: _____

ACCEPTED AND AGREED TO:

**DALE SCOTT & COMPANY, INC., as
Dissemination Agent**

By: _____
Authorized Signatory

EXHIBIT A

**NOTICE TO THE MUNICIPAL SECURITIES RULEMAKING BOARD
OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: SANTEE SCHOOL DISTRICT

Name of Issue: Santee School District (San Diego County, California) General
Obligation Refunding Bonds, Series 2016B

Date of Issuance: _____, 2016

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by Section 4 of the Continuing Disclosure Certificate of the District, dated _____, 2016. [The District anticipates that the Annual Report will be filed by _____.]

Dated: _____

SANTEE SCHOOL DISTRICT

NEW ISSUE — BOOK-ENTRY ONLY

Rating: S&P “___”
(See “MISCELLANEOUS – Rating” herein.)

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Refunding Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the further opinion of Bond Counsel, interest on the Refunding Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Refunding Bonds. See “TAX MATTERS” herein.

\$ _____ *

SANTEE SCHOOL DISTRICT
(San Diego County, California)
General Obligation Refunding Bonds, Series 2016B

Dated: Date of Delivery

Due: August 1, as shown herein

This cover page is not a summary of this issue; it is only a reference to the information contained in this Official Statement. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Santee School District (San Diego County, California) General Obligation Refunding Bonds, Series 2016B (the “Refunding Bonds”) are being issued by the Santee School District (the “District”), located in the County of San Diego (the “County”), (i) to advance refund a portion of the outstanding Santee School District (San Diego County, California) General Obligation Bonds, 2006 Election, Series B, and (ii) to pay costs of issuance of the Refunding Bonds. The Refunding Bonds are being issued under the laws of the State of California (the “State”) and pursuant to a resolution of the Board of Education of the District, adopted on October 18, 2016.

The Refunding Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the State Constitution and other State law. The Board of Supervisors of the County is empowered and obligated to levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Refunding Bonds, all as more fully described herein. See “SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS” herein.

The Refunding Bonds will be issued as current interest bonds as set forth on the inside front cover hereof. Interest on the Refunding Bonds is payable on each February 1 and August 1 to maturity, commencing February 1, 2017. Principal of the Refunding Bonds is payable on August 1 in each of the years and in the amounts set forth on the inside front cover hereof. The Refunding Bonds will be issued in denominations of \$5,000 principal amount or any integral multiple thereof as shown on the inside front cover hereof.

As more fully described herein, the District may obtain a municipal bond insurance policy to guarantee the scheduled payment of principal of and interest on the Refunding Bonds as such payments become due. The District’s decision whether or not to obtain such a policy will be made at or about the time of pricing of the Refunding Bonds and will be based upon, among other things, market conditions at the time of such pricing. No assurance can be given as to whether the District will obtain such a policy, and, if so, whether such policy will cover all or less than all of the Refunding Bonds.

The Refunding Bonds will be issued in book-entry form only and will be initially issued and registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Refunding Bonds. Individual purchases of the Refunding Bonds will be made in book-entry form only. Purchasers will not receive physical delivery of the Refunding Bonds purchased by them. See “THE REFUNDING BONDS – Form and Registration” herein. Payments of the principal of and interest on the Refunding Bonds will be made by the Treasurer-Tax Collector of the County, as paying agent, registrar and transfer agent with respect to the Refunding Bonds, to DTC for subsequent disbursement to DTC Participants, who will remit such payments to the beneficial owners of the Refunding Bonds. See “THE REFUNDING BONDS – Payment of Principal and Interest” herein.

The Refunding Bonds are subject to redemption prior to maturity as described herein. See “THE REFUNDING BONDS — Redemption” herein.

The Refunding Bonds will be offered when, as and if issued by the District and received by the Underwriter, subject to the approval of legality by Orrick, Herrington & Sutcliffe LLP, Irvine, California, Bond Counsel to the District. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, Irvine, California, as Disclosure Counsel to the District; and for the Underwriter by _____, _____, _____, as Underwriter’s Counsel. It is anticipated that the Refunding Bonds, in definitive form, will be available for delivery through the facilities of DTC on or about _____, 2016.

[Underwriter]

Dated: _____, 2016.

* Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

MATURITY SCHEDULE*
BASE CUSIP¹: 802853

\$ _____^{*}
SANTEE SCHOOL DISTRICT
(San Diego County, California)
General Obligation Refunding Bonds, Series 2016B

\$ _____ **Serial Refunding Bonds**

Maturity (August 1)	Principal Amount	Interest Rate	Yield	CUSIP Number ¹
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				
2043				
2044				
2045				
2046				
2047				
2048				

\$ _____ % Term Refunding Bonds Due August 1, 20__ Yield _____ % - CUSIP Number¹ - _____

\$ _____ % Term Refunding Bonds Due August 1, 20__ Yield _____ % - CUSIP Number¹ - _____

* Preliminary; subject to change.

¹ CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright© 2016 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the District, the Underwriter or their agents or counsel assumes responsibility for the accuracy of such numbers.

**SANTEE SCHOOL DISTRICT
(SAN DIEGO COUNTY, CALIFORNIA)**

BOARD OF EDUCATION

Barbara Ryan, *President*
Elana Levens-Craig, *Vice President*
Dianne El-Hajj, *Clerk*
Dustin Burns, *Member*
Ken Fox, *Member*

DISTRICT ADMINISTRATORS

Cathy A. Pierce, Ed.D., *Superintendent*
Karl Christensen, MBA, *Assistant Superintendent, Business Services*

PROFESSIONAL SERVICES

Financial Advisor

Dale Scott & Company
San Francisco, California

Bond Counsel and Disclosure Counsel

Orrick, Herrington & Sutcliffe LLP
Irvine, California

Paying Agent

County of San Diego Treasurer-Tax Collector
San Diego, California

Escrow Agent

U.S. Bank National Association
Los Angeles, California

Verification Agent

Causey Demgen & Moore P.C.
Denver, Colorado

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This Official Statement does not constitute an offering of any security other than the original offering of the Refunding Bonds by the District. No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representations other than as contained in this Official Statement, and if given or made, such other information or representation not so authorized should not be relied upon as having been given or authorized by the District.

The Refunding Bonds are exempt from registration under the Securities Act of 1933, as amended, pursuant to Section 3(a)2 thereof. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy Refunding Bonds in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation.

The information set forth herein other than that furnished by the District, although obtained from sources which are believed to be reliable, is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the District. The information and expressions of opinions 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. This Official Statement is submitted in connection with the sale of the Refunding Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

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 a 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.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements are generally identifiable by the terminology used, such as "plan," "expect," "estimate," "budget" or other similar words. 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 those forward-looking statements if or when their expectations, or events, conditions or circumstances on which such statements are based, occur.

The District maintains a website. However, the information presented there is not part of this Official Statement and should not be relied upon in making an investment decision with respect to the Refunding Bonds.

In connection with this offering, the Underwriter may overallocate or effect transactions which stabilize or maintain the market prices of the Refunding Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the Refunding Bonds to certain securities dealers and dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside front cover page hereof and said public offering prices may be changed from time to time by the Underwriter.

§ _____ *

SANTEE SCHOOL DISTRICT
(San Diego County, California)
General Obligation Refunding Bonds, Series 2016B

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 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 Refunding Bonds to potential investors is made only by means of the entire Official Statement.

General

This Official Statement, which includes the cover page and appendices hereto, is provided to furnish information in connection with the sale of \$ _____* aggregate principal amount of Santee School District (San Diego County, California) General Obligation Refunding Bonds, Series 2016B (the “Refunding Bonds”), to be offered by the Santee School District (the “District”).

This Official Statement speaks only as of its date, and the information contained herein is subject to change. The District has no obligation to update the information in this Official Statement, except as required by the Continuing Disclosure Certificate to be executed by the District. See “OTHER LEGAL MATTERS – Continuing Disclosure.”

The purpose of this Official Statement is to supply information to prospective buyers of the Refunding Bonds. Quotations from and summaries and explanations of the Refunding Bonds, the resolutions of the Board of Education of the District providing for the issuance of the Refunding Bonds, and the constitutional provisions, statutes and other documents described herein, do not purport to be complete, and reference is hereby made to said documents, constitutional provisions and statutes for the complete provisions thereof.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or owners of any of the Refunding Bonds.

Copies of documents referred to herein and information concerning the Refunding Bonds are available from the District by contacting: Santee School District, 9625 Cuyamaca Street, Santee, California 92071, Attention: Assistant Superintendent, Business Services. The District may impose a charge for copying, handling and mailing such requested documents.

The District

The District, established in 1893, encompasses approximately 16.56 square miles in the eastern portion of the County of San Diego (the “County”). The District is located in the City of Santee, and it serves portions of the Cities of Santee, El Cajon, and San Diego, and an unincorporated area of San Diego County. The District provides public education services for grades pre-kindergarten through eight. The District operates one elementary school serving grades kindergarten through six, eight elementary schools

* Preliminary; subject to change.

servings grades kindergarten through eight, an alternative home school program and three preschool programs. Enrollment in the District for fiscal year 2016-17 is estimated to be 6,765 students. The District operates under the jurisdiction of the San Diego County Superintendent of Schools.

For additional information about the District, see APPENDIX A – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET” and APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2015.”

THE REFUNDING BONDS

Authority for Issuance; Plan of Finance

The Refunding Bonds are issued by the District pursuant to the Constitution and laws of the State, including Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code and other applicable provisions of law, and pursuant to a resolution adopted by the Board of Education of the District on October 18, 2016, providing for the issuance of the Refunding Bonds (the “Resolution”). Proceeds from the Refunding Bonds will be used (i) to refund, on an advance basis, a portion of the outstanding Santee School District (County of San Diego, California) General Obligation Bonds, 2006 Election, Series B (the “Series 2006B Bonds”), and (ii) to pay costs of issuance of the Refunding Bonds. See “–Plan of Refunding” and “–Estimated Sources and Uses of Funds” below.

Possible Municipal Bond Insurance

In connection with the issuance of the Refunding Bonds, the District has applied for, and may obtain a municipal bond insurance policy to guarantee the scheduled payment of principal of and interest on all or a portion of the Refunding Bonds as such payments shall become due.

No assurance can be given as to whether a commitment will be issued by an insurer to the District and, if a commitment is issued by an insurer to the District, no assurance can be given as to (a) whether the District will decide to obtain an insurance policy from an insurer in connection with the issuance of the Refunding Bonds, or (b) whether the District will insure all or less than all of the Refunding Bonds. If a commitment is issued by an insurer to the District, the District’s decision as to whether or not the insurance policy will be obtained from an insurer with respect to all or a portion of the Refunding Bonds will be made at or about the time of the pricing of the Refunding Bonds and will be based upon, among other things, market conditions at the time of such pricing. If the District does decide to obtain an insurance policy from an insurer, it will be a condition to the issuance of the Refunding Bonds that such insurance policy be issued concurrently with the issuance of the Refunding Bonds.

In the event the District does decide to obtain a municipal bond insurance policy from an insurer, the insured Refunding Bonds (the “Insured Bonds”) would be assigned an insured rating from one or more of the rating agencies assigning the underlying ratings to the Refunding Bonds based solely as a result of the issuance of such insurance policy, and such rating(s) would reflect the applicable rating agency’s view of the claims-paying ability and financial strength of the applicable insurer. The financial strength and claims paying ability of any insurer are predicated upon a number of factors which could change over time. Neither the District nor the Underwriter has made any independent investigation into the claims paying ability of any insurer, and no assurance or representation regarding the financial strength or projected financial strength of any insurer is given. In addition, no assurance is made that any insured rating of the Insured Bonds would not be subject to downgrade. The existence of any insurance policy will not, of itself, negatively affect the underlying ratings assigned to the Refunding Bonds. Without regard to any bond insurance, the Refunding Bonds are payable from the proceeds of an *ad valorem* tax approved by the voters of the District pursuant to all applicable laws and constitutional requirements, and required to be levied by

the County on property within the District in an amount sufficient for the timely payment of principal of and interest on the Refunding Bonds. See “SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS.” However, any downward revision or withdrawal of any rating of an insurer may have an adverse effect on the market price of the Insured Bonds or the marketability (liquidity) for the Insured Bonds.

In the event of default of the payment of principal of or interest on the Insured Bonds, if any, when all or some becomes due, any owner of the Insured Bonds would have a claim under any applicable municipal bond insurance policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of optional redemption or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments would be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. No municipal bond insurance policy would insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional redemption of the Insured Bonds by the issuer which is recovered from an Insured Bond owner as a voidable preference under applicable bankruptcy law would be covered by any municipal bond insurance policy; however, such payments would be made by the applicable insurer at such time and in such amounts as would have been due absent such redemption unless the insurer were to choose to pay such amounts at an earlier date.

In the event any insurer becomes obligated to make payments with respect to any Insured Bonds, no assurance is given that such event will not adversely affect the market price of the Insured Bonds or the marketability (liquidity) for the Insured Bonds. The obligations of any insurer are contractual obligations and, in an event of default by an insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Form and Registration

The Refunding Bonds will be issued in fully registered form only, without coupons, in denominations of \$5,000 principal amount or integral multiples thereof. The Refunding Bonds will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository of the Refunding Bonds. Purchases of Refunding Bonds under the DTC book-entry system must be made by or through a DTC participant, and ownership interests in Refunding Bonds will be recorded as entries on the books of said participants. Except in the event that use of this book-entry system is discontinued for the Refunding Bonds, beneficial owners (“Beneficial Owners”) will not receive physical certificates representing their ownership interests. See APPENDIX F – “BOOK-ENTRY ONLY SYSTEM.”

Payment of Principal and Interest

Interest. The Refunding Bonds will be dated as of their date of delivery, and bear interest at the rates set forth on the inside front cover page of this Official Statement, payable on February 1 and August 1 of each year (each, an “Interest Payment Date”), commencing on February 1, 2017, computed on the basis of a 360-day year consisting of twelve 30-day months. Each Refunding Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on the 15th day of the calendar month immediately preceding an Interest Payment Date (the “Record Date”) and on or prior to the succeeding Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any Refunding Bond, interest is in default on any outstanding Refunding Bonds, such Refunding Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Refunding Bonds.

Payment of Refunding Bonds. The principal of the Refunding Bonds is payable in lawful money of the United States of America upon the surrender thereof at the office of the Treasurer-Tax Collector of the County, as paying agent (the "Paying Agent"), at the maturity thereof or upon redemption prior to maturity.

Interest on the Refunding Bonds is payable in lawful money of the United States of America by check mailed on each Interest Payment Date (if a business day, or on the next business day if the Interest Payment Date does not fall on a business day) to the registered owner thereof (the "Owner") at such Owner's address as it appears on the bond registration books kept by the Paying Agent or at such address as the Owner may have filed with the Paying Agent for that purpose, except that the payment shall be made by wire transfer of immediately available funds to any Owner of at least \$1,000,000 of outstanding Refunding Bonds who shall have requested in writing such method of payment of interest prior to the close of business on a Record Date. So long as the Refunding Bonds are held by Cede & Co., as nominee of DTC, payment shall be made by wire transfer. See APPENDIX F – "BOOK-ENTRY ONLY SYSTEM."

Redemption^{*}

Optional Redemption. The Refunding Bonds maturing on or before August 1, 2026, are not subject to optional redemption prior to their respective stated maturity dates. The Refunding Bonds maturing on or after August 1, 2027, are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 2026, at a redemption price equal to the principal amount of the Refunding Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

Mandatory Sinking Fund Redemption. The \$_____ term Refunding Bonds maturing on August 1, 20__ are subject to mandatory sinking fund redemption on August 1 in each of the years and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption, without premium:

Mandatory Sinking Fund Redemption Date (August 1)	Principal Amount to be Redeemed
†	\$

† Maturity.

The principal amount of the \$_____ term Refunding Bonds maturing on August 1, 20__ to be redeemed in each year shown above will be reduced proportionately, or as otherwise directed by the District, in integral multiples of \$5,000, by any portion of each such term Refunding Bonds optionally redeemed prior to the mandatory sinking fund redemption date.

The \$_____ term Refunding Bonds maturing on August 1, 20__ are subject to mandatory sinking fund redemption on August 1 in each of the years and in the respective principal amounts as set

^{*} Preliminary; subject to change.

forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption, without premium:

Mandatory Sinking Fund Redemption Date (August 1)	Principal Amount to be Redeemed
_____	\$

†

† Maturity.

The principal amount of the \$_____ term Refunding Bonds maturing on August 1, 20__ to be redeemed in each year shown above will be reduced proportionately, or as otherwise directed by the District, in integral multiples of \$5,000, by any portion of each such term Refunding Bonds optionally redeemed prior to the mandatory sinking fund redemption date.

Notice of Redemption. Notice of any redemption of the Refunding Bonds shall be mailed by the Paying Agent, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date (i) by first class mail to the County and the respective Owners thereof at the addresses appearing on the Registration Books, and (ii) as may be further required in accordance with the applicable Continuing Disclosure Certificate.

Each notice of redemption shall state (i) the date of such notice; (ii) the name of the Refunding Bonds and the date of issue of the Refunding Bonds; (iii) the redemption date; (iv) the redemption price; (v) the dates of maturity or maturities of Refunding Bonds to be redeemed; (vi) if less than all of the Refunding Bonds of any maturity are to be redeemed, the distinctive numbers of the Refunding Bonds of each maturity to be redeemed; (vii) in the case of Refunding Bonds redeemed in part only, the respective portions of the principal amount of the Refunding Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of Refunding Bonds to be redeemed; (ix) a statement that such Refunding Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Refunding Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice.

Effect of Notice of Redemption. A certificate of the Paying Agent that notice of redemption has been given to Owners as herein provided shall be conclusive as against all parties. Neither the failure to receive the notice of redemption as provided in this Section, nor any defect in such notice shall affect the sufficiency of the proceedings for the redemption of the Refunding Bonds called for redemption or the cessation of interest on the date fixed for redemption.

When notice of redemption has been given substantially as provided for herein, and when the redemption price of the Refunding Bonds called for redemption is set aside for the purpose of redeeming the Refunding Bonds, the Refunding Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Refunding Bonds at the place specified in the notice of redemption, such Refunding Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Refunding Bonds so called for redemption after such redemption date shall be entitled to payment thereof only from the interest and sinking fund of the District within the County treasury (the "Interest and Sinking Fund of the District") or the trust fund established for such purpose. All Refunding Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

Right to Rescind Notice. 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 Refunding 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 Interest and Sinking Fund of the District 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 Refunding 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 Refunding 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.

Funds for Redemption. Prior to or on the redemption date of any Refunding Bonds there shall be available in the Interest and Sinking Fund of the District, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the redemption prices as provided in the Resolution provided, the Refunding Bonds designated in the notice of redemption. Such monies shall be applied on or after the redemption date solely for payment of principal of, interest and premium, if any, on the Refunding Bonds to be redeemed upon presentation and surrender of such Refunding Bonds, provided that all monies in the Interest and Sinking Fund of the District shall be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date shall be paid from the Interest and Sinking Fund of the District, unless otherwise provided to be paid from such monies held in trust. If, after all of the Refunding Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the Interest and Sinking Fund of the District or otherwise held in trust for the payment of redemption price of the Refunding Bonds, the monies shall be held in or returned or transferred to the Interest and Sinking Fund of the District for payment of any outstanding bonds of the District payable from such fund; provided, however, that if the monies are part of the proceeds of bonds of the District, the monies shall be transferred to the fund created for the payment of principal of and interest on such bonds. If no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

Defeasance of Refunding Bonds

The District may pay and discharge any or all of any series of the Refunding Bonds by depositing in trust with the Paying Agent or an escrow agent, selected by the District, at or before maturity, money and/or non-callable direct obligations of the United States of America or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available moneys then on deposit in the Interest and Sinking Fund of the District within the County treasury, be fully sufficient to pay and discharge the indebtedness on such Refunding Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

Unclaimed Moneys

Any money held in any fund created by the Resolution or by the Paying Agent or an escrow agent in trust, for the payment of the principal of, redemption premium, if any, or interest on the Refunding Bonds and remaining unclaimed for two years after the principal of all of the Refunding Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the Interest and Sinking Fund of the District for payment of any outstanding bonds of the District payable from said fund; or, if no such bonds of the District are at such time outstanding, said moneys shall be transferred to the general fund of the District as provided and permitted by law.

Plan of Refunding*

The proceeds of the Refunding Bonds will be issued (i) to refund and defease, on an advance basis, the District's outstanding Series 2006B Bonds, maturing on August 1 in the years 2020 through 2029, inclusive, 2033, 2038 and 2048 (the "Prior Bonds"), and (ii) to pay certain costs of issuance of the Refunding Bonds.

SANTEE SCHOOL DISTRICT (San Diego County, California) Prior Bonds to be Refunded*

<u>Maturities to be Refunded</u>	<u>Principal Amount to be Refunded</u>	<u>CUSIP Number¹</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
2020	\$190,000	802853 FS5	August 1, 2018	100%
2021	195,000	802853 FT3	August 1, 2018	100
2022	205,000	802853 FU0	August 1, 2018	100
2023	215,000	802853 FV8	August 1, 2018	100
2024	225,000	802853 FW6	August 1, 2018	100
2025	235,000	802853 FX4	August 1, 2018	100
2026	245,000	802853 FY2	August 1, 2018	100
2027	255,000	802853 FZ9	August 1, 2018	100
2028	265,000	802853 GA3	August 1, 2018	100
2029	280,000	802853 GB1	August 1, 2018	100
2033	1,260,000	802853 GF2	August 1, 2018	100
2038	1,960,000	802853 GL9	August 1, 2018	100
2048	5,710,000	802853 GW5	August 1, 2018	100

The maturities of the District's outstanding Series 2006B Bonds listed in the following table will not be refunded with proceeds of the Refunding Bonds.

* Preliminary; subject to change.

⁽¹⁾ CUSIP numbers are provided for convenience of reference only. None of the District, the Underwriter or their agents or counsel assumes responsibility for the accuracy of such CUSIP numbers.

**SANTEE SCHOOL DISTRICT
(San Diego County, California)
Unrefunded Series 2006B Bonds**

Capital Appreciation Bonds

Maturity Date	Unrefunded Principal Amount	Maturity Value for CABs	CUSIP Number ⁽¹⁾
2017	\$67,431.00	\$190,000	802853 FP1
2018	60,013.40	190,000	802853 FQ9
2019	95,936.70	190,000	802853 FR7

The District and U.S. Bank National Association, as escrow bank (the “Escrow Bank”) will enter into the Escrow Agreement, dated as of _____ 1, 2016 (the “Escrow Agreement”), with respect to the Prior Bonds being refunded, pursuant to which the District will deposit a portion of the proceeds from the sale of the Refunding Bonds into a special fund to be held by the Escrow Bank. The amounts deposited with the Escrow Bank with respect to the Prior Bonds, which will be held pursuant to the Escrow Agreement, will be used to purchase direct and general obligations of the United States of America, or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, the principal of which and interest on which (together with any uninvested amount) will be sufficient to enable the Escrow Bank to pay the interest due on the Prior Bonds being refunded to the redemption date (August 1, 2018), and to redeem such Prior Bonds at a redemption price equal to 100% of the principal amount of such Prior Bonds being refunded on the redemption date in accordance with the schedule set forth in the Escrow Agreement. See “ESCROW VERIFICATION” herein. Amounts on deposit with the Escrow Bank pursuant to the Escrow Agreement are not available to pay debt service on the Refunding Bonds.

Estimated Sources and Uses of Funds

The proceeds of the Refunding Bonds are expected to be applied as follows:

**SANTEE SCHOOL DISTRICT
(San Diego County, California)
General Obligation Refunding Bonds, Series 2016B**

Estimated Sources and Uses of Funds

Sources of Funds:

Aggregate Principal Amount of Refunding Bonds	\$
[Plus/Less] [Net] Original Issue [Premium/Discount]	
Total Sources of Funds	<hr/> \$

Uses of Funds:

Escrow Fund	\$
Costs of Issuance ⁽¹⁾	
Total Uses of Funds	<hr/> \$

⁽¹⁾ Includes legal fees, rating agency fees, financial advisory fees, underwriter's discount, insurance premium, if any, verification agent fees, printing fees and other miscellaneous expenses.

Debt Service

Debt service on the Refunding Bonds, assuming no early redemptions, is as set forth in the following table.

**SANTEE SCHOOL DISTRICT
(San Diego County, California)
General Obligation Refunding Bonds, Series 2016B**

Period 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			
2043			
2044			
2045			
2046			
2047			
2048			
Total:	<u>\$</u>	<u>\$</u>	<u>\$</u>

Outstanding Bonds

In addition to the Refunding Bonds (and not accounting for the planned refunding of the Prior Bonds with proceeds of the Refunding Bonds), the District has outstanding seven additional series of general obligation bonds, each of which is secured by *ad valorem* taxes upon all property subject to taxation by the District on a parity with the Refunding Bonds.

The District received authorization at an election held on November 7, 2006 to issue bonds of the District in an aggregate principal amount of not-to-exceed \$60,000,000 to finance construction, reconstruction and/or rehabilitation of its school facilities, including the furnishing and equipping of its school facilities, acquisition, or lease of real property for its school facilities and construction management (the “2006 Authorization”). The District issued five series of bonds under the 2006 Authorization. On May 1, 2007, the County, on behalf of the District, issued the Santee School District General Obligation Bonds, Election of 2006, Series A (San Diego County, California), in the aggregate principal amount of \$18,000,000 (the “Series 2006A Bonds”) as its first series of authorized bonds to be issued under the 2006 Authorization. On September 11, 2008, County, on behalf of the District, issued simultaneously (i) the Series 2006B Bonds in the aggregate initial principal amount of \$12,385,076.75, (ii) the Santee School District (San Diego County, California) General Obligation Bonds, Election of 2006, Series C, in the aggregate initial principal amount of \$2,869,039.35 (the “Series 2006C Bonds”), and (iii) the Santee School District (San Diego County, California) General Obligation Bonds, Election of 2006, Series D, in the aggregate initial principal amount of \$7,840,155.20 (the “Series 2006D Bonds”), as its second, third and fourth, respectively, series of authorized bonds to be issued under the 2006 Authorization. On May 12, 2011, the District issued its 2011 General Obligation Bonds, Election of 2006, Series E (San Diego County, California) in the aggregate initial principal amount of \$3,534,306.75 (the “Series 2006E Bonds”), as its fifth series of authorized bonds to be issued under the 2006 Authorization. The amount of [\$15,371,421.95] remains authorized but unissued under the 2006 Authorization.

On December 30, 2015, the District issued its General Obligation Refunding Bonds, Series 2015, in the aggregate initial principal amount of \$26,715,103.95 (the “Series 2015 Refunding Bonds”) to advance refund a portion of the Series 2006A Bonds and to repurchase a portion of the Series 2006D Bonds. On February 3, 2016, the District issued its General Obligation Refunding Bonds, Series 2016A in the aggregate initial principal amount of \$9,025,021.75 (the “Series 2016A Refunding Bonds”) to repurchase a portion of the Series 2006E Bonds. The Refunding Bonds are being issued by the District to advance refund a portion of the outstanding Series 2006B Bonds. See “– Plan of Refunding” herein.

A summary of the District’s outstanding general obligation bonded debt is set forth on the following page.

Aggregate Debt Service

The following table sets forth the annual aggregate debt service requirements of all outstanding bonds of the District (including the Refunding Bonds), assuming no early redemptions.

Period Ending August 1,	SANTEE SCHOOL DISTRICT (San Diego County, California) General Obligation Bonds – Aggregate Debt Service							Aggregate Total Debt Service ⁽²⁾	
	Series 2006A Bonds	Series 2006B Bonds ⁽¹⁾	Series 2006C Bonds	Series 2006D Bonds	Series 2006E Bonds	Series 2015 Refunding Bonds	Series 2016A Refunding Bonds		Series 2016B Refunding Bonds
2017	\$338,000	\$740,543	\$185,000	-	-	\$1,133,841	\$92,460	\$-	2,489,843
2018	-	740,543	210,000	-	-	1,624,757	14,245	-	2,589,544
2019	-	740,543	225,000	-	-	1,631,349	85,058	-	2,681,950
2020	-	740,543	240,000	-	-	1,695,167	104,741	-	2,780,451
2021	-	737,943	255,000	-	-	1,760,618	124,465	-	2,878,026
2022	-	739,753	260,000	-	-	1,860,298	121,811	-	2,981,862
2023	-	740,938	270,000	-	-	1,730,696	343,294	-	3,084,927
2024	-	741,531	275,000	-	-	1,809,430	367,166	-	3,193,127
2025	-	741,406	285,000	-	-	1,987,087	295,883	-	3,309,376
2026	-	740,831	290,000	-	-	2,072,853	322,366	-	3,461,051
2027	-	739,500	295,000	-	-	2,163,448	348,533	-	3,621,480
2028	-	737,388	300,000	-	-	2,263,629	371,927	-	3,787,944
2029	-	739,800	295,000	-	-	2,486,601	285,102	-	3,966,503
2030	-	741,500	295,000	-	-	2,696,152	211,561	-	4,154,212
2031	-	736,750	295,000	-	-	2,807,715	239,881	-	4,349,346
2032	-	736,500	2,825,000	-	-	647,257	21,852	-	4,555,609
2033	-	740,500	225,000	\$2,725,000	-	654,284	34,339	-	4,769,122
2034	-	738,500	-	1,282,775	-	2,097,131	419,692	-	4,993,098
2035	-	740,750	-	1,339,968	-	2,496,397	122,480	-	5,229,595
2036	-	737,000	-	1,403,798	-	2,310,811	414,540	-	5,476,150
2037	-	737,500	-	1,465,727	-	2,199,915	637,621	-	5,735,763
2038	-	737,000	-	1,485,000	-	302,227	2,585,261	-	6,004,488
2039	-	740,500	-	1,436,221	-	1,497,689	1,456,282	-	6,290,692
2040	-	737,750	-	1,434,188	-	185,000	2,801,558	-	6,588,496
2041	-	739,000	-	1,435,158	-	-	3,005,505	-	6,899,663
2042	-	739,000	-	1,435,361	-	-	3,035,497	-	7,174,565
2043	-	737,750	-	1,435,000	-	-	3,061,565	-	7,523,954
2044	-	740,250	-	1,997,415	-	-	2,524,785	-	8,117,803
2045	-	741,250	-	1,994,125	-	-	2,555,000	-	8,918,919
2046	-	740,750	-	1,995,765	-	-	-	-	9,441,515
2047	-	738,750	-	1,999,115	-	-	-	-	10,000,000
2048	-	740,250	-	2,000,000	-	-	-	-	11,000,000
2049	-	-	-	-	-	-	-	-	12,000,000
2050	-	-	-	-	-	-	-	-	13,000,000
2051	-	-	-	-	-	-	-	-	14,000,000
Total ⁽³⁾	\$338,000	\$23,662,509	\$7,025,000	\$26,864,616	\$21,953,982	\$42,114,352	\$26,004,468	\$-	\$147,962,926

⁽¹⁾ Does not reflect the planned refunding of the Prior Bonds from proceeds of the Refunding Bonds.

⁽²⁾ Numbers may not add due to rounding.

SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS

General

In order to provide sufficient funds for repayment of principal and interest when due on the Refunding Bonds, the Board of Supervisors of the County is empowered and is obligated to levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). Such taxes are in addition to other taxes levied upon property within the District. When collected, the tax revenues will be deposited by the County in the Interest and Sinking Fund of the District, which is required to be maintained by the County and to be used solely for the payment of bonds of the District.

The Refunding Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law, and are not a debt or obligation of the County. No fund of the County is pledged or obligated to repayment of the Refunding Bonds.

Statutory Lien on Taxes (Senate Bill 222)

Pursuant to Section 53515 of the California Government Code (which became effective on January 1, 2016), all general obligation bonds issued by local agencies, including refunding bonds, will be secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax. Section 53515 provides that the lien will automatically arise, without the need for any action or authorization by the local agency or its governing board, and will be valid and binding from the time the bonds are executed and delivered. Section 53515 further provides that the revenues received pursuant to the levy and collection of the tax will be immediately subject to the lien, and the lien will immediately attach to the revenues and be effective, binding and enforceable against the local agency, its successor, transferees and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for physical delivery, recordation, filing or further act.

Pledge of Tax Revenues

The District has pledged all revenues from the property taxes collected from the levy by the Board of Supervisors of the County for the payment of all bonds, including the Refunding Bonds (collectively, the "Bonds"), of the District heretofore or hereafter issued pursuant to voter approved measures of the District and amounts on deposit in the Interest and Sinking Fund of the District to the payment of the principal or redemption price of and interest on the Bonds. The Bond Resolution provides that the property taxes and amounts held in the Interest and Sinking Fund of the District shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the Interest and Sinking Fund of the District to secure the payment of the Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. The Resolution provides that this pledge constitutes an agreement between the District and the owners of Bonds to provide security for the Bonds in addition to any statutory lien that may exist, and the Bonds secured by the pledge are or were issued to finance (or refinance) one or more of the projects specified in the applicable voter-approved measure.

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. 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-tax collector prepares and mails tax bills to taxpayers and collects the taxes. In addition, the county treasurer-tax collector, the superintendent of schools of which has jurisdiction over the school district, 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, as ex-officio treasurer of the school district.

Assessed Valuation of Property Within the District

Taxable property located in the District has a 2016-17 assessed value of \$5,882,815,884. All property (real, personal and intangible) is taxable unless an exemption is granted by the California Constitution or United States law. Under the State Constitution, exempt classes of property include household and personal effects, intangible personal property (such as bank accounts, stocks and bonds), business inventories, and property used for religious, hospital, scientific and charitable purposes. The State Legislature may create additional exemptions for personal property, but not for real property. Most taxable property is assessed by the assessor of the county in which the property is located. Some special classes of property are assessed by the State Board of Equalization, as described below.

Taxes are levied for each fiscal year on taxable real and personal property assessed as of the preceding January 1, at which time the lien attaches. The assessed value is required to be adjusted during the course of the year when property changes ownership or new construction is completed. State law also affords an appeal procedure to taxpayers who disagree with the assessed value of any property. When necessitated by changes in assessed value during the course of a year, a supplemental assessment is prepared so that taxes can be levied on the new assessed value before the next regular assessment roll is completed. See “– *Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*” below.

Under the State Constitution, the State Board of Equalization assesses property of State-regulated transportation and communications utilities, including railways, telephone and telegraph companies, and companies transmitting or selling gas or electricity. The Board of Equalization also is required to assess pipelines, flumes, canals and aqueducts lying within two or more counties. The value of property assessed by the Board of Equalization is allocated by a formula to local jurisdictions in the county, including school districts, and taxed by the local county tax officials in the same manner as for locally assessed property. Taxes on privately owned railway cars, however, are levied and collected directly by the Board of Equalization. Property used in the generation of electricity by a company that does not also transmit or sell that electricity is taxed locally instead of by the Board of Equalization. Thus, the reorganization of regulated utilities and the transfer of electricity-generating property to non-utility companies, as often occurred under electric power deregulation in California, affects how those assets are assessed, and which local agencies benefit from the property taxes derived. In general, the transfer of State-assessed property located in the District to non-utility companies will increase the assessed value of property in the District, since the property’s value will no longer be divided among all taxing jurisdictions in the County. The transfer of property located and taxed in the District to a State-assessed utility will have the opposite effect: generally reducing the assessed value in the District, as the value is shared among the other jurisdictions in the County. The District is unable to predict future transfers of State-assessed property in the District and the County, the impact of such transfers on its utility property tax revenues, or whether future legislation or litigation may affect ownership of utility assets, the State’s methods of assessing utility property, or the method by which tax revenues of utility property is allocated to local taxing agencies, including the District.

Locally taxed 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 State-assessed property and property (real or personal) for which there is a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the taxes. All other property is “unsecured,” and is assessed on the “unsecured roll.” Secured property assessed by the State Board of Equalization is commonly identified for taxation purposes as “utility” property.

The following table sets forth the assessed valuation of the various classes of property in the District’s boundaries from fiscal year 2007-08 through 2016-17.

SANTEE SCHOOL DISTRICT
(San Diego County, California)
Assessed Valuations
Fiscal Years 2007-08 through 2016-17

Fiscal Year	Local Secured	Utility	Unsecured	Total
2007-08	\$4,772,885,551	\$0	\$200,149,848	\$4,973,035,399
2008-09	4,955,020,388	0	211,869,779	5,166,890,167
2009-10	4,755,224,761	0	206,373,408	4,961,598,169
2010-11	4,738,864,565	0	193,145,473	4,932,010,038
2011-12	4,781,726,558	0	174,798,432	4,956,524,990
2012-13	4,795,501,467	0	172,838,144	4,968,339,611
2013-14	4,933,827,547	0	173,428,626	5,107,256,173
2014-15	5,216,533,401	0	178,109,760	5,394,643,161
2015-16	5,468,418,006	0	172,095,535	5,640,513,541
2016-17	5,707,397,951	0	175,417,933	5,882,815,884

Source: California Municipal Statistics, Inc.

Assessments may be adjusted during the course of the year when real property changes ownership or new construction is completed. Assessments may also be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District’s control, such as a general market decline in land values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, drought, flood, fire, toxic dumping, etc. When necessitated by changes in assessed value in the course of a year, taxes are pro-rated for each portion of the tax year. See also “–*Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*” below.

Appeals of Assessed Valuation; Blanket Reductions of Assessed Values. There are two basic types of property tax assessment appeals provided for under State law. The first type of appeal, commonly referred to as a base year assessment appeal, involves a dispute on the valuation assigned by the assessor immediately subsequent to an instance of a change in ownership or completion of new construction. If the base year value assigned by the assessor is reduced, the valuation of the property cannot increase in subsequent years more than 2% annually unless and until another change in ownership and/or additional new construction or reconstruction activity occurs.

The second type of appeal, commonly referred to as a Proposition 8 appeal (which Proposition 8 was approved by the voters in 1978), can result if factors occur causing a decline in the market value of the property to a level below the property’s then current taxable value (escalated base year value). Pursuant to State law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for such owner’s property by filing a written application, in the form prescribed by the State Board of Equalization,

with the appropriate county board of equalization or assessment appeals board. A property owner desiring a Proposition 8 reduction of the assessed value of such owner's property in any one year must submit an application to the county assessment appeals board (the "Appeals Board"). Following a review of the application by the county assessor's office, the county assessor may offer to the property owner the opportunity to stipulate to a reduced assessment, or may confirm the assessment. If no stipulation is agreed to, and the applicant elects to pursue the appeal, the matter is brought before the Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal's filing date. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (escalated to the inflation rate of no more than 2%) following the year for which the reduction application is filed. However, the county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted.

In addition, Article XIII A of the State Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. This measure is computed on a calendar year basis. According to representatives of the County assessor's office, the County has in the past, pursuant to Article XIII A of the State Constitution, ordered blanket reductions of assessed property values and corresponding property tax bills on single family residential properties when the value of the property has declined below the current assessed value as calculated by the County.

No assurance can be given that property tax appeals and/or blanket reductions of assessed property values will not significantly reduce the assessed valuation of property within the District in the future.

See APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Limitations on Revenues" for a discussion of other limitations on the valuation of real property with respect to *ad valorem* taxes.

Bonding Capacity. As an elementary school district, the District may issue bonds in an amount up to 1.25% of the assessed valuation of taxable property within its boundaries. The District's fiscal year 2016-17 gross bonding capacity (also commonly referred to as the "bonding limit" or "debt limit") is approximately \$_____ million and its net bonding capacity is approximately \$_____ million (taking into account current outstanding debt before issuance of the Refunding Bonds and not accounting for the refunding of the Prior Bonds). Refunding bonds may be issued without regard to this limitation; however, once issued, the outstanding principal of any refunding bonds is included when calculating the District's bonding capacity.

Assessed Valuation by Jurisdiction. The following table describes the percentage and value of the total assessed valuation of the property within the District's boundaries that reside in the cities of El Cajon, San Diego and Santee and unincorporated portions of the County for fiscal year 2016-17.

**SANTEE SCHOOL DISTRICT
(San Diego County, California)
2016-17 Assessed Valuation and Parcels by Jurisdiction⁽¹⁾**

Jurisdiction	Assessed Valuation in District	% of District	Assessed Valuation of Jurisdiction	% of Jurisdiction in District
City of El Cajon	\$208,693,209	3.55%	\$8,445,621,171	2.47%
City of San Diego	57,251,461	0.97	221,006,039,954	0.03
City of Santee	5,314,915,083	90.35	5,325,555,641	99.80
Unincorporated San Diego County	301,956,131	5.13	66,670,464,583	0.45
Total District	\$5,882,815,884	100.00%		
San Diego County	\$5,882,815,884	100.00%	\$467,262,672,018	1.26%

Source: California Municipal Statistics, Inc.

Assessed Valuation by Land Use. The following table sets forth a distribution of taxable property located in the District on the fiscal year 2016-17 tax roll by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use.

**SANTEE SCHOOL DISTRICT
(San Diego County, California)
2016-17 Assessed Valuation and Parcels by Land Use**

Type of Property	2016-17 Assessed Valuation ⁽¹⁾	% of Total	No. of Parcels	% of Total
Non-Residential:				
Agricultural/Rural	\$31,413,640	0.55%	98	0.53%
Commercial	559,305,770	9.80	345	1.87
Vacant Commercial	38,952,623	0.68	47	0.25
Industrial	459,382,359	8.05	442	2.39
Vacant Industrial	12,638,145	0.22	43	0.23
Recreational/Golf	2,023,279	0.04	1	0.01
Government/Social/Institutional	128,873	0.00	198	1.07
Subtotal Non-Residential	\$1,103,844,689	19.34%	1,174	6.36%
Residential:				
Single Family Residence	\$3,388,650,008	59.37%	11,957	64.78%
Condominium/Townhouse	831,543,277	14.57	3,944	21.37
Mobile Home	49,617,341	0.87	910	4.93
Mobile Home Park	67,347,222	1.18	16	0.09
2-4 Residential Units	24,403,431	0.43	98	0.53
5+ Residential Units/Apartments	214,015,115	3.75	57	0.31
Miscellaneous Residential	2,254,628	0.04	69	0.37
Vacant Residential	25,722,240	0.45	233	1.26
Subtotal Residential	\$4,603,553,262	80.66%	17,284	93.64%
Total	\$5,707,397,951	100.00%	18,458	100.00%

⁽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 the assessed valuation of single-family homes in the District's boundaries for fiscal year 2016-17.

**SANTEE SCHOOL DISTRICT
(San Diego County, California)
2016-17 Per Parcel Assessed Valuation of Single Family Homes**

	Number of Parcels	Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single Family Residential	11,957	\$3,388,650,008	\$283,403	\$272,689

2016-17 Assessed Valuation	No. of Parcels ⁽¹⁾	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
\$0 - \$24,999	22	0.184%	0.184%	\$447,140	0.013%	0.013%
\$25,000 - \$49,999	628	5.252	5.436	26,389,140	0.779	0.792
\$50,000 - \$74,999	543	4.541	9.977	33,839,517	0.999	1.791
\$75,000 - \$99,999	393	3.287	13.264	33,745,055	0.996	2.786
\$100,000 - \$124,999	307	2.568	15.832	34,845,682	1.028	3.815
\$125,000 - \$149,999	531	4.441	20.273	73,535,000	2.170	5.985
\$150,000 - \$174,999	572	4.784	25.056	92,962,207	2.743	8.728
\$175,000 - \$199,999	762	6.373	31.429	143,607,703	4.238	12.966
\$200,000 - \$224,999	862	7.209	38.638	183,162,972	5.405	18.371
\$225,000 - \$249,999	800	6.691	45.329	189,758,317	5.600	23.971
\$250,000 - \$274,999	596	4.985	50.314	156,124,919	4.607	28.578
\$275,000 - \$299,999	556	4.650	54.964	159,588,413	4.709	33.288
\$300,000 - \$324,999	575	4.809	59.773	179,775,735	5.305	38.593
\$325,000 - \$349,999	571	4.775	64.548	192,778,332	5.689	44.282
\$350,000 - \$374,999	691	5.779	70.327	250,633,122	7.396	51.678
\$375,000 - \$399,999	698	5.838	76.165	270,053,620	7.969	59.648
\$400,000 - \$424,999	895	7.485	83.650	367,498,157	10.845	70.493
\$425,000 - \$449,999	630	5.269	88.919	274,074,022	8.088	78.581
\$450,000 - \$474,999	370	3.094	92.013	170,173,146	5.022	83.602
\$475,000 - \$499,999	190	1.589	93.602	92,246,619	2.722	86.325
\$500,000 and greater	765	6.398	100.000	463,411,190	13.675	100.000
Total	11,957	100.000%		\$3,388,650,008	100.000%	

⁽¹⁾ Improved single family residential parcels. Excludes condominiums and parcels with multiple family units.
Source: California Municipal Statistics, Inc.

Largest Taxpayers in District. The following table sets forth the 20 taxpayers with the greatest combined ownership of taxable property in the District on the fiscal year 2016-17 tax roll, and the assessed valuation of all property owned by those taxpayers in all taxing jurisdictions within the District, are set forth below.

**SANTEE SCHOOL DISTRICT
(San Diego County, California)
Largest 2016-17 Local Secured Taxpayers⁽¹⁾**

	Property Owner	Primary Land Use	2016-17 Assessed Valuation	Percent of Total ⁽¹⁾
1.	Vestar Kimco Santee LP	Shopping Center	\$48,276,075	0.85%
2.	Santee Partners LP	Apartments	29,426,449	0.52
3.	Wal-Mart Stores East LP	Commercial	29,006,793	0.51
4.	HCA Arbors Apartments LP	Apartments	28,747,392	0.50
5.	Sycamore Landfill Inc.	Landfill	26,718,045	0.47
6.	MHC Meadowbrook LP	Mobile Home Park	21,490,097	0.38
7.	Santee Retail LP	Commercial	21,366,537	0.37
8.	American Realty Capital Properties Inc.	Commercial	18,846,730	0.33
9.	Target Corp.	Commercial	16,702,932	0.29
10.	Sunridge Apartments LP	Apartments	16,560,171	0.29
11.	Petsmart Inc.	Shopping Center	16,497,107	0.29
12.	Pacific Castle Santee LP	Commercial	15,440,000	0.27
13.	Vons Companies Inc. Alcott Estates	Commercial	15,228,750	0.27
14.	HCA Sunset Trails LP	Apartments	14,886,670	0.26
15.	Santee Senior Retirement Communities	Assisted Living	14,596,150	0.26
16.	Lowe's HIW Inc.	Commercial	14,318,825	0.25
17.	Alcott Estates	Commercial	14,071,934	0.25
18.	Costco Wholesale Corporation	Commercial	13,618,799	0.24
19.	Gillespie GH LLC	Commercial	13,500,000	0.24
20.	Kohls Department Stores Inc.	Commercial	13,104,807	0.23
			\$402,404,263	7.05%

⁽¹⁾ 2016-17 local secured assessed valuation: \$5,707,397,951
Source: California Municipal Statistics, Inc.

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. Furthermore, assessments may be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District's control. See "*Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*" above.

Tax Rates

The State Constitution permits the levy of an *ad valorem* tax on taxable property not to exceed 1% of the full cash value of the property, and State law requires the full 1% tax to be levied. The levy of special *ad valorem* property taxes in excess of the 1% levy is permitted as necessary to provide for debt service payments on school bonds and other voter-approved indebtedness.

The rate of tax necessary to pay fixed debt service on the Refunding Bonds in a given year depends on the assessed value of taxable property in that year. (The rate of tax imposed on unsecured property for repayment of the Refunding Bonds is based on the prior year's secured property tax rate.) Economic and other factors beyond the District's control, such as a general market decline in land values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property

owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, flood, fire, toxic dumping, etc., could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate to be levied to pay the principal of and interest on the Refunding Bonds. Issuance of additional authorized bonds in the future might also cause the tax rate to increase.

Typical Tax Rate Area. The following table sets forth *ad valorem* property tax rates for the last five fiscal years in typical Tax Rate Areas of the District: TRA 16-007 and TRA 86-013. TRA 16-007 comprises approximately 18.91% of the total fiscal year 2016-17 assessed value of the District. TRA 86-013 comprises approximately 1.03% of the total fiscal year 2016-17 assessed value of the District.

**SANTEE SCHOOL DISTRICT
(San Diego County, California)
Typical Total Tax Rates per \$100 of Assessed Valuation
Fiscal Years 2011-12 Through 2016-17**

Within the City of Santee: TRA 16-007

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
General	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%
Santee School District	.03308	.03390	.03405	.03321	.03277	.03964
Grossmont Union High School District	.06121	.06103	.06167	.06118	.06053	.05717
Grossmont-Cuyamaca Community College	.03082	.03173	.04752	.04650	.04539	.04005
Grossmont Healthcare District	.02005	.02005	.02005	.02005	.02352	.02352
Metropolitan Water District	.00370	.00350	.00350	.00350	.00350	.00350
Total	\$1.14886	\$1.15021	\$1.16679	\$1.16444	\$1.16571	\$1.16388

Within Unincorporated San Diego County: TRA 86-013

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
General	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%
Santee School District	.03308	.03390	.03405	.03321	.03277	.03964
Grossmont Union High School District	.06121	.06103	.06167	.06118	.06053	.05717
Grossmont-Cuyamaca Community College	.03082	.03173	.04752	.04650	.04539	.04005
Grossmont Healthcare District	.02005	.02005	.02005	.02005	.02352	.02352
Metropolitan Water District	.00370	.00350	.00350	.00350	.00350	.00350
Total	\$1.14886	\$1.15021	\$1.16679	\$1.16444	\$1.16571	\$1.16388

Source: California Municipal Statistics, Inc.

Tax Charges and Delinquencies

A school district’s share of the 1% countywide tax is based on the actual allocation of property tax revenues to each taxing jurisdiction in the county in fiscal year 1978-79, as adjusted according to a complicated statutory process enacted since that time. Revenues derived from special *ad valorem* taxes for voter-approved indebtedness, including the Refunding Bonds, are reserved to the taxing jurisdiction that approved and issued the debt, and may only be used to repay that debt.

The County Treasurer prepares the property tax bills. Property taxes on the regular secured assessment roll are due in two equal installments: the first installment is due on November 1, and becomes

delinquent after December 10. The second installment is due on February 1 and becomes delinquent after April 10. If taxes are not paid by the delinquent date, a 10% penalty attaches and a \$30 cost is added to unpaid second installments. If taxes remain unpaid by June 30, the tax is deemed to be in default, and a \$15 state redemption fee applies. Interest then begins to accrue at the rate of 1.5% per month. The property owner has the right to redeem the property by paying the taxes, accrued penalties, and costs within five years of the date the property went into default. If the property is not redeemed within five years, it is subject to sale at a public auction by the County Treasurer.

Property taxes on the unsecured roll are due in one payment on the lien date, January 1, and become delinquent after August 31. A 10% penalty attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of 1.5% per month begins to accrue on November 1. To collect unpaid taxes, the County Treasurer may obtain a judgment lien upon and cause the sale of all property owned by the taxpayer in the County, and may seize and sell personal property, improvements and possessory interests of the taxpayer. The County Treasurer may also bring a civil suit against the taxpayer for payment.

The date on which taxes on supplemental assessments are due depends on when the supplemental tax bill is mailed.

The following table sets forth real property tax charges with respect to property located in the District for fiscal years 2010-11 through 2015-16. The County utilizes the Teeter Plan for assessment levy and distribution. This method guarantees distribution of 100% of the assessments levied to the taxing entity, with the County retaining all penalties and interest, and the County does not provide a breakdown of the delinquencies with respect to property located in the District. See “–Teeter Plan” below.

**SANTEE SCHOOL DISTRICT
(San Diego County, California)
Secured Tax Charges and Delinquencies
Fiscal Years 2010-11 through 2015-16**

Fiscal Year	Secured Tax Charge ⁽¹⁾	Amount Delinquent June 30	Percent Delinquent June 30
2010-11	\$10,403,821	-	(2)
2011-12	10,358,794	-	(2)
2012-13	10,458,156	-	(2)
2013-14	10,103,733	-	(2)
2014-15	10,692,259	-	(2)
2015-16	11,222,664	-	(2)

⁽¹⁾ General Fund apportionment.
⁽²⁾ The County utilizes the Teeter Plan for assessment levy and distribution. This method guarantees distribution of 100% of the assessments levied to the taxing entity, with the County retaining all penalties and interest.
Source: California Municipal Statistics, Inc.

Teeter Plan

The County has implemented an alternative method for the distribution of secured property taxes to local agencies, known as the “Teeter Plan.” The Teeter Plan provisions are now set forth in Sections 4701 to 4717 of the California Revenue and Taxation Code. Upon adoption and implementation of this method by a county board of supervisors, local agencies for which the county acts as “bank” and certain other public agencies and taxing areas located in the county receive annually the full amount of their share of property taxes on the secured roll, including delinquent property taxes which have yet to be collected. While a county benefits from the penalties associated with these delinquent taxes when they are paid, the Teeter Plan provides participating local agencies with stable cash flow and the elimination of collection risk.

To implement a Teeter Plan, the board of supervisors of a county generally must elect to do so by July 15 of the fiscal year in which it is to apply. As a separate election, a county may elect to have the Teeter Plan procedures also apply to assessments on the secured roll. The County Board of Supervisors adopted the Teeter Plan on June 29, 1993. The County’s Teeter Plan applies to the District and to its outstanding general obligation bonds.

Upon making a Teeter Plan election, a county must initially provide a participating local agency with 95% of the estimated amount of the then-accumulated tax delinquencies (excluding penalties) for that agency. In the case of the initial year distribution of assessments (if a county has elected to include assessments), 100% of the assessment delinquencies (excluding penalties) are to be apportioned to the participating local agency which levied the assessment. After the initial distribution, each participating local agency receives annually 100% of the secured property tax levies to which it is otherwise entitled, regardless of whether the county has actually collected the levies.

If any tax or assessment which was distributed to a Teeter Plan participant is subsequently changed by correction, cancellation or refund, a pro rata adjustment for the amount of the change is made on the records of the treasurer and auditor of the county. Such adjustment for a decrease in the tax or assessment is treated by the County as an interest-free offset against future advances of tax levies under the Teeter Plan.

Once adopted, a county’s Teeter Plan will remain in effect in perpetuity unless the board of supervisors orders its discontinuance or unless prior to the commencement of a fiscal year a petition for discontinuance is received and joined in by resolutions of the governing bodies of not less than two-thirds of the participating districts in the county. An electing county may, however, opt to discontinue the Teeter Plan with respect to any levying agency in the county if the board of supervisors, by action taken not later than July 15 of a fiscal year, elects to discontinue the procedure with respect to such levying agency and the rate of secured tax delinquencies in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured roll by that agency. The County has never discontinued the Teeter Plan with respect to any levying agency.

Direct and Overlapping Debt

Set forth below is a schedule of direct and overlapping debt prepared by California Municipal Statistics Inc. effective October 6, 2016 for debt issued as of October 1, 2016. The table is included for general information purposes only. The District has not reviewed this table for completeness or accuracy and makes no representations in connection therewith. The first column in the table names each public agency which has outstanding debt as of the date of the schedule and whose territory overlaps the District in whole or in part. Column two sets forth the percentage of each overlapping agency’s assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not shown in the table) produces the amount set forth in column three,

which is the apportionment of each overlapping agency’s outstanding debt to taxable property in the District.

The schedule generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District. Such long-term obligations generally are not payable from revenues of the District (except as indicated) nor are they necessarily obligations secured by land within the District. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

**SANTEE SCHOOL DISTRICT
(San Diego County, California)
Statement of Direct and Overlapping Bonded Debt**

2016-17 Assessed Valuation: \$5,882,815,884

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 10/1/16</u>
Metropolitan Water District	0.226%	\$209,700
Grossmont-Cuyamaca Community College District	12.998	30,084,568
Grossmont Union High School District	13.327	64,539,778
Santee School District	100.	54,535,125 ⁽¹⁾
Grossmont Healthcare District	12.227	<u>32,268,683</u>
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$181,637,854

<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
San Diego County General Fund Obligations	1.259%	\$3,810,426
San Diego County Pension Obligation Bonds	1.259	7,623,497
San Diego County Superintendent of Schools	1.259	165,370
Grossmont-Cuyamaca Community College District General Fund Obligations	12.998	124,781
Grossmont Union High School District Certificates of Participation	13.327	45,312
Santee School District Certificates of Participation	100.	30,604,849
City of San Diego General Fund Obligations	0.026	153,702
City of Santee General Fund Obligations	99.800	553,890
Lakeside Fire District Certificates of Participation	0.010	<u>568</u>
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		\$43,082,395

OVERLAPPING TAX INCREMENT DEBT (Successor Agencies): \$53,136,779

COMBINED TOTAL DEBT \$277,857,028⁽²⁾

Ratios to 2015-16 Assessed Valuation:

Direct Debt (\$54,535,125).....	0.93%
Total Direct and Overlapping Tax and Assessment Debt	3.09%
Combined Direct Debt (\$85,139,974).....	1.45%
Combined Total Debt.....	4.72%

Ratios to Redevelopment Incremental Valuation (\$1,229,501,526):

Overlapping Tax Increment Debt	4.32%
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⁽¹⁾ Excludes the Refunding Bonds; includes Prior Bonds.
⁽²⁾ Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations. Qualified Zone Academy Bonds are included based on principal due at maturity.
 Source: California Municipal Statistics, Inc.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, bond counsel to the District (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Refunding Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”) and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the Refunding Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix C hereto.

To the extent the issue price of any maturity of the Refunding Bonds is less than the amount to be paid at maturity of such Refunding Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Refunding Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Refunding Bonds which is excluded from gross income for federal income tax purposes and State of California personal income taxes. For this purpose, the issue price of a particular maturity of the Refunding Bonds is the first price at which a substantial amount of such maturity of the Refunding Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Refunding Bonds accrues daily over the term to maturity of such Refunding Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Refunding Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Refunding Bonds. Beneficial Owners of the Refunding Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Refunding Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Refunding Bonds in the original offering to the public at the first price at which a substantial amount of such Refunding Bonds is sold to the public.

Refunding Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Bonds”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Refunding Bonds. The District has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Refunding Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Refunding Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Refunding Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring),

or any other matters coming to Bond Counsel's attention after the date of issuance of the Refunding Bonds may adversely affect the value of, or the tax status of interest on, the Refunding Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Refunding Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Refunding Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Refunding Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. For example, the Obama Administration's budget proposals in recent years have proposed legislation that would limit the exclusion from gross income of interest on the Refunding Bonds to some extent for high-income individuals. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Refunding Bonds. Prospective purchasers of the Refunding Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Refunding Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Refunding Bonds ends with the issuance of the Refunding Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the District or the Beneficial Owners regarding the tax-exempt status of the Refunding Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the District and its appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Refunding Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Refunding Bonds, and may cause the District or the Beneficial Owners to incur significant expense.

OTHER LEGAL MATTERS

Legal Opinion

The validity of the Refunding Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District. Bond Counsel expects to

deliver an opinion with respect to the Refunding Bonds at the time of issuance of such series substantially in the forms set forth in Appendix C hereto. Bond Counsel, as such, undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel to the District, and for the Underwriter by _____.

Legality for Investment in California

Under the provisions of the California Financial Code, the Refunding Bonds are a legal investment for commercial banks in California to the extent that the Refunding Bonds, in the informed opinion of the bank, is prudent for the investment of funds of depositors, and, under provisions of the California Government Code, the Refunding Bonds are eligible securities for deposit of public moneys in the State.

Continuing Disclosure

The District has covenanted for the benefit of the holders and Beneficial Owners of the Refunding Bonds to provide, or to cause to be provided, to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system or such other electronic system designated by the Municipal Securities Rulemaking Board (the “EMMA System”) certain annual financial information and operating data relating to the District (the “Annual Report”) by not later than nine months following the end of the District’s fiscal year (currently ending June 30), commencing with the report for the 2015-16 fiscal year (which is due no later than March 31, 2017) and notice of the occurrence of certain enumerated events (“Notice Events”) in a timely manner not in excess of ten business days after the occurrence of such a Notice Event. The specific nature of the information to be contained in the Annual Report and the notices of Notice Events is set forth in APPENDIX D – “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”).

The District has existing disclosure undertakings that have been made pursuant to the Rule in connection with the issuance of the District’s general obligation bonds and certificates of participation. The District is not aware of any instances of noncompliance with continuing disclosure requirements pursuant to the Rule in the previous five years.

In order to ensure the timely compliance with its continuing disclosure obligation, the District has engaged Dale Scott & Company, Inc. to act as dissemination agent in connection with its prior undertakings as well as the undertaking relating to the Refunding Bonds.

Neither the County nor any other entity other than the District shall have any obligation or incur any liability whatsoever with respect to the performance of the District’s duties regarding continuing disclosure.

Litigation

No litigation is pending or threatened concerning or contesting the validity of the Refunding Bonds or the District’s ability to receive *ad valorem* taxes and to collect other revenues, or contesting the District’s ability to issue and retire the Refunding Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the title to their offices of District officers who will execute the Refunding Bonds or District officials who will sign certifications relating to the Refunding Bonds, or the powers of those offices. A certificate (or certificates) to that effect will be furnished to the Underwriter at the time of the original delivery of the Refunding Bonds.

The District is occasionally subject to lawsuits and claims. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the financial position or operations of the District.

ESCROW VERIFICATION

The arithmetical accuracy of certain computations included in the schedules provided by the Underwriter relating to the computation of projected receipts of principal and interest on the government obligations, and the projected payments of principal, redemption premium, if any, and interest to retire the Prior Bonds to be refunded will be verified by Causey Demgen & Moore, P.C., Denver, Colorado (the "Verification Agent"). Such computations will be based solely on assumptions and information supplied by the District and the Underwriter. The Verification Agent will restrict its procedures to verifying the arithmetical accuracy of certain computations and will not make any study to evaluate the assumptions and information on which the computations are based, and will express no opinion on the data used, the reasonableness of the assumptions or the achievability of the projected outcome.

MISCELLANEOUS

Ratings

S&P has assigned its rating of "___" to the Refunding Bonds. Rating agencies generally base their ratings on their own investigations, studies and assumptions. The rating reflects only the view of the rating agency furnishing the same, and any explanation of the significance of such rating should be obtained only from the rating agency providing the same. Such rating is not a recommendation to buy, sell or hold the Refunding Bonds. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency providing the same, if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Refunding Bonds. Neither the Underwriter nor the District has undertaken any responsibility after the offering of the Refunding Bonds to assure the maintenance of the rating or to oppose any such revision or withdrawal.

Professionals Involved in the Offering

Orrick, Herrington & Sutcliffe LLP is acting as Bond Counsel and Disclosure Counsel with respect to the Refunding Bonds, and will receive compensation contingent upon the sale and delivery of the Refunding Bonds. Dale Scott & Company is acting as the District's Financial Advisor with respect to the Refunding Bonds. _____, _____, _____, is acting as Underwriter's Counsel with respect to the Refunding Bonds. Payment of the fees and expenses of the Financial Advisor and Underwriter's Counsel is also contingent upon the sale and delivery of the Refunding Bonds. From time to time, Bond Counsel represents the Underwriter on matters unrelated to the Refunding Bonds.

Underwriting

The Refunding Bonds are being purchased for reoffering to the public by _____ (the "Underwriter"), pursuant to the terms of a bond purchase agreement executed on _____, 2016, by and between the Underwriter and the District (the "Purchase Agreement"). The Underwriter has agreed to purchase the Refunding Bonds at a price of \$_____ (representing the principal amount of the Refunding Bonds, [plus][less] [net] original issue [premium][discount] of \$_____, less an Underwriter's discount of \$_____). The Purchase Agreement provides that the Underwriter will purchase all of the Refunding Bonds, subject to certain terms and conditions set forth in the Purchase Agreement, including the approval of certain legal matters by counsel.

The Underwriter may offer and sell the Refunding Bonds to certain dealers and others at prices lower than the public offering prices shown on the inside front cover page of this Official Statement. The offering prices may be changed from time to time by the Underwriter.

ADDITIONAL INFORMATION

The purpose of this Official Statement is to supply information to purchasers of the Refunding Bonds. Quotations from and summaries and explanations of the Refunding Bonds and of the statutes and documents contained herein do not purport to be complete, and reference is made to such documents and statutes for full and complete statements of their provisions.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or Owners of any of the Refunding Bonds.

The District has duly authorized the delivery of this Official Statement.

SANTEE SCHOOL DISTRICT

By: _____
Superintendent

APPENDIX A

INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET

The information in this appendix concerning the operations of the Santee School District (the "District"), the District's finances, and State of California (the "State") funding of education, is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of or interest on the Refunding Bonds is payable from the general fund of the District or from State revenues. The Refunding Bonds are payable from the proceeds of an ad valorem tax approved by the voters of the District pursuant to all applicable laws and State Constitutional requirements, and required to be levied by the County of San Diego on property within the District in an amount sufficient for the timely payment of principal of and interest on the Refunding Bonds. See "SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS" in the front portion of this Official Statement.

THE DISTRICT

Introduction

The District, established in 1893, encompasses approximately 16.56 square miles in the eastern portion of the County of San Diego (the "County"). The District is located in the City of Santee, and it serves portions of the Cities of Santee, El Cajon, and San Diego, and an unincorporated area of San Diego County. The District provides public education services for grades pre-kindergarten through eight. The District operates one elementary school serving grades kindergarten through six, eight elementary schools serving grades kindergarten through eight, an alternative home school program and three preschool programs. Enrollment in the District for fiscal year 2016-17 is estimated to be 6,765 students. The District operates under the jurisdiction of the San Diego County Superintendent of Schools.

Board of Education

The District is governed by a five-member Board of Education (the "District Board"), each member of which is elected by voters within the District to serve alternating four-year terms. The District Board consists of five voting members. The voting members are elected to four-year terms in alternate slates of two and three and elections are held every two years. Each December the District Board elects a President and Clerk to serve one year terms. Current voting members of the District Board, together with their office and the date their term expires, are listed below.

SANTEE SCHOOL DISTRICT (San Diego County, California)

Board of Education

Name	Office	Term Expires
Barbara Ryan	President	December 2018
Elana Levens-Craig	Vice President	December 2016
Dianne El-Hajj	Clerk	December 2016
Dustin Burns	Member	December 2018
Ken Fox	Member	December 2018

Superintendent and Financial and Fiscal Administrative Personnel

The Superintendent of the District is appointed by the District Board and reports to the District Board. The Superintendent is responsible for management of the District's day-to-day operations and supervises the work of other key District administrators. Information concerning the Superintendent and certain other key administrative personnel is set forth below.

Cathy A. Pierce, Ed.D., Superintendent. Dr. Pierce became Superintendent of the District on November 1, 2012. Before joining the District, Dr. Pierce served as the Assistant Superintendent of Educational Services in Ramona Unified School District in the County. Previous positions include Director of Assessment and Categorical Programs, Secondary Mathematics Coordinate for the San Diego County Office of Education, the site administrator for the San Diego City Schools and middle school and high school mathematics and science teacher. Dr. Pierce has a doctorate in Educational Leadership and Management from Alliant International University and her dissertation research was used throughout the State to help improve student performance on the mathematics portion of the California High School Exit Examination.

Karl Christensen, MBA, Assistant Superintendent, Business Services. Mr. Christensen joined the District in June 2009. Prior to that, Mr. Christensen served as the Internal Auditor for La Mesa-Spring Valley School District ("LSVSD") in the County for six years, as Director, Information Systems for LSVSD for eight years, and as Chief Business Officer for San Ysidro District for five years. Mr. Christensen earned his bachelor's degree in Financial Accounting and his master's degree in Business Administration from National University.

DISTRICT FINANCIAL MATTERS

State Funding of Education; State Budget Process

General. As is true for all school districts in California, the District's operating income consists primarily of two components: a State portion funded from the State's general fund in accordance with the Local Control Funding Formula (see "- Allocation of State Funding to School Districts; Local Control Funding Formula" herein) and a local portion derived from the District's share of the 1% local *ad valorem* tax authorized by the State Constitution (see "- Local Sources of Education Funding" herein). In addition, school districts may be eligible for other special categorical funding from State and federal government programs. The District has budgeted to receive approximately 68.38% of its general fund revenues from State funds (not including the local \$13.25 million] in fiscal year 2016-17). Such amount includes both the State funding provided under the LCFF as well as other State revenues (see "- Allocation of State Funding to School Districts; Local Control Funding Formula – Attendance and LCFF" and "- Other District Revenues – Other State Revenues" below). As a result, decreases or deferrals in State revenues, or in State legislative appropriations made to fund education, may significantly affect the District's revenues and operations.

Under Proposition 98, a constitutional and statutory amendment adopted by the State's voters in 1988 and amended by Proposition 111 in 1990 (now found at Article XVI, Sections 8 and 8.5 of the Constitution), a minimum level of funding is guaranteed to school districts, community college districts, and other State agencies that provide direct elementary and secondary instructional programs. Recent years have seen frequent disruptions in State personal income taxes, sales and use taxes, and corporate taxes, making it increasingly difficult for the State to meet its Proposition 98 funding mandate, which normally commands about 45% of all State general fund revenues, while providing for other fixed State costs and priority programs and services. Because education funding constitutes such a large part of the State's general fund expenditures, it is generally at the center of annual budget negotiations and adjustments.

In connection with the State Budget Act for fiscal year 2013-14, the State and local education agencies therein implemented a new funding formula for school finance system called the Local Control Funding Formula (the “Local Control Funding Formula” or “LCFF”). Funding from the LCFF replaced the revenue limit funding system and most categorical programs. See “– Allocation of State Funding to School Districts; Local Control Funding Formula” herein for more information.

State Budget Process. According to the State Constitution, the Governor must propose a budget to the State Legislature no later than January 10 of each year, and a final budget must be adopted no later than June 15. Historically, the budget required a two-thirds vote of each house of the State Legislature for passage. However, on November 2, 2010, the State’s voters approved Proposition 25, which amended the State Constitution to lower the vote requirement necessary for each house of the State Legislature to pass a budget bill and send it to the Governor. Specifically, the vote requirement was lowered from two-thirds to a simple majority (50% plus one) of each house of the State Legislature. The lower vote requirement also applies to trailer bills that appropriate funds and are identified by the State Legislature “as related to the budget in the budget bill.” The budget becomes law upon the signature of the Governor, who may veto specific items of expenditure. Under Proposition 25, a two-thirds vote of the State Legislature is still required to override any veto by the Governor. School district budgets must generally be adopted by July 1, and revised by the school board within 45 days after the Governor signs the budget act to reflect any changes in budgeted revenues and expenditures made necessary by the adopted State budget. The Governor signed the fiscal year 2016-17 State budget on June 27, 2016.

When the State budget is not adopted on time, basic appropriations and the categorical funding portion of each school district’s State funding are affected differently. Under the rule of *White v. Davis* (also referred to as *Jarvis v. Connell*), a State Court of Appeal decision reached in 2002, there is no constitutional mandate for appropriations to school districts without an adopted budget or emergency appropriation, and funds for State programs cannot be disbursed by the State Controller until that time, unless the expenditure is (i) authorized by a continuing appropriation found in statute, (ii) mandated by the State Constitution (such as appropriations for salaries of elected State officers), or (iii) mandated by federal law (such as payments to State workers at no more than minimum wage). The State Controller has consistently stated that basic State funding for schools is continuously appropriated by statute, but that special and categorical funds may not be appropriated without an adopted budget. Should the State Legislature fail to pass a budget or emergency appropriation before the start of any fiscal year, the District might experience delays in receiving certain expected revenues. The District is authorized to borrow temporary funds to cover its annual cash flow deficits, and as a result of the *White v. Davis* decision, the District might find it necessary to increase the size or frequency of its cash flow borrowings, or to borrow earlier in the fiscal year. The District does not expect the *White v. Davis* decision to have any long-term effect on its operating budgets.

Aggregate State Education Funding. The Proposition 98 guaranteed amount for education is based on prior-year funding, as adjusted through various formulas and tests that take into account State proceeds of taxes, local property tax proceeds, school enrollment, per-capita personal income, and other factors. The State’s share of the guaranteed amount is based on State general fund tax proceeds and is not based on the general fund in total or on the State budget. The local share of the guaranteed amount is funded from local property taxes. The total guaranteed amount varies from year to year and throughout the stages of any given fiscal year’s budget, from the Governor’s initial budget proposal to actual expenditures to post-year-end revisions, as better information regarding the various factors becomes available. Over the long run, the guaranteed amount will increase as enrollment and per capita personal income grow.

If, at year-end, the guaranteed amount is calculated to be higher than the amount actually appropriated in that year, the difference becomes an additional education funding obligation, referred to as “settle-up.” If the amount appropriated is higher than the guaranteed amount in any year, that higher funding

level permanently increases the base guaranteed amount in future years. The Proposition 98 guaranteed amount is reduced in years when general fund revenue growth lags personal income growth, and may be suspended for one year at a time by enactment of an urgency statute. In either case, in subsequent years when State general fund revenues grow faster than personal income (or sooner, as the Legislature may determine), the funding level must be restored to the guaranteed amount, the obligation to do so being referred to as “maintenance factor.”

Although the California Constitution requires the State to approve a balanced State Budget Act each fiscal year, the State’s response to fiscal difficulties in some years has had a significant impact upon the Proposition 98 minimum guarantee and the treatment of settle-up payments with respect to the years in which the Proposition 98 minimum guarantee was suspended. The State has sought to avoid or delay paying settle-up amounts when funding has lagged the guaranteed amount. In response, teachers’ unions, the State Superintendent and others sued the State or Governor in 1995, 2005, 2009 and 2011 to force them to fund schools in the full amount required. The settlement of the 1995 and 2005 lawsuits has so far resulted in over \$4 billion in accrued State settle-up obligations. However, legislation enacted to pay down the obligations through additional education funding over time, including the Quality Education Investment Act of 2006, have also become part of annual budget negotiations, resulting in repeated adjustments and deferrals of the settle-up amounts.

The State has also sought to preserve general fund cash while avoiding increases in the base guaranteed amount through various mechanisms: by treating any excess appropriations as advances against subsequent years’ Proposition 98 minimum funding levels rather than current year increases; by temporarily deferring apportionments of Proposition 98 funds from one fiscal year to the next; by permanently deferring apportionments of Proposition 98 funds from one fiscal year to the next; by suspending Proposition 98, as the State did in fiscal year 2004-05, fiscal year 2010-11, fiscal year 2011-12 and fiscal year 2012-13; and by proposing to amend the State Constitution’s definition of the guaranteed amount and settle-up requirement under certain circumstances.

The District cannot predict how State income or State education funding will vary over the term to maturity of the Refunding Bonds, and the District takes no responsibility for informing owners of the Refunding Bonds as to actions the State Legislature or Governor may take affecting the current year’s budget after its adoption. Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the website of the Department of Finance, www.dof.ca.gov, under the heading “California Budget.” An impartial analysis of the budget is posted by the Office of the Legislative Analyst at www.lao.ca.gov. In addition, various State of California official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on school districts in the State, may be found at the website of the State Treasurer, www.treasurer.ca.gov. The information referred to is prepared by the respective State agency maintaining each website and not by the District, and the District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

Rainy Day Fund; SB 858. In connection with the 2014-15 State Budget, the Governor proposed certain constitutional amendments (“Proposition 2”) to the rainy day fund (the “Rainy Day Fund”) for the November 2014 Statewide election. Senate Bill 858 (2014) (“SB 858”) amends the Education Code to, among other things, limit the amount of reserves that may be maintained by a school district subject to certain State budget matters. Upon the approval of Proposition 2, SB 858 became operational. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2” herein.

AB 1469. As part of the 2014-15 State Budget, the Governor signed Assembly Bill 1469 (“AB 1469”) which implemented a new funding strategy for the California State Teachers’ Retirement System (“CalSTRS”), increased the employer contribution rate in fiscal year 2014-15 from 8.25% to 8.88% of covered payroll. See “– Retirement Benefits – CalSTRS” herein for more information about CalSTRS and AB 1469.

2016-17 State Budget. The Governor signed the fiscal year 2016-17 State budget (the “2016-17 State Budget”) on June 27, 2016. The 2016-17 State Budget sets forth a balanced budget for Fiscal Year 2016-17 and allocates funds from Proposition 2 to pay down outstanding budgetary borrowing and retirement liabilities of the State and University of California. The 2016-17 State Budget estimates that total resources available in fiscal year 2015-16 totaled approximately \$120.45 billion (including a prior year balance of \$3.4 billion) and total expenditures in fiscal year 2015-16 totaled approximately \$115.57 billion. The 2016-17 State Budget projects total resources available for fiscal year 2016-17 of \$125.18 billion, inclusive of revenues and transfers of \$120.31 billion and a prior year balance of \$4.87 billion. The 2016-17 State Budget projects total expenditures of \$122.47 billion, inclusive of non-Proposition 98 expenditures of \$71.42 billion and Proposition 98 expenditures of \$51.05 billion. The 2016-17 State Budget proposes to allocate \$966 million of the General Fund’s projected fund balance to the Reserve for Liquidation of Encumbrances and \$1.75 billion of such fund balance to the State’s Special Fund for Economic Uncertainties. In addition, the 2016-17 State Budget estimates the Rainy Day Fund will have a fund balance of \$6.71 billion.

Certain budgeted adjustments for K-12 education set forth in the 2016-17 State Budget include the following:

- **School District Local Control Funding Formula.** The 2016-17 State Budget includes an increase of more than \$2.9 billion to continue the implementation of the Local Control Funding Formula. The 2016-17 State Budget proposes to commit most new funding to Supplemental Grants and Concentration Grants. The Governor estimates that the budgeted increase will bring the total Local Control Funding Formula implementation to 96%.
- **Proposition 98 Minimum Guarantee.** The 2016-17 State Budget includes Proposition 98 funding of \$71.9 billion, inclusive of State and local funds, for fiscal year 2016-17. Such amount is expected to satisfy the Proposition 98 minimum guarantee for fiscal year 2016-17.
- **Mandate Claims.** The 2016-17 State Budget proposes to allocate approximately \$1.3 billion in one-time moneys to reduce outstanding mandate claims by K-12 local education agencies. The State expects such funds to be used for activities including, among others, deferred maintenance, professional development, induction for beginning teachers, instructional materials, technology and the implementation of new educational standards.
- **College Readiness Block Grant.** The 2016-17 State Budget includes a one-time increase of \$200 million to the Proposition 98 General Fund for grants to school districts and charter schools that serve high school students. The State will direct grant recipients to such funds be used to support access to higher education and transition to higher education.
- **Integrated Teacher Preparation Grant Program.** The 2016-17 State Budget includes a one-time allocation of \$10 million from the Proposition 98 portion of the General Fund to the Integrated Teacher Preparation Grant Program, which provides competitive grants to colleges and universities to develop or improve teacher credential programs.

- Classified School Employees Credentialing Program. The 2016-17 State Budget includes a one-time allocation of \$20 million from the Proposition 98 portion of the General Fund to establish a credentialing program that recruits non-certified school employees and prepares them to become certificated classroom teachers.
- California Center on Teacher Careers. The 2016-17 State Budget includes a one-time increase of \$5 million of Proposition 98 General Fund 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. The 2016-17 State Budget provides a one-time increase of \$24 million to the Proposition 98 portion of the General Fund 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.
- Safe Drinking Water in Schools. The 2016-17 State Budget includes an increase of \$9.5 million of one-time Proposition 98 General Fund 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.
- Charter School Startup Grants. The 2016-17 State Budget allocates an increase of \$20 million of one-time Proposition 98 General Fund resources to support operational startup costs for new charter schools in 2016 and 2017. Such allocation is expected to partially offset the loss of federal funding previously available for such purpose.
- Multi-Tiered Systems of Support. The 2016-17 State Budget allocates an increase of \$20 million of one-time Proposition 98 General Fund resources 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. The State expects 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.
- Proposition 47. Proposition 47 (2014) requires a portion of any State savings which have resulted from the State's reduced penalties for certain non-serious and non-violent property and drug offenses, to be allocated to K-12 truancy and dropout prevention, victim services, and mental health and drug treatment. The 2016-17 State Budget includes an increase of \$18 million on a one-time basis to the Proposition 98 portion of the General Fund allocated to a grant program for truancy and dropout prevention.

The complete 2016-17 State Budget is available from the California Department of Finance website at www.dof.ca.gov. The District can take no responsibility for the continued accuracy of this internet

address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Changes in State Budget. The District cannot predict the impact that the 2016-17 State Budget, or subsequent budgets, will have on its finances and operations. The 2016-17 State Budget may be affected by national and State economic conditions and other factors which the District cannot predict.

Prohibitions on Diverting Local Revenues for State Purposes. Beginning in 1992-93, the State satisfied a portion of its Proposition 98 obligations by shifting part of the property tax revenues otherwise belonging to cities, counties, special districts, and redevelopment agencies, to school and community college districts through a local Educational Revenue Augmentation Fund (“ERAF”) in each county. Local agencies, objecting to invasions of their local revenues by the State, sponsored a statewide ballot initiative intended to eliminate the practice. In response, the State Legislature proposed an amendment to the State Constitution, which the State’s voters approved as Proposition 1A at the November 2004 election. That measure was generally superseded by the passage of a new initiative constitutional amendment at the November 2010 election, known as “Proposition 22.”

The effect of Proposition 22 is to prohibit the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services. It prevents the State from redirecting redevelopment agency property tax increment to any other local government, including school districts, or from temporarily shifting property taxes from cities, counties and special districts to schools, as in the ERAF program. This is intended to, among other things, stabilize local government revenue sources by restricting the State’s control over local property taxes. One effect of this amendment will be to deprive the State of fuel tax revenues to pay debt service on most State bonds for transportation projects, reducing the amount of State general fund resources available for other purposes, including education.

Prior to the passage of Proposition 22, the State invoked Proposition 1A to divert \$1.935 billion in local property tax revenues in 2009-10 from cities, counties, and special districts to the State to offset State general fund spending for education and other programs, and included another diversion in the adopted 2009-10 State budget of \$1.7 billion in local property tax revenues from local redevelopment agencies, which local redevelopment agencies have now been dissolved (see “–Dissolution of Redevelopment Agencies” below). Redevelopment agencies had sued the State over this latter diversion. However, the lawsuit was decided against the California Redevelopment Association on May 1, 2010. Because Proposition 22 reduces the State’s authority to use or shift certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget in some years—such as reducing State spending or increasing State taxes, and school and community college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State’s general fund.

Dissolution of Redevelopment Agencies. The adopted State budget for fiscal 2011-12, as signed by the Governor of the State on June 30, 2011, included as trailer bills Assembly Bill No. 26 (First Extraordinary Session) (“AB1X 26”) and Assembly Bill No. 27 (First Extraordinary Session) (“AB1X 27”), which the Governor signed on June 29, 2011. AB1X 26 suspended most redevelopment agency activities and prohibited redevelopment agencies from incurring indebtedness, making loans or grants, or entering into contracts after June 29, 2011. AB1X 26 dissolved all redevelopment agencies in existence and designated “successor agencies” and “oversight boards” to satisfy “enforceable obligations” of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. Certain provisions of AB1X 26 are described further below.

In July 2011, various parties filed an action before the Supreme Court of the State of California (the “Court”) challenging the validity of AB1X 26 and AB1X 27 on various grounds (*California Redevelopment Association v. Matosantos*). On December 29, 2011, the Court rendered its decision in *Matosantos* upholding virtually all of AB1X 26 and invalidating AB1X 27. In its decision, the Court also modified various deadlines for the implementation of AB1X 26. The deadlines for implementation of AB1X 26 below take into account the modifications made by the Court in *Matosantos*.

On February 1, 2012, and pursuant to *Matosantos*, AB1X 26 dissolved all redevelopment agencies in existence and designated “successor agencies” and “oversight boards” to satisfy “enforceable obligations” of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. With limited exceptions, all assets, properties, contracts, leases, records, buildings and equipment, including cash and cash equivalents of a former redevelopment agency will be transferred to the control of its successor agency and, unless otherwise required pursuant to the terms of an enforceable obligation, distributed to various related taxing agencies pursuant to AB1X 26.

AB1X 26 requires redevelopment agencies to continue to make scheduled payments on and perform obligations required under its “enforceable obligations.” For this purpose, AB1X 26 defines “enforceable obligations” to include “bonds, including the required debt service, reserve set-asides, and any other payments required under the indenture or similar documents governing the issuance of outstanding bonds of the former redevelopment agency” and “any legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy.” AB1X 26 specifies that only payments included on an “enforceable obligation payment schedule” adopted by a redevelopment agency shall be made by a redevelopment agency until its dissolution. However, until a successor agency adopts a “recognized obligation payment schedule” the only payments permitted to be made are payments on enforceable obligations included on an enforceable obligation payment schedule. A successor agency may amend the enforceable obligation payment schedule at any public meeting, subject to the approval of its oversight board.

Under AB1X 26, commencing February 1, 2012, property taxes that would have been allocated to each redevelopment agency if the agencies had not been dissolved will instead be deposited in a “redevelopment property tax trust fund” created for each former redevelopment agency by the related county auditor-controller and held and administered by the related county auditor-controller as provided in AB1X 26. AB1X 26 generally requires each county auditor-controller, on May 16, 2012 and June 1, 2012 and each January 16 and June 1 (now each January 2 and June 1 pursuant to AB 1484, as described below) thereafter, to apply amounts in a related redevelopment property tax trust fund, after deduction of the county auditor-controller’s administrative costs, in the following order of priority:

- To pay pass-through payments to affected taxing entities in the amounts that would have been owed had the former redevelopment agency not been dissolved; provided, however, that if a successor agency determines that insufficient funds will be available to make payments on the recognized obligation payment schedule and the county auditor-controller and State Controller verify such determination, pass-through payments that had previously been subordinated to debt service may be reduced;
- To the former redevelopment agency’s successor agency for payments listed on the successor agency’s recognized obligation payment schedule for the ensuing six-month period;
- To the former redevelopment agency’s successor agency for payment of administrative costs; and

- Any remaining balance to school entities and local taxing agencies.

It is possible that there will be additional legislation proposed and/or enacted to “clean up” various inconsistencies contained in AB1X 26 and there may be additional legislation proposed and/or enacted in the future affecting the current scheme of dissolution and winding up of redevelopment agencies currently contemplated by AB1X 26. For example, AB 1484 was signed by the Governor on June 27, 2012, to clarify and amend certain aspects of AB1X 26. AB 1484, among other things, attempts to clarify the role and requirements of successor agencies, provides successor agencies with more control over agency bond proceeds and properties previously owned by redevelopment agencies and adds other new and modified requirements and deadlines. AB 1484 also provides for a “tax claw back” provision, wherein the State is authorized to withhold sales and use tax revenue allocations to local successor agencies to offset payment of property taxes owed and not paid by such local successor agencies to other local taxing agencies. This “tax claw back” provision has been challenged in court by certain cities and successor agencies. The District cannot predict the outcome of such litigation and what effect, if any, it will have on the District. Additionally, no assurances can be given as to the effect of any such future proposed and/or enacted legislation on the District.

Future Budgets and Budgetary Actions. The District cannot predict what future actions will be taken by the State Legislature and the Governor to address changing State revenues and expenditures or the impact such actions will have on State revenues available in the current or future years for education. The State budget will be affected by national and State economic conditions and other factors beyond the District’s ability to predict or control. Certain actions could result in a significant shortfall of revenue and cash, and could impair the State’s ability to fund schools during future fiscal years. Certain factors, like an economic recession, could result in State budget shortfalls in any fiscal year and could have a material adverse financial impact on the District.

Allocation of State Funding to School Districts; Local Control Funding Formula. Prior to the implementation of the Local Control Funding Formula in fiscal year 2013-14, under California Education Code Section 42238 and following, each school district was determined to have a target funding level: a “base revenue limit” per student multiplied by the district’s student enrollment measured in units of average daily attendance. The base revenue limit was calculated from the district’s prior-year funding level, as adjusted for a number of factors, such as inflation, special or increased instructional needs and costs, employee retirement costs, especially low enrollment, increased pupil transportation costs, etc. Generally, the amount of State funding allocated to each school district was the amount needed to reach that district’s base revenue limit after taking into account certain other revenues, in particular, locally generated property taxes. This is referred to as State “equalization aid.” To the extent local tax revenues increased due to growth in local property assessed valuation, the additional revenue was offset by a decline in the State’s contribution; ultimately, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State equalization aid, and received only its special categorical aid, which is deemed to include the “basic aid” of \$120 per student per year guaranteed by Article IX, Section 6 of the Constitution. Such districts were known as “basic aid districts,” which are now referred to as “community funded districts.” School districts that received some equalization aid were commonly referred to as “revenue limit districts,” which are now referred to as “LCFF districts.” The District is an LCFF district.

Beginning in fiscal year 2013-14, the LCFF replaced the revenue limit funding system and most categorical programs, and distributes combined resources to school districts through a base grant (“Base Grant”) per unit of average daily attendance (“A.D.A.”) with additional supplemental funding (the “Supplemental Grant”) allocated to local educational agencies based on their proportion of English language learners, students from low-income families and foster youth. The LCFF has an eight year implementation program to incrementally close the gap between actual funding and the target level of funding, as described below. The LCFF includes the following components:

- A Base Grant for each local education agency (a “LEA”). The Base Grants are based on four uniform, grade-span base rates. For Fiscal Year 2016-17, the LCFF provided to school districts and charter schools: (a) a Target Base Grant for each LEA equivalent to \$7,820 per A.D.A. for kindergarten through grade 3; (b) a Target Base Grant for each LEA equivalent to \$7,189 per A.D.A. for grades 4 through 6; (c) a Target Base Grant for each LEA equivalent to \$7,403 per A.D.A. for grades 7 and 8; (d) a Target Base Grant for each LEA equivalent to \$8,801 per A.D.A. for grades 9 through 12. However, the amount of actual funding allocated to the Base Grant, Supplemental Grants and Concentration Grants will be subject to the discretion of the State. This amount includes an adjustment of 10.4% to the Base Grant to support lowering class sizes in grades K-3, and an adjustment of 2.6% to reflect the cost of operating career technical education programs in grades 9-12.
- A 20% Supplemental Grant for the unduplicated number of English language learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.
- An additional Concentration Grant of up to 50% of a LEA’s Base Grant, based on the number of English language learners, students from low-income families and foster youth served by the local education agency that comprise more than 55% of enrollment.
- An Economic Recovery Target (the “ERT”) that is intended to ensure that almost every LEA receives at least their pre-recession funding level (i.e., the fiscal year 2007-08 revenue limit per unit of A.D.A.), adjusted for inflation, at full implementation of the LCFF. Upon full implementation, LEAs would receive the greater of the Base Grant or the ERT.

Under the new formula, for community funded districts, local property tax revenues would be used to offset up to the entire allocation under the new formula. However, community funded districts would continue to receive the same level of State aid as allocated in fiscal year 2012-13.

Local Control Accountability Plans. A feature of the LCFF is a system of support and intervention for local educational agencies. School districts, county offices of education and charter schools are required to develop, implement and annually update a three-year local control and accountability plan (“LCAP”). Each LCAP must be developed with input from teachers, parents and the community, and should describe local goals as they pertain to eight areas identified as state priorities, including student achievement, parent engagement and school climate, as well as detail a course of action to attain those goals. Moreover, the LCAPs must be designed to align with the district’s budget to ensure adequate funding is allocated for the planned actions.

Each school district must submit its LCAP annually on or before July 1 for approval by its county superintendent. The county superintendent then has until August 15 to seek clarification regarding the contents of the LCAP, and the school district must respond in writing. The county superintendent can submit recommendations for amending the LCAP, and such recommendations must be considered, but are not mandatory. A school district’s LCAP must be approved by its county superintendent by October 8 of each year if such superintendent finds (i) the LCAP adheres to the State template, and (ii) the district’s budgeted expenditures are sufficient to implement the strategies outlined in the LCAP.

Performance evaluations are to be conducted to assess progress toward goals and guide future actions. County superintendents are expected to review and provide support to the school districts under their jurisdiction, while the State Superintendent of Public Instruction performs a corresponding role for county offices of education. The California Collaborative for Education Excellence (the “Collaborative”), a newly established body of educational specialists, was created to advise and assist local education

agencies in achieving the goals identified in their LCAPs. For local education agencies that continue to struggle in meeting their goals, and when the Collaborative indicates that additional intervention is needed, the State Superintendent of Public Instruction would have authority to make changes to a local education agency's LCAP.

Attendance and LCFF. The following table sets forth the District's actual and budgeted A.D.A., enrollment (including percentage of students who are English language learners, from low-income families and/or foster youth (collectively, "EL/LI Students")), and targeted Base Grant per unit of A.D.A. for fiscal years 2013-14 through 2016-17. The A.D.A. and enrollment numbers reflected in the following table include special education.

**SANTEE SCHOOL DISTRICT
(San Diego County, California)
Average Daily Attendance, Enrollment and Targeted Base Grant
Fiscal Years 2013-14 through 2016-17**

Fiscal Year		A.D.A./Base Grant				Enrollment ⁽⁷⁾	
		K-3	4-6	7-8	Total A.D.A.	Total Enrollment	Unduplicated Percentage of EL/LI Students
2013-14	A.D.A. ⁽²⁾ :				6,237	6,394	43.53%
	Targeted Base Grant ⁽³⁾ :	\$6,952	\$7,056	\$7,266	--	--	--
2014-15	A.D.A. ⁽²⁾ :				6,278	6,472	40.99%
	Targeted Base Grant ⁽³⁾⁽⁴⁾ :	\$7,011	\$7,116	\$7,328	--	--	--
2015-16 ⁽¹⁾	A.D.A. ⁽²⁾ :				6,457	6,695	42.91%
	Targeted Base Grant ⁽³⁾⁽⁵⁾ :	\$7,083	\$7,189	\$7,403	--	--	--
2016-17 ⁽¹⁾	A.D.A. ⁽²⁾ :				6,457	6,765	41.99%
	Targeted Base Grant ⁽³⁾⁽⁶⁾ :	\$7,083	\$7,189	\$7,403	--	--	--

⁽¹⁾ Figures are projections.

⁽²⁾ A.D.A. for the second period of attendance, typically in mid-April of each school year.

⁽³⁾ Such amounts represent the targeted amount of Base Grant per unit of A.D.A., and do not include any supplemental and concentration grants under the LCFF. Such amounts are not expected to be fully funded in fiscal years 2013-14, 2014-15 and 2015-16.

⁽⁴⁾ Targeted fiscal year 2014-15 Base Grant amounts reflect a 0.85% cost-of-living adjustment from targeted fiscal year 2013-14 Base Grant amounts.

⁽⁵⁾ Targeted fiscal year 2015-16 Base Grant amounts reflect a 1.02% cost-of-living adjustment from targeted fiscal year 2014-15 Base Grant amounts.

⁽⁶⁾ Targeted fiscal year 2016-17 Base Grant amount reflects a 0.00% cost-of-living adjustment from targeted fiscal year 2015-16 Base Grant amounts.

⁽⁷⁾ Reflects enrollment as of October report submitted to the California Department of Education through California Basic Educational Data System ("CBEDS") for the 2013-14 and 2014-15 school years and California Longitudinal Pupil Achievement Data System ("CALPADS") for the 2015-16 school year. For purposes of calculating Supplemental and Concentration Grants, a school district's fiscal year 2013-14 percentage of unduplicated EL/LI Students will be expressed solely as a percentage of its fiscal year 2013-14 total enrollment. For fiscal year 2014-15, the percentage of unduplicated EL/LI Students enrollment will be based on the two-year average of EL/LI Students enrollment in fiscal years 2013-14 and 2014-15. Beginning in fiscal year 2015-16, a school district's percentage of unduplicated EL/LI Students will be based on a rolling average of such school district's EL/LI Students enrollment for the then-current fiscal year and the two immediately preceding fiscal years.

Source: Santee School District.

The District received approximately \$48.67 million (unaudited) in aggregate revenues reported under LCFF sources in fiscal year 2015-16, and has budgeted to receive approximately \$51.22 million in

aggregate revenues under the LCFF in fiscal year 2016-17 (or approximately 84.56% of its general fund revenues in fiscal year 2016-17).

Local Sources of Education Funding

The principal component of local revenues is a school district's property tax revenues, i.e., each district's share of the local 1% property tax, received pursuant to Sections 75 and following and Sections 95 and following of the California Revenue and Taxation Code. California Education Code Section 42238(h) itemizes the local revenues that are counted towards the amount allocated under the LCFF (and formerly, the base revenue limit) before calculating how much the State must provide in State aid. The more local property taxes a district receives, the less State aid it is entitled to receive. Prior to the implementation of the LCFF, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State aid, and received only its special categorical aid which is deemed to include the "basic aid" of \$120 per student per year guaranteed by Article IX, Section 6 of the Constitution. Such districts were known as "basic aid districts," which are now referred to as "community funded districts." School districts that received some State equalization aid were commonly referred to as "revenue limit districts." The District was a revenue limit district and is now referred to as an LCFF district.

Under the LCFF, local property tax revenues are used to offset up to the entire State aid collection under the new formula; however, community funded districts would continue to receive, at a minimum, the same level of State aid as allotted in fiscal year 2012-13. See "–Allocation of State Funding to School Districts: Local Control Funding Formula" herein for more information.

Local property tax revenues account for approximately \$13.25 million or approximately 25.88% of the District's aggregate LCFF revenue sources and approximately 21.88% of total general fund revenues in fiscal year 2016-17.

For a discussion of legal limitations on the ability of the District to raise revenues through local property taxes, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS" below.

Effect of Changes in Enrollment. Changes in local property tax income and A.D.A. affect LCFF districts and community funded districts differently. The District is an LCFF district.

In an LCFF district, increasing enrollment increases the total amount distributed under the LCFF and thus generally increases a district's entitlement to State equalization aid, while increases in property taxes do nothing to increase district revenues, but only offset the State funding requirement of equalization aid. Operating costs increase disproportionately slowly to enrollment growth; and only at the point where additional teachers and classroom facilities are needed. Declining enrollment has the reverse effect on LCFF districts, generally resulting in a loss of State equalization aid, while operating costs decrease slowly and only when, for example, the district decides to lay off teachers or close schools.

In community funded districts, the opposite is generally true: increasing enrollment increases the amount to which the district would be entitled were it an LCFF district, but since all LCFF income (and more) is already generated by local property taxes, there is no increase in State income, other than the \$120 per student in basic aid, as described above. Meanwhile, as new students impose increased operating costs, property tax income is stretched further. Declining enrollment does not reduce property tax income, and has a negligible impact on State aid, but eventually reduces operating costs, and thus can be financially beneficial to a community funded district.

Other District Revenues

Federal Revenues. The federal government provides funding for several District programs, including special education programs. Federal revenues, most of which are restricted, comprise approximately 3.61% (or approximately \$2.19 million) of the District's general fund budgeted revenues for fiscal year 2016-17.

Other State Revenues. In addition to State apportionments for Proposition 98 funding through the Local Control Funding Formula, the District receives other State revenues which comprise approximately 5.70% (or approximately \$3.45 million) of the District's general fund budgeted revenues for fiscal year 2016-17. A significant portion of such other State revenues are amounts the District expects to receive from State lottery funds, which may not be used for non-instructional purposes, such as the acquisition of real property, the construction of facilities, or the financing of research. School districts receive lottery funds proportional to their total A.D.A. The District's State lottery revenue is budgeted at approximately \$1.22 million for fiscal year 2016-17.

Other Local Revenues. In addition to *ad valorem* property taxes, the District receives additional local revenues which comprise approximately 6.13% (or approximately \$3.71 million) of the District's general fund budgeted revenues for fiscal year 2016-17.

Significant Accounting Policies and Audited Financial Reports

The State Department of Education imposes by law uniform financial reporting and budgeting requirements for K-12 districts. Financial transactions are accounted for in accordance with the Department of Education's California School Accounting Manual. This manual, according to Section 41010 of the Education Code, is to be followed by all California school districts, including the District. Significant accounting policies followed by the District are explained in Note 1 to the District's audited financial statements for the fiscal year ended June 30, 2015, which are included as Appendix B.

Independently audited financial reports are prepared annually in conformity with generally accepted accounting principles for educational institutions. The annual audit report is generally available about six months after the June 30 close of each fiscal year. The following tables contain data abstracted from financial statements prepared by the District's independent auditor, Vavrinek, Trine, Day & Co., LLP, Certified Public Accountants, Rancho Cucamonga, California, for fiscal years 2011-12 through 2014-15.

Vavrinek, Trine, Day & Co., LLP has not been requested to consent to the use or to the inclusion of its report in this Official Statement, and it has not audited nor reviewed this Official Statement. The District is required by law to adopt its audited financial statements after a public meeting to be conducted no later than January 31 following the close of each fiscal year.

The following table sets forth the statement of revenues, expenditures and changes in fund balances for the District's general fund for fiscal years 2010-11 through 2014-15.

SANTEE SCHOOL DISTRICT
(San Diego County, California)
Statement of General Fund Revenues, Expenditures and Changes in Fund Balance
Fiscal Years 2010-11 through 2014-15

	Fiscal Year 2010-11	Fiscal Year 2011-12	Fiscal Year 2012-13	Fiscal Year 2013-14	Fiscal Year 2014-15
REVENUES					
Revenue Limit/LCFF Sources	\$31,480,703	\$31,667,645	\$31,927,237	\$38,776,160	\$42,420,345
Federal sources	4,518,802	2,859,538	2,749,039	2,304,997	2,488,273
Other State sources	7,052,046	7,823,589	8,040,868	4,302,120	2,397,052
Other local sources	4,793,366	4,768,731	4,282,493	4,279,533	4,988,514
Total Revenues	47,844,917	47,119,503	46,999,637	49,662,810	52,294,184
EXPENDITURES					
Current					
Instruction	29,237,022	32,912,743	31,394,514	32,457,679	36,271,988
Instruction-related Services:					
Supervision of instruction	604,502	596,036	535,860	765,384	837,700
Instructional library, media and technology	733,128	747,545	754,791	819,087	1,043,391
School site administration	2,639,169	2,688,929	2,686,267	2,726,108	2,859,402
Pupil services:					
Home-to-school transportation	940,918	941,817	831,575	867,346	1,076,038
Food services	-	-	-	-	-
All other pupil services	1,856,695	2,027,187	2,048,731	1,940,275	2,027,409
Administration:					
Data processing	261,781	287,231	290,018	427,999	722,318
All other administration	3,743,006	3,033,374	2,314,788	2,338,366	2,651,242
Plant services	3,707,020	3,830,179	4,053,075	3,902,684	4,333,237
Facility acquisition and construction	12,853	3,031	-	131,644	239,892
Community services	280,834	262,341	254,571	239,228	257,950
Debt service					
Principal	-	-	-	-	-
Interest and other	82,597	40,589	2,810	-	-
Total Expenditures	44,099,525	47,371,002	45,167,000	46,615,800	52,320,959
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,745,392	(251,499)	1,832,637	3,047,010	(26,775)
Other Financing Sources (Uses)					
Transfers in	-	2,400	-	111,883	33,561
Transfers out	(452,405)	(802,510)	(679,339)	(1,575,395)	1,151,348
Net Financing Sources (Uses)	(452,405)	(800,110)	(679,339)	(1,463,512)	(1,117,787)
NET CHANGE IN FUND BALANCES	3,292,987	(1,051,609)	1,135,298	1,583,498	(1,144,562)
Fund Balances, Beginning	6,919,059	13,036,877	11,985,268	13,095,434⁽²⁾	14,678,932
Restatement	2,824,831	-	-	-	-
Fund Balances, Beginning (As Restated)	9,743,890⁽¹⁾	-	-	-	-
Fund Balance, Ending	\$13,036,877	\$11,985,268	\$13,120,566⁽²⁾	\$14,678,932	\$13,534,370

⁽¹⁾ The fund balance was restated to conform with GASB 45's definition of Governmental funds. This restatement added the beginning fund balance of Fund 17: Special Reserve for Other than Capital Outlay to the General Fund. The restatement did not change the total fund balance amounts reported in the District's audited financial statements. See audit report for fiscal year 2011-12.

⁽²⁾ The ending fund balance for fiscal year 2012-13 differs from the beginning fund balance for fiscal year 2013-14 because the District's 2012-13 Audited Financial Report included "Fund 14 - Deferred Maintenance" with an ending balance of \$25,132 in the General Fund. In the District's fiscal year 2013-14 Audited Financial Report, "Fund 14 - Deferred Maintenance" was shifted from the General Fund to Non-Major Governmental Funds resulting in the decrease of \$25,132 in the 2013-14 beginning fund balance.

Source: Santee School District Audited Financial Reports for fiscal years 2010-11 through 2014-15.

The following table sets forth the general fund balance sheet of the District for fiscal years 2010-11 through 2014-15.

SANTEE SCHOOL DISTRICT
(San Diego County, California)
Summary of General Fund Balance Sheet
Fiscal Years 2010-11 through 2014-15

	Fiscal Year 2010-11	Fiscal Year 2011-12	Fiscal Year 2012-13	Fiscal Year 2013-14	Fiscal Year 2014-15
ASSETS					
Deposits and investments	\$4,054,765	\$3,101,360	\$6,732,987	\$8,869,870	\$11,297,166
Receivables	9,540,414	11,553,253	6,566,227	5,541,719	2,488,630
Due from other funds	347,013	556,002	353,782	444,918	297,192
Prepaid expenditures	375,869	375,665	375,869	375,869	375,869
Stores inventories	29,615	50,327	28,440	53,344	46,850
Total Assets	\$14,347,676	\$15,636,607	\$14,057,305	\$15,285,720	\$14,505,707
LIABILITIES AND FUND BALANCE:					
Liabilities:					
Accounts payable	\$1,108,184	\$615,863	\$666,211	\$505,618	\$463,771
Due to other funds	50,894	175,248	184,611	-	131,358
Deferred/Unearned Revenue	151,721	96,652	85,917	101,170	267,256
Current loans	-	2,763,576	-	-	108,952
Total Liabilities	1,310,799	3,651,339	936,739	606,788	971,337
Fund Balances:					
Nonspendable	420,484	440,992	419,309	444,213	437,719
Restricted	-	274,581	383,099	1,350,410	684,398
Committed	-	200,000	-	-	-
Assigned	673,746	3,416,798	3,375,713	3,548,085	3,959,407
Unassigned	11,942,647	7,652,897	8,942,445	9,336,224	8,452,846
Total Fund Balances	13,036,877	11,985,268	13,120,566	14,678,932	13,534,370
Total Liabilities and Fund Balances	\$14,347,676	\$15,636,607	\$14,057,305	\$15,285,720	\$14,505,707

Source: Santee School District Audited Financial Reports for fiscal years 2010-11 through 2014-15.

District Budget Process and County Review

State law requires school districts to adopt a balanced budget in each fiscal year. The State Department of Education imposes a uniform budgeting and accounting format for school districts.

Under current law, a school district governing board must adopt and file with the county superintendent of schools a tentative budget by July 1 in each fiscal year. The District is under the jurisdiction of the County of San Diego Superintendent of Schools.

The county superintendent must review and approve, conditionally approve or disapprove the budget no later than August 15. The county superintendent is required to examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. If the budget is disapproved, it is returned to the District with recommendations for revision. The District is then required to revise the budget, hold a public hearing thereon, adopt the revised budget, and file it with the county superintendent no later than September 8. Pursuant to State law, the county superintendent has available various remedies by which to impose and enforce a budget that complies with State criteria, depending on the circumstances, if a budget is disapproved. After approval of an adopted budget, the school district's administration may submit budget revisions for governing board approval.

Subsequent to approval, the county superintendent will monitor each district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the district can meet its current or subsequent year financial obligations. If the county superintendent determines that a district cannot meet its current or the subsequent year's obligations, the county superintendent will notify the district's governing board of the determination and may then do either or both of the following: (a) assign a fiscal advisor to enable the district to meet those obligations, or (b) if a study and recommendations are made and a district fails to take appropriate action to meet its financial obligations, the county superintendent will so notify the State Superintendent of Public Instruction, and then may do any or all of the following for the remainder of the fiscal year: (i) request additional information regarding the district's budget and operations; (ii) develop and impose, after also consulting with the district's governing board, revisions to the budget that will enable the district to meet its financial obligations; and (iii) stay or rescind any action inconsistent with such revisions. However, the county superintendent may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the county superintendent assumed authority.

A State law adopted in 1991 (known as "A.B. 1200") imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200, each school district is required to file interim certifications with the county superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent fiscal year. The county superintendent reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that will meet its financial obligations for the current fiscal year and subsequent two fiscal years. A negative certification is assigned to any school district that is deemed unable to meet its financial obligations for the remainder of the 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 two subsequent fiscal years. A school district that receives a qualified or negative certification may not issue tax and revenue anticipation notes or certificates of participation without approval by the county superintendent in that fiscal year or in the next succeeding year.

In the last five years, the District has not had a budget disapproved and has not received a qualified or negative certification.

For school districts under fiscal distress, the county superintendent of schools is authorized to take a number of actions to ensure that the school district meets its financial obligations, including budget revisions. However, the county superintendent is not authorized to approve any diversion of revenue from *ad valorem* taxes levied to pay debt service on district general obligation bonds. A school district that becomes insolvent may, upon the approval of a fiscal plan by the county superintendent of schools, receive an emergency appropriation from the State, the acceptance of which constitutes an agreement to submit to management of the school district by a Superintendent appointed administrator.

In the event the State elects to provide an emergency appropriation to a school district, such appropriation may be accomplished through the issuance of “State School Fund Apportionment Lease Revenue Bonds” to be issued by the California Infrastructure and Economic Development Bank, on behalf of the school district. State law provides that so long as such bonds are outstanding, the recipient school district (via its State-appointed administrator) cannot file for bankruptcy.

The following table sets forth the District’s adopted general fund budgets for fiscal years 2013-14 through 2016-17, unaudited actuals for fiscal years 2013-14 and 2014-15, and estimated actuals for fiscal year 2015-16. The general fund budget for fiscal year 2016-17 was adopted by the Board of Education on June 21, 2016.

SANTEE SCHOOL DISTRICT
(San Diego County, California)
General Fund Budgets for Fiscal Years 2013-14 through 2016-17 and
Unaudited Actuals for Fiscal Years 2013-14 through 2015-16

	2013-14 Original Adopted Budget	2013-14 Unaudited Actuals	2014-15 Original Adopted Budget	2014-15 Unaudited Actuals	2015-16 Original Adopted Budget	2015-16 Unaudited Actuals	2016-17 Original Adopted Budget ⁽¹⁾
REVENUES							
Revenue Limit / LCFF Sources ⁽²⁾	\$33,110,001.00	\$38,776,161.47	\$42,352,410.00	\$42,420,345.87	\$47,393,864.00	\$48,673,656.02	\$51,222,046.00
Federal Revenue	2,127,780.00	2,305,113.63	2,173,934.00	2,586,569.49	2,339,607.00	2,561,555.88	2,185,644.00
Other State Revenue	6,813,066.00	2,966,080.77	1,609,348.00	2,397,052.21	5,009,827.00	5,723,974.85	3,450,123.00
Other Local Revenue	3,636,204.00	4,269,525.94	3,455,542.00	4,878,031.51	3,671,187.00	5,061,290.92	3,714,137.00
TOTAL REVENUES	45,687,051.00	48,316,881.81⁽³⁾	49,591,234.00	52,281,999.08⁽³⁾	58,414,485.00	62,020,477.67	60,571,950.00
EXPENDITURES							
Certificated Salaries	24,133,233.00	24,875,635.67	26,962,396.00	26,783,724.87	27,367,362.00	28,367,940.56	30,400,593.00
Classified Salaries	6,957,479.00	6,954,738.16	7,615,644.00	7,604,234.42	7,903,285.00	8,023,086.96	8,960,421.00
Employee Benefits	7,599,798.00	7,526,877.02	8,303,016.00	8,130,247.20	8,657,756.00	9,577,330.76	10,757,555.00
Books and Supplies	1,721,284.00	2,111,559.32	3,880,154.00	5,219,673.31	4,127,693.00	4,526,989.49	5,116,142.00
Services and Other Operating Expenses	3,627,552.00	3,709,858.18	3,734,665.00	4,155,015.37	4,191,607.00	4,697,901.57	4,242,903.00
Capital Outlay	140,655.00	223,975.84	649,419.00	527,363.70	806,927.00	479,047.13	955,847.00
Other Outgo (excluding Transfers of Indirect Costs)	967,251.00	902,847.81	1,037,681.00	1,021,790.38	1,051,267.00	601,575.12	969,205.00
Other Outgo - Transfers of Indirect Costs	(114,699.00)	(122,883.49)	(103,639.00)	(99,301.69)	(107,028.00)	(107,468.36)	(137,580.00)
TOTAL EXPENDITURES	45,032,553.00	46,182,608.51⁽³⁾	52,079,336.00	53,342,747.56⁽³⁾	53,998,889.00	56,166,403.23	61,265,086.00
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	654,498.00	2,134,273.30	(2,488,102.00)	(1,060,748.48)	4,415,616.00	5,854,274.44	(693,136.00)
OTHER FINANCING SOURCES (USES)							
Inter-fund Transfers In	56,655.00	111,883.45	38,914.00	33,561.49	20,170.00	29,142.68	20,170.00
Inter-fund Transfers Out	(654,486.00)	(672,547.00)	(1,249,265.00)	(719,557.71)	(849,236.00)	(2,311,236.00)	1,111,405.00
Other Sources (Uses)	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-
TOTAL, OTHER FINANCING SOURCES (USES)	(597,831.00)	(560,663.55)	(1,210,351.00)	(685,996.22)	(829,066.00)	(2,282,093.32)	(1,091,235.00)
NET INCREASE (DECREASE) IN FUND BALANCE	56,667.00	1,573,609.75	(3,698,453.00)	(1,746,744.70)	3,586,550.00	3,572,181.12	(1,784,371.00)
BEGINNING BALANCE,							
as of July 1 – Unaudited	9,154,725.32	10,233,354.51	10,208,084.51	11,806,964.26	7,224,709.26	10,060,219.56	11,267,592.56
Audit Adjustments	-	-	-	-	-	-	-
As of July 1 – Audited	9,154,725.32	10,233,354.51	10,208,084.51	11,806,964.26	7,224,709.26	10,060,219.56	11,267,592.56
Other Restatements	-	-	-	-	-	-	-
Adjusted Beginning Balance	9,154,725.32	10,233,354.51	10,208,084.51	11,806,964.26	7,224,709.26	10,060,219.56	11,267,592.56
ENDING BALANCE	\$9,211,392.32	\$11,806,964.26⁽³⁾	\$6,509,631.51	\$10,060,219.56⁽³⁾	\$10,811,259.26	\$13,632,400.68	\$9,483,221.58
Unrestricted Ending Balance	\$9,001,967.98	\$10,456,554.12	\$6,296,561.33	\$9,375,821.77	\$10,650,161.12	\$12,665,954.66	\$9,257,301.77
Restricted Ending Balance	\$209,424.34	\$1,350,410.14	\$213,070.18	\$684,397.79	\$161,098.14	\$966,446.02	\$225,919.79

⁽¹⁾ Figures are projections.

⁽²⁾ The LCFF was implemented beginning in fiscal year 2013-14.

⁽³⁾ The General Fund Ending Balance in the District's Unaudited Actuals for fiscal years 2013-14 and 2014-15 differs from the District's Audited Financial Report for these years because "Fund 17 - Special Reserve Fund for Other Than Capital Outlay" was included in the General Fund in the District's Audited Financial Report, but it was not included in the General Fund for purposes of the District's Unaudited Actuals for these years.

Source: Santee School District Adopted general fund budgets for fiscal years 2013-14 through 2016-17; and unaudited actuals for fiscal years 2013-14 through 2015-16.

District Debt Structure

Long-Term Debt Summary. A schedule of changes in the District’s long-term obligations for the year ended June 30, 2015, consisted of the following:

Long-Term Debt	Balance, July 1, 2014	Additions	Deductions	Balance, June 30, 2015	Amounts Due Within One Year
General Obligation Bonds ⁽¹⁾	\$49,031,966	\$1,347,860	\$430,000	\$49,949,826	\$509,221
Premium on bonds	1,331,204	-	59,066	1,272,138	-
Certificates of participation ⁽²⁾	25,683,776	74,648	200,000	25,558,424	220,000
Accumulated vacation – net	224,718	-	15,482	209,236	-
Qualified Zone Academy Bond	5,000,000	-	-	5,000,000	-
OPEB Obligation, net	1,772,199	1,302,587	983,791	2,090,995	-
	<u>\$83,043,863</u>	<u>\$2,725,095</u>	<u>\$1,688,339</u>	<u>\$84,080,619</u>	<u>\$729,221</u>

⁽¹⁾ Does not include the Series 2015 Refunding Bonds, the Series 2016A Refunding Bonds, the Refunding Bonds, the effect of the refunding on outstanding bonds or the planned refunding of the Prior Bonds. See “THE REFUNDING BONDS – Outstanding Bonds” and “– Aggregate Debt Service” in the front portion of this Official Statement for more information about outstanding bonds.

⁽²⁾ Does not reflect the refunding of a portion of the 2008 Certificates with the 2015 Certificates.

Source: Santee School District Audited Financial Report for fiscal year 2014-15.

General Obligation Bonds. Without regard to the issuance of the Refunding Bonds, the District has outstanding seven additional series of general obligation bonds, each of which is secured by *ad valorem* taxes levied upon all property subject to taxation by the District on a parity with the Refunding Bonds.

See “THE REFUNDING BONDS – Outstanding Bonds” and “– Aggregate Debt Service” in the front portion of this Official Statement for more information about outstanding bonds.

Certificates of Participation. On October 7, 2008, the District executed and delivered \$23,699,849.35 initial aggregate principal amount of its Certificates of Participation (2008 Capital Improvement Project) (the “2008 Certificates”) pursuant to a lease agreement with the Public Property Financing Corporation of California for the purpose of financing the acquisition, construction, installation, modernization, and equipping of improvements to various District facilities. The 2008 Certificates were sold bearing interest rates ranging from 3.25% to 5.75%. The outstanding principal balance at June 30, 2015 was \$23,993,424.

On June 16, 2010, the District executed and delivered \$2,260,000 aggregate principal amount of its Certificates of Participation (2010 Solar Energy Facilities Project) (the “2010 Certificates”) pursuant to a lease agreement with the Santee School District School Facilities Corporation (the “SSDSFC”) for the purpose of constructing and installing certain solar energy improvements located at the District’s Hill Creek Elementary School. The 2010 Certificates were sold bearing stated interest rates ranging between 2.315% and 7.160%. The outstanding principal balance at June 30, 2015, was \$1,565,000.

The annual requirements to amortize the 2008 Certificates and the 2010 Certificates is set forth below:

Fiscal Year	Principal ⁽¹⁾	Interest ⁽¹⁾	Principal Accretion	Total ⁽¹⁾
2016	\$220,000	\$1,318,237	\$79,166	\$1,617,403
2017	245,000	1,307,499	83,957	1,636,456
2018	265,000	1,295,240	89,039	1,649,279
2019	295,000	1,281,518	94,428	1,670,946
2020	325,000	1,265,958	100,143	1,691,101
2021-2025	1,976,252	6,033,128	589,207	8,598,587
2026-2030	928,315	5,759,906	397,337	7,085,558
2031-2035	2,450,963	5,539,253	18,300	8,008,516
2036-2040	4,437,894	4,606,269	-	9,044,163
2041-2045	6,765,000	3,094,437	-	9,859,437
2046-2050	7,650,000	878,075	-	8,528,075
Total	\$25,558,424	\$32,379,520	\$1,451,577	\$59,389,521

⁽¹⁾ Does not reflect the refunding of a portion of the 2008 Certificates with the 2015 Certificates.
Source: Santee School District Audited Financial Report for fiscal year 2014-15.

On December 22, 2015, the District executed and delivered \$23,240,000 aggregate principal amount its 2015 Refunding Certificates of Participation (the “2015 Certificates”) pursuant to a lease agreement with SSDSFC. The proceeds of the 2015 Certificates were used to prepay a portion of the 2008 Certificates. The 2015 Certificates were sold bearing stated interest rates ranging from 3.00% to 5.00% and mature October 1, 2042.

Accumulated Unpaid Employee Vacation. The long-term portion of accumulated unpaid employee vacation for the District at June 30, 2015 amounted to \$209,236.

Qualified Zone Academy Bond. In November 2005, the District issued \$5,000,000 aggregate principal amount of Qualified Zone Academy Bond Program (QZAB) Certificates of Participation. The QZAB Certificates represent interest-free financing for the District. Owners of the QZAB Certificates received a federal tax credit in lieu of charging the District interest on the QZAB Certificates. The QZAB Certificates mature on December 1, 2020. As of June 30, 2015, Chase Bank held \$4,548,893 for payment of principal of the QZAB Certificates.

Other Post-Employment Benefits (OPEBs). In addition to the retirement plan benefits with CalSTRS and CalPERS (see “– Retirement Benefits” below), the District administers a single-employer healthcare plan (the “Plan”). The Plan maintains the same healthcare plans for its retirees as for its active employees, as well as an Anthem Blue Cross Open Choice plan for out-of-area employees. Certificated and classified employees are eligible to retire with District-paid benefits after age 55 and after completing at least 15 years of service (the last 5 of which must be consecutive) with the District. Management and confidential employees covered under CalPERS are eligible to retire with District-paid benefits after age 50 and completing at least 10 years of service with District-paid benefits after age 55 and completing at least 10 years of service with the District. Benefits end at age 65 for Certificated, Classified, Management and Confidential employees. Board members whose term of office began before January 1, 1995 are eligible to receive District-paid post-retirement medical benefits under the provisions applicable to Management and Confidential Employees. As of June 30, 2015, membership in the Plan consists of 548 eligible active employees and 79 eligible retirees.

The Governmental Accounting Standards Board (“GASB”) released its Statement Number 45 (“Statement Number 45”), which requires municipalities to account for other post-employment benefits (meaning other than pension benefits) (“OPEB”) liabilities much like municipalities are required to account

for pension benefits. The expense is generally accrued over the working career of employees, rather than on a pay-as-you-go basis, which has been the practice for most municipalities and public sector organizations. OPEBs generally include post-employment health benefits (medical, dental, vision, prescription drug and mental health), life insurance, disability benefits and long term care benefits. Statement Number 45 was phased in over a three-year period based upon the entity's revenues. Statement Number 45 became effective for the District beginning in fiscal year 2008-09.

The contribution requirement of plan members and the District are established and may be amended by the District and the Teachers Association, the local California Service Employees Association (CSEA), and unrepresented groups. The annual required contributions are based on projected pay-as-you-go financing requirements and for fiscal years 2012-13, 2013-14 and 2014-15 were \$652,777, \$631,946 and \$525,619, respectively. For more information about the District's annual required contribution for fiscal year 2014-15 and the District's net OPEB obligation and prefunding of benefits at June 30, 2015, see Note 10 to the District's financial statements attached hereto as APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2015."

Demsey, Filliger & Associates, Inc. prepared an actuarial valuation (the "Actuarial Valuation") covering the District's retiree health benefits and reports that, as of July 1, 2015, the District had 79 eligible retirees as well as approximately 548 eligible active plan members. The District has not established an irrevocable employee benefit trust for the pre-funding of future OPEB benefits. The Actuarial Valuation reports that, as of July 1, 2015, the District had an actuarial accrued liability of \$17,396,236. The Actuarial Valuation provides that the remaining unamortized balance of the initial unfunded actuarially accrued liability is \$10,301,495. For the year beginning July 1, 2015, the annual required contribution was estimated to be \$1,231,699. The Actuarial Valuation projected that the pay-as-you-go requirement to fund retirement benefits would be \$472,192 for fiscal year 2015-16 and \$476,577 for fiscal year 2016-17. In addition, the Actuarial Valuation used a level percent, closed 30 year amortization period for the initial UAAL and a level percent, open 25 year amortization period for any residual UAAL. Assumptions used in the Actuarial Valuation included, among other things, a 2.75% rate of inflation per year, 4.0% discount rate per year and 2.75% payroll increase per year.

Tax and Revenue Anticipation Notes. The most recent fiscal year in which the District issued tax and revenue anticipation notes ("TRANS") was fiscal year 2011-12. The District does not expect to issue TRANS or borrow funds to supplement the District's cash flow in fiscal year 2016-17. The District may issue TRANS or borrow funds in future fiscal years as and if necessary to supplement cash flow.

Employment

As of October 18, 2016, the District employed 344 full-time certificated employees and 81 full-time classified employees. In addition, the District employed 322 part-time faculty and staff. For fiscal year 2015-16, the total certificated and classified payrolls for all funds were approximately \$28.44 million (unaudited) and \$10.7 million (unaudited), respectively, and are budgeted to be approximately \$30.47 million and \$12.0 million, respectively, in fiscal year 2016-17. These employees, except management and some part-time employees, are represented by the bargaining units as noted below:

Name of Bargaining Unit	Number of FTEs Represented	Current Contract Expiration Date
Santee Teachers Association	327.4	June 30, 2018
California School Employees Association	227.15	June 30, 2019

Source: Santee School District.

Retirement Benefits

The District participates in retirement plans with CalSTRS, which covers all full-time certificated District employees, and CalPERS, which covers certain classified employees. Classified school personnel who are employed four or more hours per day may participate in CalPERS.

CalSTRS. Contributions to CalSTRS are fixed in statute. For fiscal year 2013-14, teachers contributed 8% of salary to CalSTRS, while school districts contributed 8.25%. In addition to the teacher and school contributions, the State contributed 4.517% of teacher payroll to CalSTRS (calculated on payroll data from two fiscal years ago). Unlike typical defined benefit programs, however, neither the CalSTRS employer nor the State contribution rate varies annually to make up funding shortfalls or assess credits for actuarial surpluses. The State does pay a surcharge when the teacher and school district contributions are not sufficient to fully fund the basic defined benefit pension (generally consisting of 2% of salary for each year of service at age 60 referred to herein as “pre-enhancement benefits”) within a 30-year period. However, this surcharge does not apply to systemwide unfunded liability resulting from recent benefit enhancements.

As of June 30, 2015, an actuarial valuation (the “2015 CalSTRS Actuarial Valuation”) for the entire CalSTRS defined benefit program showed an estimated unfunded actuarial liability of \$76.20 billion, an increase of approximately \$3.48 billion from the June 30, 2014 valuation. The funded ratios of the actuarial value of valuation assets over the actuarial accrued liabilities as of June 30, 2015, June 30, 2014 and June 30, 2013, based on the actuarial assumptions, were approximately 68.5%, 68.5% and 66.9%, respectively. Future estimates of the actuarial unfunded liability may change due to market performance, legislative actions and other experience that may differ from the actuarial assumptions. The following are certain of the actuarial assumptions set forth in the 2015 CalSTRS Actuarial Valuation: measurement of accruing costs by the “Entry Age Normal Actuarial Cost Method,” 7.50% investment rate of return, 4.50% interest on member accounts, 3.75% projected wage growth, and 3.00% projected inflation. The 2015 CalSTRS Actuarial Valuation also assumes that all members hired on or after January 1, 2013 are subject to the provisions of PEPPRA (as defined herein). See “–Governor’s Pension Reform” below for a discussion of the pension reform measure signed by the Governor in August 2012 expected to help reduce future pension obligations of public employers with respect to employees hired on or after January 1, 2013. Future estimates of the actuarial unfunded liability may change due to market performance, legislative actions, changes in actuarial assumptions and other experiences that may differ from the actuarial assumptions.

As indicated above, there was no required contribution from teachers, schools districts or the State to fund the unfunded actuarial liability for the CalSTRS defined benefit program and only the State legislature can change contribution rates. The 2015 CalSTRS Actuarial Valuation noted that, as of June 30, 2015, the contribution rate, inclusive of contributions from the teachers, the school districts and the State, was equivalent to 33.439% over the next 30 years.

As part of the 2014-15 State Budget, the Governor signed Assembly Bill 1469 which implements a new funding strategy for CalSTRS, increasing the employer contribution rate in fiscal year 2014-15 from 8.25% to 8.88% of covered payroll. Such rate would increase by 1.85% beginning in fiscal year 2015-16 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 next three years. 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 annual 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 CalSTRS 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 Assembly Bill 1469, school district’s contribution rates will increase 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

Source: Assembly Bill 1469.

The following table sets forth the District’s total employer contributions to CalSTRS for fiscal years 2012-13 through 2015-16, and the budgeted contribution for fiscal year 2016-17.

**SANTEE SCHOOL DISTRICT
(San Diego County, California)
Contributions to CalSTRS for Fiscal Years 2012-13 through 2016-17**

Fiscal Year	Contribution
2012-13	\$2,008,196
2013-14	2,051,950
2014-15	2,328,921
2015-16 ⁽¹⁾	3,142,623
2016-17 ⁽²⁾	3,975,677

⁽¹⁾ Unaudited actuals for fiscal year 2015-16.
⁽²⁾ Original adopted budget for fiscal year 2016-17.
 Source: Santee School District.

The District’s total employer contributions to CalSTRS for fiscal years 2012-13 through 2015-16 were equal to 100% of the required contributions for each year. With the implementation of AB 1469, the District anticipates that its contributions to CalSTRS 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 CalSTRS in future fiscal years.

CalSTRS produces a comprehensive annual financial report and actuarial valuations which include financial statements and required supplementary information. Copies of the CalSTRS comprehensive annual financial report and actuarial valuations may be obtained from CalSTRS. The information presented in these reports is not incorporated by reference in this Official Statement.

CalPERS. All qualifying classified employees of K-12 districts in the State are members in CalPERS, and all of such districts participate in the same plan. As such, all such districts share the same contribution rate in each year. However, unlike school districts’ participating in CalSTRS, the school districts’ contributions to CalPERS fluctuate each year and include a normal cost component and a component equal to an amortized amount of the unfunded liability. Accordingly, the District cannot provide any assurances that the District’s required contributions to CalPERS in future years will not significantly vary from any current projected levels of contributions to CalPERS.

According to the CalPERS Schools Actuarial Valuation as of June 30, 2014, the CalPERS Schools plan had a funded ratio of 86.6% on a market value of assets basis. The funded ratio, on a market value basis, as of June 30, 2014, June 30, 2013, June 30, 2012, June 30, 2011 and June 30, 2010 was 86.6%, 80.5%, 75.5%, 78.7% and 69.5%. In April 2013, the CalPERS Board of Administration approved changes to the CalPERS amortization and smoothing policy intended to reduce volatility in employer contribution rates. Beginning with the June 30, 2013 actuarial valuation, CalPERS employed a new amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period (as compared to the current policy of spreading investment returns over a 15-year period with experience gains and losses paid for over a rolling 30-year period). Such changes, the implementation of which are delayed until fiscal year 2015-16 for the State, schools and all public agencies, are expected to increase contribution rates in the near term but lower contribution rates in the long term. In November 2015, the CalPERS Board of Administration approved a proposal pursuant to which the discount rate would be reduced by a minimum of 0.05 percentage points to a maximum of 0.25 percentage points in years when investment returns outperform the current discount rate of 7.5% by at least four percentage points.

In April 2016, CalPERS approved an increase to the contribution rate for school districts from 11.847% during fiscal year 2015-16 to 13.888% during fiscal year 2016-17. In addition, the CalPERS Finance and Administration Committee has reported that the Schools Actuarial Valuation as of June 30, 2015, which is expected to be released in summer 2016, will indicate that the funded ratio as of June 30, 2015 is approximately 77.5% on a market value of assets basis.

In February of 2014, the CalPERS Board of Administration adopted new actuarial demographic assumptions that take into account public employees living longer. Such 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. These new assumptions will apply beginning with the June 30, 2015 valuation for the schools pool, setting employer contribution rates for fiscal year 2016-17. CalPERS estimates that the new demographic assumptions could cost public agency employers up to 9% of payroll for safety employees and 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 CalPERS' current assumptions, the required employer contributions may vary.

The following table sets forth the District's total employer contributions to CalPERS for fiscal years 2012-13 through 2015-16, and the budgeted contribution for fiscal year 2016-17.

**SANTEE SCHOOL DISTRICT
(San Diego County, California)
Contributions to CalPERS for Fiscal Years 2012-13 through 2016-17**

Fiscal Year	Contribution
2012-13	\$866,249
2013-14	892,013
2014-15	996,113
2015-16 ⁽¹⁾	843,496
2016-17 ⁽²⁾	1,043,589

⁽¹⁾ Unaudited actuals for fiscal year 2015-16.

⁽²⁾ Original adopted budget for fiscal year 2016-17.

Source: Santee School District.

The District's total employer contributions to CalPERS for fiscal years 2012-13 through 2015-16 were equal to 100% of the required contributions for each year. With the change in actuarial assumptions described above, the District anticipates that its contributions to CalPERS will increase in future fiscal years as the increased costs are phased in. The implementation of PEPRA (see "–Governor's Pension Reform" below), however, is expected to help reduce certain future pension obligations of public employers with respect to employees hired on or after January 1, 2013. The District cannot predict the impact these changes will have on its contributions to CalPERS in future years.

CalPERS produces a comprehensive annual financial report and actuarial valuations that include financial statements and required supplementary information. Copies of the CalPERS comprehensive annual financial report and actuarial valuations may be obtained from CalPERS Financial Services Division. The information presented in these reports is not incorporated by reference in this Official Statement.

Governor's Pension Reform. On August 28, 2012, Governor Brown and the State Legislature reached agreement on a new law that reforms pensions for State and local government employees. AB 340, which was signed into law on September 12, 2012, established the California Public Employees' Pension Reform Act of 2012 ("PEPRA") which governs pensions for public employers and public pension plans on and after January 1, 2013. For new employees, PEPRA, among other things, caps pensionable salaries at the Social Security contribution and wage base, which is \$110,100 for 2012, or 120% of that amount for employees not covered by Social Security, increases the retirement age by two years or more for all new public employees while adjusting the retirement formulas, requires state employees to pay at least half of their pension costs, and also requires the calculation of benefits on regular, recurring pay to stop income spiking. For all employees, changes required by PEPRA include the prohibition of retroactive pension increases, pension holidays and purchases of service credit. PEPRA applies to all State and local public retirement systems, including county and district retirement systems. PEPRA only exempts the University of California system and charter cities and counties whose pension plans are not governed by State law. Although the District anticipates that PEPRA would not increase the District's future pension obligations, the District is unable to determine the extent of any impact PEPRA would have on the District's pension obligations at this time. Additionally, the District cannot predict if PEPRA will be challenged in court and, if so, whether any challenge would be successful.

The District is unable to predict what the amount of State pension liabilities will be in the future, or the amount of the contributions which the District may be required to make. CalSTRS and CalPERS are more fully described in Note 12 to the District's financial statements attached hereto as APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2015."

GASB 67 and 68. In June 2012, the Governmental Accounting Standards Board approved a pair of related statements, Statement Number 67, Financial Reporting for Pension Plans ("Statement Number 67"), which addresses financial reporting for pension plans, and Statement Number 68, Accounting and Financial Reporting for Pensions ("Statement Number 68"), which establishes new accounting and financial reporting requirements for governments that provide their employees with pensions. The guidance contained in these statements will change how governments calculate and report the costs and obligations associated with pensions. Statement Number 67 replaces the current requirements of Statement Number 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, for most public employee pension plans, and Statement Number 27 replaces the current requirements of Statement Number 27, Accounting for Pensions by State and Local Governmental Employers, for most government employers. The new statements also replace the requirements of Statement Number 50, Pension Disclosures, for those governments and pension plans. Certain of the major changes include: (i) the inclusion of unfunded pension liabilities on the government's balance sheet (such unfunded liabilities are currently typically included as notes to the government's financial statements); (ii) full pension costs would

be shown as expenses regardless of actual contribution levels; (iii) lower actuarial discount rates would be required to be used for most plans for certain purposes of the financial statements, resulting in increased liabilities and pension expenses; and (iv) shorter amortization periods for unfunded liabilities would be required to be used for certain purposes of the financial statements, which generally would increase pension expenses. Statement Number 67 became effective beginning in fiscal year 2013-14, and Statement Number 68 became effective beginning in fiscal year 2014-15. See Notes 1 and 15 to the District's financial statements attached hereto as APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2015."

Joint Powers Agreement

The District participates in a joint powers agreement ("JPA") with the San Diego County Office of Education ("SDCOE"). The District pays an annual premium to SDCOE for its workers' compensation coverage. The relationship between the District and the JPA is such that it is not a component unit of the District for its financial reporting purposes.

SDCOE has budgeting and financial reporting requirements independent of its member units. The JPA is governed by a board consisting of representatives from each member district. The governing board controls the operations of its JPA independent of any influence by the member districts beyond their representation on the governing board. Each member school district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to its participation in the JPA. See Note 14 to the District's financial statements attached hereto as APPENDIX B— "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2015" for more information.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

Limitations on Revenues

On June 6, 1978, California voters approved Proposition 13 ("Proposition 13"), which added Article XIII A to the State Constitution ("Article XIII A"). Article XIII A limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on (i) indebtedness approved by the voters prior to July 1, 1978, (ii) bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness, and (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. Article XIII A defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under full cash value, or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership have occurred after the 1975 assessment." This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIII A has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster and in other minor or technical ways.

County of Orange v. Orange County Assessment Appeals Board No. 3. Section 51 of the Revenue and Taxation Code permits county assessors who have reduced the assessed valuation of a property as a

result of natural disasters, economic downturns or other factors, to subsequently “recapture” such value (up to the pre-decline value of the property) at an annual rate higher than 2%, depending on the assessor’s measure of the restoration of value of the damaged property. The constitutionality of this procedure was challenged in a lawsuit brought in 2001 in the Orange County Superior Court, and in similar lawsuits brought in other counties, on the basis that the decrease in assessed value creates a new “base year value” for purposes of Proposition 13 and that subsequent increases in the assessed value of a property by more than 2% in a single year violate Article XIII A. On appeal, the California Court of Appeal upheld the recapture practice in 2004, and the State Supreme Court declined to review the ruling, leaving the recapture law in place.

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 1989.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment 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 the 1981-82 fiscal year, assessors in the State no longer record property values on tax rolls at the assessed value of 25% of market value which was expressed as \$4 per \$100 assessed value. All taxable property is now shown at full market 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 market value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

Article XIII B of the California Constitution

An initiative to amend the State Constitution entitled “Limitation of Government Appropriations” was approved on September 6, 1979, thereby adding Article XIII B to the State Constitution (“Article XIII B”). Under Article XIII B state and local governmental entities have an annual “appropriations limit” and are not permitted to spend certain moneys which are called “appropriations subject to limitation” (consisting of tax revenues, state subventions and certain other funds) in an amount higher than the “appropriations limit.” Article XIII B does not affect the appropriation of moneys which are excluded from the definition of “appropriations subject to limitation,” including debt service on indebtedness existing or authorized as of January 1, 1979, or bonded indebtedness subsequently approved by the voters. In general terms, the “appropriations limit” is to be based on certain 1978-79 expenditures, and is to be adjusted annually to reflect changes in consumer prices, populations, and services provided by these entities. Among other provisions of Article XIII B, if these entities’ revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years.

The District annually budgets appropriations from “proceeds of taxes” (sometimes referred to as the “Gann limit”). For the 2014-15 fiscal year, the District adopted an appropriations limit equal to the allowable limit of approximately \$34.1 million. The District has adopted an appropriations limit for the 2015-16 fiscal year of approximately \$36.4 million. Any proceeds of taxes received by the District in excess of the allowable limit are absorbed into the State’s allowable limit pursuant to State law.

Article XIIC and Article XIID 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 XIIC and XIID (“Article XIIC” and “Article XIID,” respectively), 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 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 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.

Statutory Limitations

On November 4, 1986, State voters approved Proposition 62, an initiative statute limiting the imposition of new or higher taxes by local agencies. The statute (a) requires new or higher general taxes to be approved by two-thirds of the local agency’s governing body and a majority of its voters; (b) requires the inclusion of specific information in all local ordinances or resolutions proposing new or higher general or special taxes; (c) penalizes local agencies that fail to comply with the foregoing; and (d) required local agencies to stop collecting any new or higher general tax adopted after July 31, 1985, unless a majority of the voters approved the tax by November 1, 1988.

Appellate court decisions following the approval of Proposition 62 determined that certain provisions of Proposition 62 were unconstitutional. However, the California Supreme Court upheld Proposition 62 in its decision on September 28, 1995 in *Santa Clara County Transportation Authority v. Gardino*. This decision reaffirmed the constitutionality of Proposition 62. Certain matters regarding Proposition 62 were not addressed in the Supreme Court’s decision, such as whether the decision applies retroactively, what remedies exist for taxpayers subject to a tax not in compliance with Proposition 62, and whether the decision applies to charter cities.

Proposition 98 and Proposition 111

On November 8, 1988, voters approved Proposition 98, a combined initiative constitutional amendment and statute called the “Classroom Instructional Improvement and Accountability Act” (the “Accountability Act”). The Accountability Act changed 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 districts and community college districts (collectively, “K-14 districts”) at a level equal to the greater of (a) the same percentage of general fund revenues as the percentage appropriated to such districts in 1986-87, which percentage is equal to 40.9%, or (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for growth in enrollment and inflation.

Since the Accountability Act is unclear in some details, there can be no assurance that the Legislature or a court might not interpret the Accountability Act to require a different percentage of general fund revenues to be allocated to K-14 districts than the 40.9%, or to apply the relevant percentage to the State’s budgets in a different way than is proposed in the Governor’s Budget. In any event, the Governor and other fiscal observers expect the Accountability Act to place increasing pressure on the State’s budget over future years, potentially reducing resources available for other State programs, especially to the extent the Article XIII B spending limit would restrain the State’s ability to fund such other programs by raising taxes.

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 districts. Such transfer would be excluded from the Appropriations Limit for K-14 districts and the K-14 districts Appropriations Limits 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 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 schools is 4% of the minimum State spending for education mandated by the Accountability Act, as described above.

On June 5, 1990, California voters approved Proposition 111 (Senate Constitutional Amendment 1), which further modified the Constitution to alter the spending limit and education funding provisions of Proposition 98. Most significantly, Proposition 111 (1) liberalized the annual adjustments to the spending limit by measuring the “change in the cost of living” by the change in State per capita personal income rather than the Consumer Price Index, and specified that a portion of the State’s spending limit would be adjusted to reflect changes in school attendance; (2) provided that 50% of the “excess” tax revenues, determined based on a two-year cycle, would be transferred to K-14 districts with the balance returned to taxpayers (rather than the previous 100% but only up to a cap of 4% of the districts’ minimum funding level), and that any such transfer to K-14 districts would not be built into the school districts’ base expenditures for calculating their entitlement for State aid in the following year and would not increase the State’s appropriations limit; (3) excluded from the calculation of appropriations that are subject to the limit appropriations for certain “qualified capital outlay projects” and certain increases in gasoline taxes, sales and use taxes, and receipts from vehicle weight fees; (4) provided that the Appropriations Limit for each unit of government, including the State, would be recalculated beginning in the 1990-91 fiscal year, based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Senate Constitutional Amendment 1 had been in effect; and (5) adjusted the Proposition 98 formula that guarantees K-14 districts a certain amount of general fund revenues, as described below.

Under prior law, K-14 districts were guaranteed the greater of (a) 40.9% of general fund revenues (the “first test”) or (b) the amount appropriated in the prior year adjusted for changes in the cost of living

(measured as in Article XIIB by reference to per capita personal income) and enrollment (the “second test”). Under Proposition 111, school districts would receive the greater of (a) the first test, (b) the second test or (c) a third test, which would replace the second test in any year when growth in per capita general fund revenues from the prior year was less than the annual growth in State per capita personal income. Under the third test, school districts would receive the amount appropriated in the prior year adjusted for change in enrollment and per capita general fund revenues, plus an additional small adjustment factor. If the third test were used in any year, the difference between the third test and the second test would become a “credit” to be paid in future years when general fund revenue growth exceeds personal income growth.

Proposition 30

On November 6, 2012, voters approved Proposition 30, also referred to as the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment. Proposition 30 temporarily (a) increased the personal income tax on certain of the State’s income taxpayers by one to three percent for a period of seven years beginning with the 2012 tax year and ending with the 2018 tax year, and (b) increased the sales and use tax by one-quarter percent for a period of four years beginning on January 1, 2013 and ending with the 2016 tax year. The revenues generated from such tax increases are included in the calculation of the Proposition 98 minimum funding guarantee (see “– Proposition 98 and Proposition 111” above). The revenues generated from such temporary tax increases are deposited into a State account created pursuant to Proposition 30 (the Education Protection Account), and 89% of the amounts therein are allocated to school districts and 11% of the amounts therein are allocated to community college districts.

The Proposition 30 tax increases are temporary and expire at the end of the 2016 tax year with respect to the sales and use tax increase and the 2018 tax year with respect to the personal income tax increase. The District cannot predict the effect the loss of the revenues generated from such temporary tax increases will have on total State revenues and the effect on the Proposition 98 formula for funding schools.

Voters in the State will consider the California Tax Extension to Fund Education and Healthcare Initiative (“Proposition 55”) at the statewide election to be held in November 2016. If approved, Proposition 55 would extend by twelve years the temporary personal income tax increases enacted by Proposition 30 and allocate tax revenues to school districts and community colleges in the State.

Applications of Constitutional and Statutory Provisions

The application of Proposition 98 and other statutory regulations has become increasingly difficult to predict accurately in recent years. For a discussion of how the provisions of Proposition 98 have been applied to school funding see “DISTRICT FINANCIAL MATTERS — State Funding of Education; State Budget Process.”

Proposition 2

General. Proposition 2, which included certain constitutional amendments to the Rainy Day Fund and, upon its approval, triggered the implementation of certain provisions which could limit the amount of reserves that may be maintained by a school district, was approved by the voters in the November 2014 election.

Rainy Day Fund. The Proposition 2 constitutional amendments related to the Rainy Day Fund (i) require deposits into the Rainy Day Fund whenever capital gains revenues rise to more than 8% of general fund tax revenues; (ii) set the maximum size of the Rainy Day Fund at 10% of general fund revenues; (iii) for the next 15 years, require half of each year’s deposit to be used for supplemental payments to pay down

the budgetary debts or other long-term liabilities and, thereafter, require at least half of each year's deposit to be saved and the remainder used for supplemental debt payments or savings; (iv) allow the withdrawal of funds only for a disaster or if spending remains at or below the highest level of spending from the past three years; (v) require the State to provide a multiyear budget forecast; and (vi) create a Proposition 98 reserve (the "Public School System Stabilization Account") to set aside funds in good years to minimize future cuts and smooth school spending. The State may deposit amounts into such account only after it has paid all amounts owing to school districts relating to the Proposition 98 maintenance factor for fiscal years prior to fiscal year 2014-15. The State, in addition, may not transfer funds to the Public School System Stabilization Account unless the State is in a Test 1 year under Proposition 98 or in any year in which a maintenance factor is created.

SB 858. Senate Bill 858 ("SB 858") became effective upon the passage of Proposition 2. SB 858 includes provisions which could limit the amount of reserves that may be maintained by a school district in certain circumstances. Under SB 858, in any fiscal year immediately following a fiscal year in which the State has made a transfer into the Public School System Stabilization Account, any adopted or revised budget by a school district would need to contain a combined unassigned and assigned ending fund balance that (a) for school districts with an A.D.A. of less than 400,000, is not more than two times the amount of the reserve for economic uncertainties mandated by the Education Code, or (b) for school districts with an A.D.A. that is more than 400,000, is not more than three times the amount of the reserve for economic uncertainties mandated by the Education Code. In certain cases, the county superintendent of schools may grant a school district a waiver from this limitation on reserves for up to two consecutive years within a three-year period if there are certain extraordinary fiscal circumstances.

The District, which has an A.D.A. of less than 400,000, is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses. The Refunding Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law. Accordingly, the District does not expect SB 858 to adversely affect its ability to pay the principal of and interest on the Refunding Bonds as and when due.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C, Article XIII D, as well as Propositions 2, 30, 62, 98, 111 and 218, 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.

APPENDIX B
FINANCIAL STATEMENTS OF THE DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

APPENDIX C

PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon issuance and delivery of the Refunding Bonds, Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, proposes to render its final approving opinion with respect to the Refunding Bonds in substantially the following form:

APPENDIX D
FORM OF CONTINUING DISCLOSURE CERTIFICATE

APPENDIX E

COUNTY OF SAN DIEGO INVESTMENT POOL DISCLOSURE

The following information concerning the Treasury Pool of San Diego County (the "Treasury Pool") has been provided by the County Treasurer and has not been confirmed or verified by the District or the Underwriters. 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.

In accordance with Government Code Section 53600 et seq., the County Treasurer manages funds deposited with it by the District. The County is required to invest such funds in accordance with California Government Code Sections 53635 et seq. In addition, counties are required to establish their own investment policies which may impose limitations beyond those required by the Government Code.

All investments in the County Treasurer's investment portfolio conform to the statutory requirements of Government Code Section 53635 et seq., authorities delegated by the San Diego County Board of Supervisors and the County Treasurer's investment policy.

General

Pursuant to a resolution adopted July 8, 1958, the Board of Supervisors delegated to the County Treasurer the authority to invest and reinvest funds of the County. Applicable law limits this delegation of authority to a one-year period and must be renewed annually by action of the Board of Supervisors. In addition to funds of the County (and the various departments in the County, such as Public Works and Public Administration), funds of certain local agencies within the County, including school districts in the County, are required under state law to be deposited into County Treasury ("Involuntary Depositors"). In addition, certain agencies, including community college districts, invest certain of their funds in the County Treasury on a voluntary basis ("Voluntary Depositors" and together with the Involuntary Depositors, the "Depositors"). Deposits made by the County and the various local agencies are commingled in a pooled investment fund (the "Treasury Pool" or the "Pool"). No particular deposits are segregated for separate investment.

Under State law, Depositors in the Pool are permitted to withdraw funds which they have deposited on 30 days' notice. The County does not expect that the Pool will encounter liquidity shortfalls based on its current portfolio and investment guidelines or realize any losses that may be required to be allocated among all Depositors in the Pool.

The County has established an Oversight Committee pursuant to State law. The members of the Oversight Committee include the County Treasurer, the County Auditor, the County Superintendent of Schools or designee, a representative from special districts, a representative from school districts and community college districts in the County, and members of the public. The role of the Oversight Committee is to review and approve the Investment Policy that is prepared by the County Treasurer.

The Treasury Pool's Portfolio

As of August 31, 2016, the securities in the Treasury Pool had a market value of \$7.556 billion and a book value of \$7.552 billion, for a net unrealized loss of \$4.086 million of the book value of the Treasury Pool.

The effective duration for the Treasury Pool was 0.84 years as of August 31, 2016. "Duration" is a measure of the price volatility of the portfolio and reflects an estimate of the projected increase or decrease in the value of the portfolio based upon a decrease or increase in interest rates. A duration of 0.84 years means that for every one percent increase in interest rates the market value of the portfolio would decrease by 0.84%.

As of August 31, 2016, approximately 7.26% of the total funds in the Pool were deposited by Voluntary Depositors, such as cities and fire districts, 10.75% by community colleges, 33.93% by the County, 2.44% by the Non-County and 45.62% by K-12 school districts.

Standard & Poor's Ratings Group maintains ratings of "AAAF" (extremely strong protection against losses and credit defaults) and "S-1" (low sensitivity to changing market conditions) on the Pool. The ratings reflect only the view of the rating agency and any explanation of the significance of such ratings may be obtained from such rating agency as follows: Standard & Poor's Rating Services, a Division of McGraw-Hill Companies, Inc., 55 Water Street, New York, New York 10041.

Investments of the Treasury Pool

Authorized Investments: Investments of the Pool are placed in those securities authorized by various sections of the California Government Code, which include obligations of the United States Treasury, Agencies of the United States Government, local and State bond issues, bankers acceptances, commercial paper of prime quality, certificates of deposit (both collateralized and negotiable), repurchase and reverse repurchase agreements, medium term corporate notes, shares of beneficial interest in diversified management companies (mutual funds), and asset backed (including mortgage related) and pass-through securities, and specific supranational debt securities.

Generally, investments in repurchase agreements cannot exceed a term of one year and the security underlying the agreement shall be valued at 102% or greater of the funds borrowed against the security and the value of the repurchase agreement shall be adjusted no less than quarterly. In addition, reverse repurchase agreement generally may not exceed 20% of the base value of the portfolio and the term of the agreement may not exceed 92 days.

Securities lending transactions are considered reverse repurchase agreements for purposes of this limitation. Base Value is defined as the total cash balance excluding any amounts borrowed (i.e., amounts obtained through selling securities by way of reverse repurchase agreements or other similar borrowing methods).

Legislation which would modify the currently authorized investments and place restrictions on the ability of municipalities to invest in various securities is considered from time to time by the California State Legislature. At all times, the Pool's investments will comply with California Government Code and the County's Investment Policy (the "Investment Policy").

The Investment Policy: The Investment Policy currently states the primary goals of the County Treasurer when investing public funds to be as follows: the primary objective is to safeguard the principal of the funds under the County Treasurer's control, the secondary objective is to meet the liquidity needs of the Pool Participants, and the third objective is to achieve an investment return on the funds under the control of the County Treasurer within the parameters of prudent risk management. The Investment Policy contains a goal that 50% of the Pool should be invested in securities maturing in one year or less, with the remainder of the portfolio being invested in debt securities with maturities spread over more than one year to five years. Furthermore, at least 25% of the securities must mature within 90 days. The maximum effective duration for the Pool shall be 1.50 years.

With respect to reverse repurchase agreements, the Investment Policy provides for a maximum maturity of 92 days (unless the reverse repurchase agreement includes a written guarantee of a minimum earning or spread for the entire period of such agreement) and a limitation on the total amount of reverse repurchase agreements and/or securities lending agreements to 20% of the total investments in the Pool. The Investment Policy states that the uses of reverse repurchase agreements shall be to invest the proceeds from the agreement into permissible securities that have the highest short-term credit ratings; to supplement the yield on securities owned by the Pool; or to provide funds for the immediate payment of an obligation. The maturity of the reverse repurchase agreement and the maturity of the security purchased shall be the same.

The County from time to time has engaged in securities lending transactions. Generally, these transactions involve the transfer by the governmental entity, through an agent, of securities to certain broker-dealers and financial institutions or other entities in exchange for collateral, and this collateral may be cash or securities. Most commonly, these transactions provide for the simultaneous return of the collateral to the securities borrower upon receipt of the same securities at a later date. Presently, the County has suspended its securities lending transactions program, but may decide to enter into a securities lending agreement in the future. Any such securities lending transactions are considered reverse repurchase agreements under the Investment Policy and, accordingly, the total principal amount of reverse repurchase agreements and securities lending agreements may not exceed 20% of the Pool. Since the inception of the County's securities lending program in 1987, there has not been any loss of principal to the Pool resulting from these securities lending transactions or the investment of the related collateral.

The Investment Policy also authorizes investments in covered call options and put options, which are options that the County Treasurer sells to a third party the right to buy an existing security in the Pool or sell a security to the Pool, both at a specific price within a specific time period. Under the Investment Policy, securities subject to covered calls are not to be used for reverse repurchase agreements; cash sufficient to pay for outstanding puts are to be invested in securities maturing on or before the expiration date of the option; the maximum maturity of a covered call option/put option is to be 90 days and not more than 10% of the total investments in the Pool could have options written against them at any given time.

Certain Information Relating to Pool

The following table reflects information with respect to the Pool as of the close of business August 31, 2016. As described above, a wide range of investments is authorized by state law. Therefore, there can be no assurances that the investments in the Pool will not vary significantly from the investments described below. In addition, the value of the various investments in the Pool will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Therefore, there can be no assurance that the values of the various investments in the Pool will not vary significantly from the values described below. In addition, the values specified in the following table were based upon estimates of market values provided to the County by a third party. Accordingly, there can be no assurance that if these securities had been sold on August 31, 2016, the Pool necessarily would have received the values specified.

[INSURED COUNTY OF SAN DIEGO POOLED MONEY FUND]

APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The information in this appendix has been provided by DTC for use in securities offering documents, and 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 the Beneficial Owners either (a) payments of interest, principal or premium, if any, with respect to the Refunding Bonds or (b) certificates representing ownership interest in or other confirmation of ownership interest in the Refunding Bonds, or that they will so do on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement.

1. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Refunding Bonds (the “Securities”). The Securities 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 Security certificate will be issued for each maturity of the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“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 Securities 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 Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities 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 Securities 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 Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Securities 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 as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities 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 the 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, the Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities 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, Security certificates are required to be printed and delivered.

10. The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

Discussion and/or Action Item E.2.1. School Calendar for 2017-2018
Prepared by Tim Larson
October 18, 2016

BACKGROUND:

The District Calendar Committee is comprised of representatives from employee associations, District administration, parents, and members of the Board. This committee meets several times a year; first to review calendar options for the coming school year; and again to recommend an option to the Board of Education for approval. Items addressed by the committee include consideration of calendars from surrounding districts, the State testing window, parent conference week, and appropriate and traditional breaks.

The Board has requested an opportunity to review and discuss possible calendar options to submit to the calendar committee. Below is a list of significant dates for consideration:

- Students' first day
- Non-school professional development days
- Thanksgiving break
- Parent conference week
- Winter break
- Spring break
- Students' last day

RECOMMENDATION:

It is recommended that the Board of Education discuss and indicate preferred options for the development of the 2017-2018 school calendar. No action is requested at this time.

FISCAL IMPACT:

There is no fiscal impact to the general fund as a result of this item.

STUDENT ACHIEVEMENT IMPACT:

Not applicable.

Santee School District 2017-2018 School Calendar

DRAFT

July 2017						
S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

7/4 INDEPENDENCE DAY

January 2018						
S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

1/1 NEW YEAR'S DAY observed
 1/2 Classes resume
 1/15 MARTIN LUTHER KING DAY

August 2017						
S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Teachers Return
 Students Return

February 2018						
S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

2/12 LINCOLN'S DAY observed
 2/19 WASHINGTON'S DAY observed

September 2017						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

LABOR DAY

March 2018						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

3/26-4/6 SPRING BREAK
 3/30 LOCAL HOLIDAY

October 2017						
S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

April 2018						
S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

3/26-4/6 SPRING BREAK
 4/9 Classes resume

November 2017						
S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

11/11 VETERANS' DAY
 11/20-11/24 THANKSGIVING BREAK
 11/23 THANKSGIVING DAY
 11/24 LOCAL HOLIDAY

May 2018						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

5/28 MEMORIAL DAY
 Observance

December 2017						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

12/18-12/29 WINTER BREAK
 12/25 CHRISTMAS DAY
 12/26 LOCAL HOLIDAY
 12/29 LOCAL HOLIDAY

June 2018						
S	M	T	W	Th	F	S
						1
						2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Last school day; minimum day

Promotion dates vary (please contact school sites)

*Variations of employee schedules will be approved by supervisor and a copy provided to payroll.

Board Approved:

Item F. BOARD POLICIES AND BYLAWS

Board Policies and Bylaws Item F.1.1. First Reading: Revised Board Policy and Administrative Regulation 6173, Education for Homeless Children

Prepared by Dr. Stephanie Pierce
October 18, 2016

BACKGROUND:

Attached is revised BP 6173 and AR 6173, Education for Homeless Children, based upon California School Board Association’s (CSBA) sample Board Policies and Regulations.

Within Santee School District there are more than 350 homeless students eligible for McKinney Vento services. These services coordinate and support students who lack an adequate, fixed night-time residence or who are doubled up and living with another family.

RECOMMENDATIONS:

This evening administration is presenting revised Board Policy and Administrative Regulations 6173, Education for Homeless Children, for a first reading. No action is requested at this time.

FISCAL IMPACT:

There is no fiscal impact to the district by revising this policy and administrative regulation.

STUDENT ACHIEVEMENT IMPACT:

Students experiencing homelessness, short-term or long-term, require coordinated services so that they can continue receiving a comprehensive education.

Motion: _____ Second: _____ Vote: _____

Agenda Item F.1.1.

EDUCATION FOR HOMELESS CHILDREN

The Governing Board desires to ensure that homeless students have access to the same free and appropriate public education provided to other students within the district. The district shall provide homeless students with access to education and other services necessary for these students to meet the same challenging academic standards as other students.

Homeless students shall not be segregated into a separate school or program based on their status as homeless and shall not be stigmatized in any way.

The Superintendent or designee shall ensure that placement decisions for homeless students are based on the student's best interest as defined in law and administrative regulation.

When there are at least 15 homeless students in the district or a district school, the district's local control and accountability plan (LCAP) shall include goals and specific actions to improve student achievement and other outcomes of homeless students.

At least annually, the Superintendent or designee shall report to the Board on outcomes for homeless students, which may include, but are not limited to, school attendance, student achievement test results, promotion and retention rates by grade level, graduation rates, suspension/expulsion rates, and other outcomes related to any goals and specific actions identified in the LCAP. Based on the evaluation data, the district shall revise its strategies as needed to better support the education of homeless students.

Transportation

~~The district shall provide transportation for a homeless student to and from his/her school of origin when the student is residing within the district and the parent/guardian requests that such transportation be provided. If the student moves outside of district boundaries, but continues to attend his/her school of origin within this district, the Superintendent or designee shall consult with the superintendent of the district in which the student is now residing to agree upon a method to apportion the responsibility and costs of the transportation.~~

Legal Reference: (see next page)

EDUCATION FOR HOMELESS CHILDREN *(Continued)*

Legal Reference:

EDUCATION CODE

~~1980-1986 County community schools~~

2558.2 *Use of revenue limits to determine average daily attendance of homeless children*

39807.5 *Payment of transportation costs by parents*

48850 Educational rights; participation in extracurricular activities

48852.5 Notice of educational rights of homeless students

48852.7 Enrollment of homeless students

48915.5 Recommended expulsion, homeless student with disabilities

48918.1 Notice of recommended expulsion

51225.1-51225.3 Graduation requirements

52060-52077 Local control and accountability plan

CODE OF REGULATIONS, TITLE 5

4600-4687 Uniform complaint procedures

UNITED STATES CODE, TITLE 42

11431-11435 McKinney-Vento Homeless Assistance Act

Management Resources:

CALIFORNIA CHILD WELFARE COUNCIL

Partial Credit Model Policy and Practice Recommendations

CALIFORNIA DEPARTMENT OF EDUCATION

Homeless Education Dispute Resolution Process, January 30, 2007

NATIONAL CENTER FOR HOMELESS EDUCATION PUBLICATIONS

Homeless Liaison Toolkit, 2013

U.S. DEPARTMENT OF EDUCATION GUIDANCE

Education for Homeless Children and Youth Program, Non-Regulatory Guidance, July 2004

WEB SITES

California Child Welfare Council: <http://www.chhs.ca.gov/Pages/CACildWelfareCouncil.aspx>

California Department of Education, Homeless Children and Youth Education:

<http://www.cde.ca.gov/sp/hs/cy>

National Center for Homeless Education at SERVE: <http://www.serve.org/nche>

National Law Center on Homelessness and Poverty: <http://www.nlchp.org>

U.S. Department of Education: <http://www.ed.gov/programs/homeless/index.html>

EDUCATION FOR HOMELESS CHILDREN

Definitions

Homeless means students who lack a fixed, regular, and adequate nighttime residence and includes:

1. ~~Children and youths~~ Students who are sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations; are living in emergency or transitional shelters; are abandoned in hospitals; or are awaiting foster care placement
2. ~~Children and youths~~ Students who have a primary nighttime residence that is a public or private place not designed for or ordinarily used as regular sleeping accommodations for human beings
3. Children and youths who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings
4. Migratory children who qualify as homeless because the children are living in conditions described in #(1)-(3) above
5. Unaccompanied youth who are not in the physical custody of a parent or guardian

School of origin means the school that the student attended when permanently housed or the school in which the student was last enrolled. If the school the homeless student attended when permanently housed is different from the school in which he/she was last enrolled, or if there is some other school that he/she attended within the preceding 15 months and with which he/she is connected, the district liaison shall determine, in consultation with and with the agreement of the homeless student and the person holding the right to make educational decisions for the student, and in the best interests of the homeless student, which school shall be deemed the school of origin.

Best interest means ~~to the extent feasible, continuing a student's enrollment in the school of origin for the duration of his/her homelessness, except when doing so is contrary to the wishes of his/her parent/guardian.~~ that in making educational and school placement decisions for a homeless student, consideration is given to, among other factors, educational stability, the opportunity to be educated in the least restrictive educational setting necessary to achieve academic progress, and the student's access to academic resources, services, and extracurricular and enrichment activities that are available to all district students

Unaccompanied youth means a youth not in the physical custody of a parent or guardian.

EDUCATION FOR HOMELESS CHILDREN (continued)**District Liaison**

The Superintendent designates the following staff person as the district liaison for homeless students:

Collaborative Coordinator
 9619 Cuyamaca Street
 Santee, CA 92071
 619-258-2345
 meredith.riffel@santeesd.net

The district's liaison for homeless students shall ~~ensure that~~:

1. Ensure that homeless students are identified by school personnel and through coordinated activities with other entities and agencies
2. Ensure that homeless students enroll in, and have a full and equal opportunity to succeed in, district schools
3. Ensure that homeless families and students receive educational services for which they are eligible
4. Inform parents/guardians ~~are informed~~ of the educational and related opportunities available to their children and are provided with meaningful opportunities to participate in the education of their children
5. Disseminate notice of the educational rights of homeless children ~~is disseminated in district schools that provide services to homeless children and~~ at places where children they receive services, such as schools, family shelters, and hunger relief agencies (soup kitchens)
6. Mediate enrollment disputes ~~are mediated~~ in accordance with law, Board policy, and administrative regulation
7. Fully inform parents/guardians ~~are fully informed~~ of all transportation services
8. When notified pursuant to Education Code 48918.1, assist, facilitate, or represent a homeless student who is undergoing a disciplinary proceeding that could result in his/her expulsion
9. When notified pursuant to Education Code 48915.5, participate in an individualized education program team meeting to make a manifestation determination regarding the behavior of a student with a disability

EDUCATION FOR HOMELESS CHILDREN (continued)

10. Assist a homeless student to obtain records necessary for his/her enrollment into or transfer out of district schools, including immunization, medical, and academic records

Enrollment

The district shall make placement decisions for homeless students shall be based on the student's best interest. In determining a student's best interest, a homeless student shall, to the extent feasible, be placed in his/her school of origin, unless his/her parent/guardian requests otherwise.

When making a placement decision for a homeless student, the Superintendent or designee may consider the age of the student, the distance of the commute and the impact it may have on the student's education, personal safety issues, the student's need for special instruction, the length of anticipated stay in the temporary shelter or other temporary location, likely area of future housing, school placement of siblings, and the time remaining in the school year.

However, placement shall not be based on whether a homeless student lives with his/her homeless parent/guardian or has been temporarily placed elsewhere.

The student may continue attending his/her school of origin for the duration of the homelessness and until the end of any academic year in which he/she moves into permanent housing.

In the case of an unaccompanied youth, the ~~district's homeless~~ liaison shall assist in placement or enrollment decisions, consider the views of the student, and provide notice to the student of his/her appeal rights.

In determining a student's best interest, a homeless student shall, to the extent feasible, be placed in his/her school of origin, unless his/her parent/guardian requests otherwise.

If the student is placed at a school other than his/her school of origin or the school requested by his/her parent/guardian, the Superintendent or designee shall provide the parent/guardian with a written explanation of the decision along with a statement regarding the parent/guardian's right to appeal the placement decision.

Once a placement decision has been made, the principal or designee shall immediately enroll the student in the school of choice, even if the parent/guardian is unable to provide the school with the records normally required for enrollment. The student shall be enrolled even if he/she:

EDUCATION FOR HOMELESS CHILDREN (continued)

1. Has outstanding fees, fines, textbooks, or other items or monies due to the school last attended
2. Does not have clothing normally required by the school, such as school uniforms
3. Is unable to produce records normally required for enrollment, such as previous academic records, proof of residency, and medical records, including, but not limited to, records or other proof of immunization history

The principal or designee shall immediately contact the school last attended by the student to obtain the relevant records. If the student needs to obtain immunizations or does not possess immunization or other medical records, the principal or designee shall refer the parent/guardian to the district's liaison for homeless students. The liaison shall assist the parent/guardian, or the student if he/she is an unaccompanied youth, in obtaining the necessary immunizations or records for the student.

If the student is placed at a school other than his/her school of origin or the school requested by his/her parent/guardian, the Superintendent or designee shall provide the parent/guardian with a written explanation of the decision along with a statement regarding the parent/guardian's right to appeal the placement decision.

The student may continue attending his/her school of origin for the duration of the homelessness.

To ensure that the homeless student has the benefit of matriculating with his/her peers in accordance with the established feeder patterns, the following shall apply:

1. If the student is transitioning between grade levels, he/she shall be allowed to continue in the same attendance area.
2. If the student is transitioning to a middle school or high school, and the school designated for matriculation is in another school district, he/she shall be allowed to continue to the school designated for matriculation in that district.

If the student's status changes before the end of the school year so that he/she is no longer homeless, he/she shall be allowed to stay in the school of origin:

1. Through the duration of the school year if he/she is in grades K-8
2. Through graduation if he/she is in high school

EDUCATION FOR HOMELESS CHILDREN (continued)**Resolving Enrollment Disputes** ~~Resolution Process~~

If a dispute arises over school selection or enrollment in a particular school, the student shall be immediately admitted to the school in which enrollment is sought pending resolution of the dispute.

The parent/guardian shall be provided with a written explanation of the placement decision, ~~including an explanation of the parent/guardian's right to appeal the decision. He/she shall also be referred to the district liaison. The written explanation~~ which shall be complete, as brief as possible, simply stated and provided in language that the parent/guardian or student can understand. ~~The written explanation may shall include: contact information for the district liaison, a description of the district's decision, notice of the right to enroll in the school of choice pending resolution of the dispute, notice that enrollment includes full participation in all school activities, and notice of the right to appeal the decision to the county office of education and, if the dispute remains unresolved, to the California Department of Education.~~

1. The district liaison's contact information
2. A description of the district's placement decision
3. Notice of the student's right to enroll in the school of choice pending resolution of the dispute, including the right to fully participate in all school activities
4. Notice of the parent/guardian's right to appeal the decision to the county office of education and, if the dispute remains unresolved, to the California Department of Education

The district liaison shall work to resolve an enrollment ~~carry out the dispute resolution process~~ as expeditiously as possible after receiving notice of the dispute.

~~The liaison shall provide the parent/guardian a copy of the district's decision, dispute form, and a copy of the outcome of the dispute.~~

In working with a student's parents/guardians to resolve an enrollment dispute, the district liaison shall:

1. Inform them that they may provide written and/or oral documentation to support their position
2. Inform them that they may seek the assistance of social services, advocates, and/or service providers in having the dispute resolved

EDUCATION FOR HOMELESS CHILDREN (continued)

3. Provide them a simple form that they may use and turn in to the school to initiate the dispute resolution process
4. Provide them a copy of the dispute form they submit for their records
5. Provide them the outcome of the dispute for their records

If a parent/guardian disagrees with the liaison's enrollment decision, he/she may appeal the decision to the Superintendent. The Superintendent shall make a determination within five working days.

If the parent/guardian ~~wishes~~ chooses to appeal the district's placement decision, the district liaison shall forward all written documentation and related paperwork to the homeless liaison at the county office of education.

Transportation

The district shall provide transportation for a homeless student to and from his/her school of origin when the student is residing within the district and the parent/guardian requests that such transportation be provided. If the student moves outside of district boundaries, but continues to attend his/her school of origin within this district, the Superintendent or designee shall consult with the superintendent of the district in which the student is now residing to agree upon a method to apportion the responsibility and costs of the transportation.

The district shall not be obligated to provide transportation to students who continue attending their school of origin after they cease to be homeless, unless the formerly homeless student has an individualized education program that includes transportation as a necessary related service for the student.

Eligibility for Extracurricular Activities

A homeless student who enrolls in any district school shall be immediately deemed to meet all residency requirements for participation in interscholastic sports or other extracurricular activities.

Notification and Complaints

Information regarding the educational rights of homeless students, as specified in Education Code 51225.1 and 51225.2, shall be included in the annual uniform complaint procedures notification distributed to students, parents/guardians, employees, and other interested parties pursuant to 5 CCR 4622.

EDUCATION FOR HOMELESS CHILDREN (continued)

Any complaint that the district has not complied with requirements regarding the education of homeless students, as specified in Education Code 51225.1 or 51225.2, may be filed in accordance with the district's procedures in AR 1312.3 - Uniform Complaint Procedures.

Item G. BOARD COMMUNICATION AND ORGANIZATIONAL BUSINESS

Item H. CLOSED SESSION

Citizens wishing to address the Board about a Closed Session item are requested to submit a Request to Speak card in advance. The Board invites citizens at this time to address the Board about any of the items listed under Closed Session

The Board will go into Closed Session to discuss:

1. **Consideration of Student Matter** (Ed. Codes § 35146, 48912 and 48918)
2. **Public Employee Discipline/Dismissal/Release** (Gov. Code § 54957)
3. **Conference with Labor Negotiator** (Gov't. Code § 54957.6)
Purpose: Negotiations
Agency Negotiators: Tim Larson, Assistant Superintendent
Employee Organization: Santee Teachers Association (STA)
4. **Conference with Labor Negotiator** (Gov't. Code § 54957.6)
Purpose: Negotiations
Agency Negotiators: Tim Larson, Assistant Superintendent
Employee Organization: Classified School Employees Association (CSEA)
5. **Conference with Real Property Negotiators** (Gov't. Code § 54956.8)
 - *Elliot Site #2 (Parcel #: APN 366 050 16 - east of landfill; North of West Hills High School – area commonly known as Camp Elliott)*
 - *10335 Mission Gorge Road, Santee 92071 (formerly known as Santee School Site)*
 - *Property adjacent to 9219 Fenway Road, Santee, CA 92071 located at 10201 Settle Road, Santee, CA 92071 (Sycamore Canyon School)*
 - *Sycamore Canyon School, 10201 Settle Road, Santee, CA 92071**Agency Negotiator: Cathy A. Pierce, Superintendent*
6. **Public Employee Performance Evaluation** (Gov. Code § 54957)
Superintendent

Item I. RECONVENE TO PUBLIC SESSION

Item J. ADJOURNMENT

Agenda Items H, I, and J.