

# Hanford Elementary School District

## REGULAR BOARD MEETING AGENDA

Wednesday, January 24, 2018

HESD District Office Board Room

714 N. White Street, Hanford, CA

### OPEN SESSION

5:30 p.m.

- Call to Order
- Members Present
- Pledge to the Flag

### 1. PRESENTATIONS, REPORTS AND COMMUNICATIONS

*(In order to insure that members of the public are provided an opportunity to address the Board on agenda items or non-agenda items that are within the Board's jurisdiction, agenda items may be addressed either at the public comments portion of the agenda, or at the time the matter is taken up by the Board. A person wishing to be heard by the Board shall first be recognized by the President and identify themselves. Individual speakers are allowed three minutes to address the Board. The Board shall limit total time for public input on each item to 20 minutes.)*

- a) Public comments
- b) Board and staff comments
- c) Requests to address the Board at future meetings
- d) Review Dates to remember
- e) Presentation of Annual audit report & Measure U audit report (Endo)

### 2. CONSENT ITEMS

*(Items listed are considered routine and may be adopted in one motion. If discussion is required, a particular item may be removed upon request by any Board member and made a part of the regular business.)*

- a) Accept warrant listings dated December 29, 2017; January 5, 2018 and January 12, 2018.
- b) Approve minutes of Regular Board Meeting held on January 10, 2018.
- c) Approve interdistrict transfers as recommended.
- d) Approve donation of \$1,353.57 from Simas Parent Teacher Club for General Fund/Instructional Supplies.
- e) Approve donation of \$500.00 from Wonderful Giving to Lee Richmond for purchase of Instructional supplies and sports equipment.
- f) Approve donation of \$233.70 from Box Top Education to Jefferson Charter Academy to be used for expenditures for student incentives.
- g) Approve donation of \$164.30 from Box Top Education to Hamilton to be used toward student rewards.
- h) Approve donation of \$339.00 from Box Top Education to Monroe to be used toward materials and supplies.
- i) Approve donation of \$500.00 from Kohl's to the Monroe READY program to be used for READY program incentives.

6:00 p.m. **PUBLIC HEARING: Application for Extended School Year Waiver for Special Education** (McConnell)

### 3. INFORMATION ITEMS

- a) Receive for information the quarterly report regarding Williams Uniform Complaints (Gabler)
- b) Receive for information the California School Dashboard (Carlton)
- c) Receive for information the following revised Board Policy: (Strickland)
  - BP 5111 – Admission

### 4. BOARD POLICIES AND ADMINISTRATION

- a) Consider for approval of the California School Accountability Report Cards (SARCs) (Carlton)
- b) Consider approval of Architectural Services Agreement with Mangini Associates, Inc. – for the exterior painting of John F. Kennedy Jr. High School (Mulligan)
- c) Consider approval of Architectural Services Agreement with Mangini Associates, Inc. – for the reroof of John F. Kennedy Jr. High School's gym and cafeteria (Mulligan)
- d) Consider approval to solicit bids for the exterior painting of John F. Kennedy Jr. High School (Mulligan)
- e) Consider approval to solicit bids for the reroof of John F. Kennedy Jr. High School's gym and cafeteria (Mulligan)
- f) Consider approval of the following revised Board Policy: (McConnell)
  - BP 5141.52 – Suicide Prevention
- g) Consider approval of the following revised Board Policy and Administrative Regulation: (McConnell)
  - BP/AR 5148.2 – Before/After School Programs
- h) Consider approval of the following revised Board Policy and Administrative Regulation: (McConnell)
  - BP/AR 6145.2 – Athletic Competition
- i) Consider approval of the following revised Board Policy and Administrative Regulation: (McConnell)
  - BP/AR 6164.6 – Identification And Education Under Section 504
- j) Consider approval of deletion of optional Board Policy: (Rubalcava)
  - BP 6117 – Year-Round Schedules
- k) Consider approval of the following revised Board Policy: (Rubalcava)
  - BP 6154 – Homework/Makeup Work
- l) Consider approval of Application for Extended School Year Waiver for Special Education (McConnell)

### 5. PERSONNEL (Martinez)

- a) Employment
  - Classified
    - Loretta King, Bus Driver – 4.5 hrs., Transportation/DSF, effective 1/12/18
  - Temporary Employees/Substitutes/Yard Supervisors
    - Alex Acevedo, Short-term Custodian II – 8.0 hrs., Washington, effective 1/8/18 to 3/2/18
    - Abel Aguilar, Substitute Yard Supervisor, effective 1/8/18
    - Larry Dias, Substitute Bus Driver, effective 1/9/18
    - Melissa Rodriguez, Short-term Yard Supervisor – 1.75 hrs., King, effective 1/16/18 to 3/23/18
    - Sandra Virden, Short-term Yard Supervisor – 1.0 hr. (M,T,Th,F), Lincoln, effective 1/8/18 to 3/23/18

- b) Resignations
  - Maria Prado, Bilingual Licensed Vocational Nurse – 6.0 hrs., Richmond, effective 1/16/18
  - Christian Romero, Yard Supervisor – 2.5 hrs., Simas, effective 12/15/17
  - Laurie Tolbert, Substitute Special Circumstance Aide, Special Education Aide and Alternative Education Program Aide, effective 10/26/17
- c) Termination
  - Larry Dias, Substitute Bus Driver, Transportation/DSF, effective 1/10/18
- d) Retirement
  - Linda Arnett, Bus Driver – 4.5 hrs., Transportation/DSF, effective 4/10/18
  - Joann Irwin, Teacher, Roosevelt, effective 6/6/18
- e) More Hours
  - Guadalupe Lopez, Yard Supervisor, from 1.5 hrs. to 2.0 hrs., Jefferson, effective 1/8/18
  - Veronica Rubalcava, Short-term Yard Supervisor, from 2.5 hrs. to 3.0 hrs., Jefferson, effective 1/8/18 to 3/23/18
- f) Job Description
  - Director of Curriculum and Instruction, Beginning Teacher Support and Guidance (new)
- g) Reclassification
  - Debra Colvard, from Director of Curriculum and Instruction, to Director of Curriculum and Instruction, Beginning Teacher Support and Guidance, Curriculum, and Instruction Department, effective 1/25/18
- h) Volunteers
 

<u>Name</u>	<u>School</u>
Warren Hull	Jefferson
Sharon Pagendarm	Jefferson
Ruth Moore	King
Alexandria Marquez	Simas
Eleanor Guerrero (Retired HESD Employee)	Washington

## **6. FINANCIAL (Endo)**

- a) Consider acceptance of the audit report.
- b) Consider acceptance of the Building Fund (Measure U) financial audit report.
- c) Consider approval of the audit corrective action plan.

## **ADJOURN MEETING**



VAVRINEK, TRINE, DAY & CO., LLP  
Certified Public Accountants

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December 8, 2017

Governing Board  
Hanford Elementary School District  
714 N. White Street  
Hanford, CA 93232

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Hanford Elementary School District for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 10, 2017. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Hanford Elementary School District are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, the Hanford Elementary School District changed accounting policies for the year ended June 30, 2017, related to: postemployment benefits other than pension by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 74, *Financial Reporting for Postemployment Benefits Plans Other Than Pension Plans*; the proper disclosure of tax abatement agreements by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 77, *Tax Abatement Disclosures*; the accounting of certain multiple-employer pension plans by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*; the financial reporting of component units by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 80, *Blending Requirements for Certain Component Units*; and to certain issues related to pension by adopting No. 82, *Pension Issues – An Amendment of GASB Statement No. 67, No. 68, and No. 73*. We noted no transactions entered into by Hanford Elementary School District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the government-wide financial state statements were:

Management's estimate of the pension liability and associated accounts is based on actuarial evidence provided by the pension plan sponsors. We evaluated the key factors and assumptions used to develop the estimates for pension liability, pension cost, and both deferred inflow and deferred outflow of resources in determining that it is reasonable in relation to the financial statements taken as a whole.

In addition, management's estimate of the other postemployment benefit (OPEB) liability is also based on actuarial evidence provided by an actuary. We evaluated the key factors and assumptions used to develop the estimates for the OPEB liability in determining that it is reasonable in relation to the financial statements taken as a whole.



Hanford Elementary School District  
Page 2 of 3

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Any passed adjustment have been included with your copy of the Management Representation Letter.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 8, 2017.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Hanford Elementary School District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Hanford Elementary School District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, budgetary comparison schedule, schedule of other post employment benefits funding progress, schedule of the district's proportionate share of the nest pension liability and the schedule of the district's contributions, which are (is) required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Hanford Elementary School District  
Page 3 of 3

We were engaged to report on the schedule of expenditures of federal awards, supplementary information required to be included in the financial statements of an audit subject to the *2016-2017 Guide for Annual Audits of K-12 Local Educational Agencies and State Compliance Reporting*, and combining statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Governing Board and management of Hanford Elementary School District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*Vavrinek, Trine, Day & Co. LLP*

Vavrinek, Trine, Day & Co., LLP  
December 8, 2017

**HANFORD ELEMENTARY SCHOOL DISTRICT**

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ANNUAL FINANCIAL REPORT

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**JUNE 30, 2017**

**HANFORD ELEMENTARY SCHOOL DISTRICT****TABLE OF CONTENTS****JUNE 30, 2017**

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***FINANCIAL SECTION***

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*Certified Public Accountants*

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## INDEPENDENT AUDITOR'S REPORT

Governing Board  
 Hanford Elementary School District  
 Hanford, California

### **Report on the Financial Statements**

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

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2016-2017 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, issued by the California Education Audit Appeals Panel as regulations. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Hanford Elementary School District, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14, budgetary comparison schedule on page 64, schedule of other postemployment benefits funding progress on page 65, schedule of the district's proportionate share of net pension liability on page 66, and the schedule of district contributions on page 67, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Hanford Elementary School District's basic financial statements. The accompanying supplementary information such as the combining and individual non-major fund financial statements and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the other supplementary information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2017, on our consideration of the Hanford Elementary School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Hanford Elementary School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Hanford Elementary School District's internal control over financial reporting and compliance.

*Varinuk, Trine, Day + Co. LLP*

Fresno, California  
December 8, 2017

# Hanford Elementary School District

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714 N. White Street  
P.O. Box 1067  
Hanford, CA 93232  
(559) 585-3600

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**Superintendent**  
Joy C. Gabler

**Governing Board**  
Robert "Bobby" Garcia Jeff  
Garner  
Lupe Hernandez  
Timothy L. Revious  
Greg Strickland

## HANFORD ELEMENTARY SCHOOL DISTRICT KINGS COUNTY

### MANAGEMENT DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

#### INTRODUCTION

The Hanford Elementary School District's goal is to provide, in an atmosphere of care and concern, an opportunity for every student to recognize and fully develop his/her particular academic, technical, physical and social skills. Hanford Elementary School District students graduate prepared to continue on to high school.

The Management Discussion and Analysis of Hanford Elementary School District's financial statements provide an overall review of the District's financial activities for the fiscal year ended June 30, 2017. This analysis will look at the District's financial performance as a whole. The management discussion and analysis should be reviewed in conjunction with the auditor's transmittal letter, notes to the basic financial statements and the basic governmental wide financial statements to enhance the understanding of the District's financial performance.

The Hanford Elementary School District is a medium-sized rural school district offering instruction to students from kindergarten through eighth grade. During the 2016-2017 school year, the District operated eight elementary schools, one K-8 charter school, two junior high schools, and one community day school on the traditional August through June schedule, for the instruction of approximately 5,954 students.

#### USING THE ANNUAL FINANCIAL REPORT

- This annual financial report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the District as a whole, and then proceed to provide an increasingly detailed look at specific financial activities.
- The Management Discussion and Analysis Statement is provided to assist our citizens, taxpayers and investors in reviewing the District's finances and to show the District's accountability for the money it receives.



# HANFORD ELEMENTARY SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

**JUNE 30, 2017**

### FINANCIAL HIGHLIGHTS

- The Hanford Elementary School District's Government-wide Statement of Net Position illustrates total net position of \$0.8 million, the result of assets and deferred outflows of \$80.1 million minus liabilities and deferred inflows of \$79.3 million.
- General Revenues accounted for \$60.8 million or 84 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$11.4 million or 16 percent of total revenues of \$72.2 million.
- The District had \$69.8 million in expenses related to governmental activities.
- The General Fund reported a positive fund balance of \$11.9 million.

### STUDENT ENROLLMENT & DEMOGRAPHIC TRENDS

- The School District has an enrollment of approximately 5,954 students for the current 2016-2017 school year, with enrollment projected to remain static for the coming 2017-2018 school year.
- In addition to tracking enrollment, the District also watches actual Average Daily Attendance (ADA). The ADA is typically lower than a District's enrollment, although the two terms are often (though incorrectly) used interchangeably. The anticipated 2017-2018 ADA for the District is 5,805 excluding ADA from County run programs. The ratio of actual attendance to enrollment summarizes the District's changes and efforts to increase attendance. Figure 1 summarizes a historical analysis of the District's enrollment to actual positive attendance ratios.

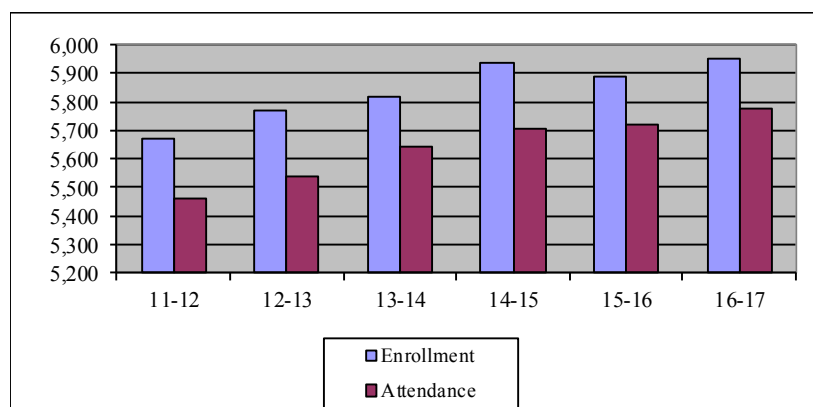


Figure 1. District Enrollment to Actual Attendance Data

# HANFORD ELEMENTARY SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

**JUNE 30, 2017**

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School districts have traditionally placed great importance on the accurate projection of student enrollment for the ensuing budget year, due to the broad range of funding and programs impacted by this number. These impacts range from the very basic funding for California school districts which calculates the number of days attended by the enrolled students times a unique "revenue amount", to how much a particular special program will receive, to the amount of one-time monies a district may receive. Increased ADA is intended to generate additional dollars to help offset normal inflationary costs of operating the business of education, and related growth cost for the additional enrollment.

### REPORTING THE DISTRICT AS A WHOLE

- THE STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of the year's activities?" "The Statement of Net Position and the Statement of Activities" reports information about the District as a whole and about its activities in a manner that helps to answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector corporations. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid.

These two statements report the Hanford Elementary School District's net position and changes in them. The change in net position provides the reader a tool to assist in determining whether the District's financial health is improving or deteriorating. The reader will need to consider other non-financial factors, such as property tax base, current property tax laws, student enrollment, and facility conditions in arriving at their conclusion regarding the overall health of the District.

- FUND FINANCIAL STATEMENTS

The fund financial statements provide detailed information about the most significant funds, not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various provisions. The District's three types of funds, governmental, proprietary, and fiduciary use different accounting approaches as further described in the notes to the financial statements.

- GOVERNMENTAL FUNDS

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting. Governmental fund statements provide a detailed short-term view of the District's general governmental operations and the basic services it provides. Governmental fund information helps you determine whether there are more or less financial resources available to spend in the near future to finance the District's program. The Relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the notes to the financial statements.

## HANFORD ELEMENTARY SCHOOL DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2017

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Governmental funds include most of the major funds of the District. A more detailed discussion of Governmental funds follows.

- PROPRIETARY FUNDS

Proprietary funds use the same basis of accounting as business-type activities, therefore the statements will essentially match. Our District has only one such Internal Service Fund – the Self-Insurance Employee Benefits – Dental Fund.

- FIDUCIARY FUNDS

Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs. The District uses an agency fund to account for resources held for student activities and groups. These funds include Student Body funds for the two junior high schools.

The District is the trustee, or fiduciary, for its student activity funds. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Position. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

- NOTES TO THE FINANCIAL STATEMENTS

The notes provided additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

- THE DISTRICT AS A WHOLE

The "Statement of Net Position" provides the perspective of the District as a whole. Table 1 provides a summary of the District's net position for fiscal years 2016-2017 and 2015-2016, respectively.

## HANFORD ELEMENTARY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2017

Table 1. Net Position

(Amounts in millions)	Governmental Activities		Change
	2017	2016	
<b>Assets</b>			
Current and other assets	\$ 32.3	\$ 21.9	\$ 10.4
Capital assets	34.6	33.0	1.6
<b>Total Assets</b>	<b>66.9</b>	<b>54.9</b>	<b>12.0</b>
<b>Deferred Outflows of Resources</b>	<b>13.2</b>	<b>11.2</b>	<b>2.0</b>
<b>Liabilities</b>			
Current liabilities	3.4	4.5	(1.1)
Long-term obligations	17.3	8.5	8.8
Net pension liability	57.1	45.7	11.4
<b>Total Liabilities</b>	<b>77.8</b>	<b>58.7</b>	<b>19.1</b>
<b>Deferred Inflows of Resources</b>	<b>1.5</b>	<b>9.0</b>	<b>(7.5)</b>
<b>Net Position</b>			
Net investment in capital assets	29.7	27.9	1.8
Restricted	5.0	5.1	(0.1)
Unrestricted	(33.9)	(34.6)	0.7
<b>Total Net Position</b>	<b>\$ 0.8</b>	<b>\$ (1.6)</b>	<b>\$ 2.4</b>

Table 2 shows the changes in net position for fiscal years 2016-2017 and 2015-2016, respectively.

## HANFORD ELEMENTARY SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2017

Table 2. Changes in Net Position

(Amounts in millions)		Governmental Activities		
		2017	2016	Change
<b>Revenues</b>				
Program revenues:				
Charges for services	\$	0.2	\$ 0.2	\$ -
Operating grants and contributions		11.2	10.2	1.0
General revenues:				
Federal and State aid not restricted		54.2	52.6	1.6
Property taxes		4.5	4.2	0.3
Other general revenues		2.1	2.3	(0.2)
<b>Total Revenues</b>		<u>72.2</u>	<u>69.5</u>	<u>2.7</u>
<b>Expenses</b>				
Instruction related		44.7	43.1	1.6
Student support services		9.6	8.6	1.0
Administration		4.0	4.1	(0.1)
Maintenance and operations		8.1	6.6	1.5
Other		3.4	2.6	0.8
<b>Total Expenses</b>		<u>69.8</u>	<u>65.0</u>	<u>4.8</u>
<b>Change in Net Position</b>	<b>\$</b>	<u><b>2.4</b></u>	<u><b>\$ 4.5</b></u>	<u><b>\$ (2.1)</b></u>

# HANFORD ELEMENTARY SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2017

### GOVERNMENTAL FUNDS

- The District's Governmental Funds include Special Revenue Funds for Deferred Maintenance and Cafeteria, Debt Service Funds for repayments of general obligation bonds, Capital Projects Funds, and most importantly, the General Fund. Figure 2 summarizes District Revenue by source of the District's Governmental Funds. Figure 3 summarize the District's Governmental Expenditures by function.

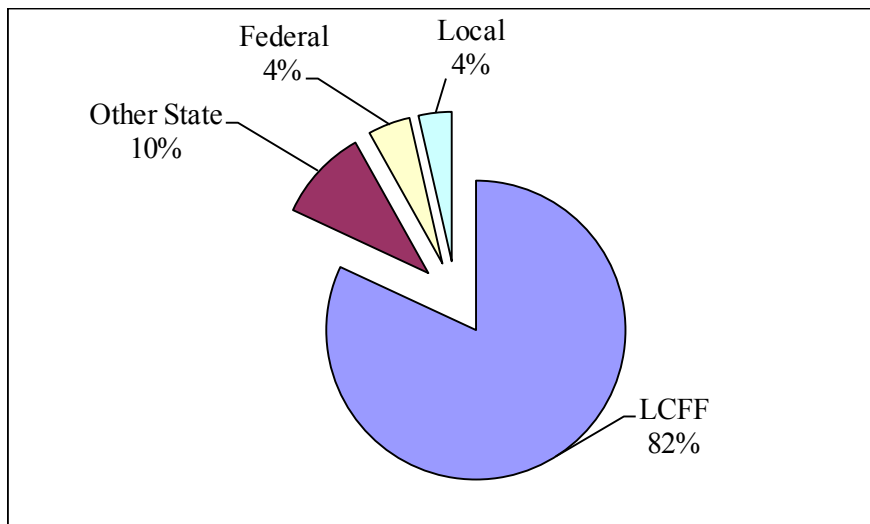


Figure 2. Revenues by Source

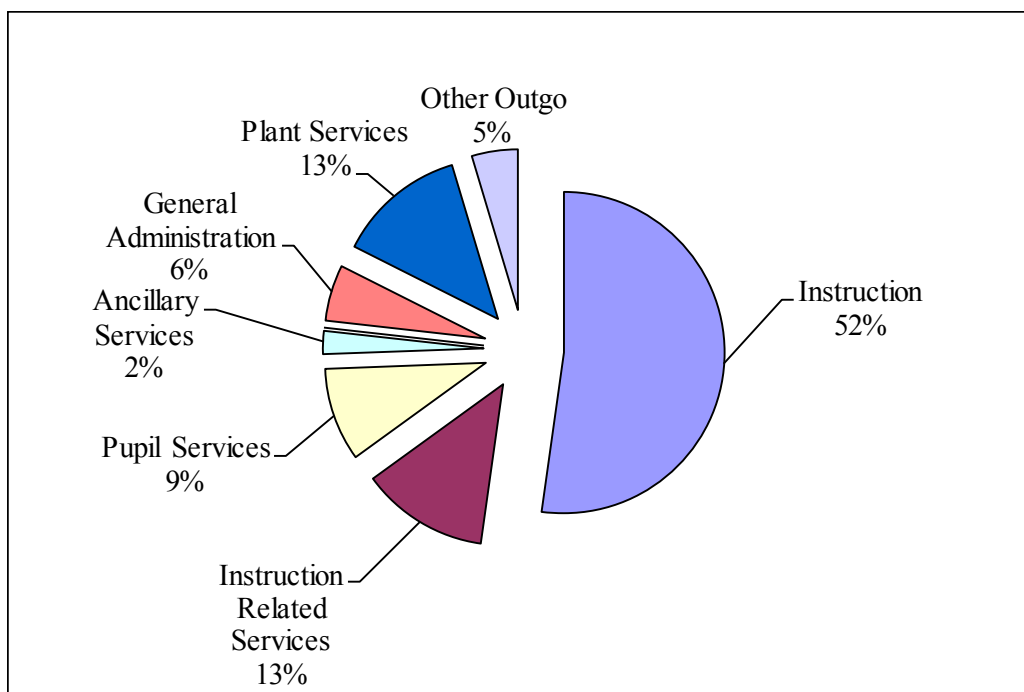


Figure 3. Expenditures by Function



# HANFORD ELEMENTARY SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2017

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### GENERAL FUND BUDGET INFORMATION

The District's budget is prepared in accordance with California law and is based on the cash basis of accounting, utilizing cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

The District begins the budget process in January of each year, to be completed by June 30. After updating of the forecast for changes in revenue and expenditure assumptions, the operating budget begins at the school level. Each school in the District receives a per pupil allocation augmented with resources for special education students. The schools and departments provide input to the superintendent and to Fiscal Services for their budget needs. The site and department budgets are reviewed monthly to ensure management becomes aware of any significant variations during the year.

#### • GENERAL FUND BUDGET VARIATIONS

In June of each year, a Budget is adopted by the District's Board of Trustees, effective July 1 through June 30. The Budget is based on year-ending projections from the previous year's budget. As the school year progresses, the Budget is revised and updated, with numerous financial reports made public outlining the revisions. Finally, in August of the following year, the books are closed for the July 1 – June 30 fiscal year, and the results are audited, yielding actual final numbers.

There are several reasons for Budget revisions. Most notable are any salary increases granted by the Board of Trustees for district employees for the original budget does not presume salary increases unless they have already been agreed to in a multi-year contract. Also, any changes in the number of staff and/or staff utilization of health and welfare benefits that vary from the original projections would also yield budget revisions.

The implementation of new instructional or categorical programs can also effect budget projections. For the Hanford Elementary School District, the increased emphasis on closing the achievement gap for all of our students continue to push forward several academic-focused programs that impact expenditures in personnel, instructional materials, outside services and supplies.

The State and Federal budget issues have an impact on the District's General Fund budget. As revenues from these two sources change, so do District revenues, since 96% of District revenues come from State and Federal revenue streams.

The final actual numbers of the General Fund that will be certified by February of the next year will be the reflection of the culmination of these several factors.

The net difference in fund balance between the adopted budget and the final budget was an increase of \$1.1 million and may be summarized as follows:

\$1.6 million increase in total revenue mainly due to increases state revenue.

\$0.7 million decrease in total expenditures (not including transfers out) due primarily to decreased spending for books, supplies, and services.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2017

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### • CAPITAL ASSETS

At June 30, 2016, the District had \$33.0 million in a broad range of capital assets, including land, buildings, and furniture and equipment, net of accumulated depreciation. At June 30, 2017, the District's net capital assets were \$34.6 million. This amount represents a net increase (including additions and deductions) of \$1.6 million, or 4.8 percent, from last year. Table 3 shows the balances for fiscal years 2016-2017 and 2015-2016.

Table 3. Changes in Capital Assets  
(Net of Depreciation)

(Amounts in millions)	Governmental Activities		Change
	2017	2016	
Land	\$ 2.2	\$ 2.1	\$ 0.1
Buildings and improvements	30.1	28.9	1.2
Equipment	1.9	1.6	0.3
Construction in Progress	0.4	0.4	-
<b>Total</b>	<b>\$ 34.6</b>	<b>\$ 33.0</b>	<b>\$ 1.6</b>

#### • LONG-TERM OBLIGATIONS

At the end of this year, the District had \$17.3 million in long-term obligations outstanding versus \$8.5 million last year, an increase of 104 percent. Table 4 summarizes these debts.

Table 4. Outstanding Obligations

(Amounts in millions)	Governmental Activities		Change
	2017	2016	
General obligation bonds	\$ 13.5	\$ 5.1	\$ 8.4
Compensated absences	0.3	0.3	-
Other postemployment benefits	3.5	3.1	0.4
<b>Total</b>	<b>\$ 17.3</b>	<b>\$ 8.5</b>	<b>\$ 8.8</b>

The District's general obligation bond insured S&P bond rating at the time of their last issuance was "AA".

Other obligations include compensated absences payable, postemployment benefits (not including health benefits) and other long-term obligations. We present more detailed information regarding our long-term obligations in the Notes to Financial Statements.

**HANFORD ELEMENTARY SCHOOL DISTRICT****MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2017**

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- **NET PENSION LIABILITY (NPL)**

In the fiscal year ending June 30, 2015, the District implemented GASB Statement No. 68, Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27, which required the District to recognize its proportionate share of the unfunded pension obligation for CalSTRS and CalPERS. As of June 30, 2017, the District reported Deferred Outflows from pension activities of \$13.2 million, Deferred Inflows from pension activities of \$1.5 million, and a Net Pension Liability of \$57.1 million. We present more detailed information regarding our net pension liability in the Notes to Financial Statements.

**FOR THE FUTURE**

The District's system of budgeting and internal controls is well regarded and it will take all of the District's financial abilities to meet the challenges of the future.

**CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Hanford Elementary School District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact David Endo, Chief Business Officer, Hanford Elementary School District, P. O. Box 1067, Hanford, CA 93232.

**HANFORD ELEMENTARY SCHOOL DISTRICT****STATEMENT OF NET POSITION  
JUNE 30, 2017**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Deposits and investments	\$ 29,788,700
Receivables	2,354,352
Prepaid expenses	1,693
Stores inventories	170,174
Nondepreciable capital assets	2,542,021
Capital assets being depreciated	58,498,358
Accumulated depreciation	(26,442,296)
<b>Total Assets</b>	<b>66,913,002</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows of resources related to pensions	13,211,265
<b>LIABILITIES</b>	
Accounts payable	3,418,680
Unearned revenue	56,948
Long-term obligations:	
Current portion of long-term obligations other than pensions	780,000
Noncurrent portion of long-term obligations other than pensions	16,476,182
<b>Total Long-Term Obligations</b>	<b>17,256,182</b>
Aggregate net pension liability	57,066,055
<b>Total Liabilities</b>	<b>77,797,865</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows of resources related to pensions	1,481,109
<b>NET POSITION</b>	
Net investment in capital assets	29,697,771
Restricted for:	
Debt service	1,742,005
Capital projects	760,146
Educational programs	1,223,365
Other activities	1,346,225
Unrestricted	(33,924,219)
<b>Total Net Position</b>	<b>\$ 845,293</b>

The accompanying notes are an integral part of these financial statements.

## HANFORD ELEMENTARY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2017

Functions/Programs	Expenses	Program Revenues	
		Charges for Services and Sales	Operating Grants and Contributions
<b>Governmental Activities:</b>			
Instruction	\$ 35,926,369	\$ -	\$ 3,447,263
Instruction-related activities:			
Supervision of instruction	2,537,382	-	2,016,531
Instructional library, media, and technology	1,112,774	-	-
School site administration	5,184,488	-	148,527
Pupil services:			
Home-to-school transportation	1,188,147	-	125,207
Food services	3,252,011	218,999	2,634,269
All other pupil services	5,181,558	-	713,902
Administration:			
Data processing	877,719	-	-
All other administration	3,159,883	9,740	392,019
Plant services	8,120,522	479	522,042
Ancillary services	1,513,954	-	1,021,993
Interest on long-term obligations	848,973	-	-
Other outgo	928,261	-	151,813
<b>Total Governmental Activities</b>	<b>\$ 69,832,041</b>	<b>\$ 229,218</b>	<b>\$ 11,173,566</b>
General revenues and subventions:			
Property taxes, levied for general purposes			
Property taxes, levied for debt service			
Taxes levied for other specific purposes			
Federal and State aid not restricted to specific purposes			
Interest and investment earnings			
Miscellaneous			
<b>Subtotal, General Revenues</b>			
<b>Change in Net Position</b>			
Net Position - Beginning			
Net Position - Ending			

The accompanying notes are an integral part of these financial statements.

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**Net (Expenses)  
Revenues and  
Changes in  
Net Position**

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**Governmental  
Activities**

---

\$ (32,479,106)

(520,851)

(1,112,774)

(5,035,961)

(1,062,940)

(398,743)

(4,467,656)

(877,719)

(2,758,124)

(7,598,001)

(491,961)

(848,973)

(776,448)

(58,429,257)

2,831,551

1,666,758

63,383

54,187,575

151,159

1,990,651

60,891,077

2,461,820

(1,616,527)

\$ 845,293



## HANFORD ELEMENTARY SCHOOL DISTRICT

**GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2017**

	<b>General Fund</b>	<b>Building Fund</b>	<b>Special Reserve Capital Outlay Fund</b>
<b>ASSETS</b>			
Deposits and investments	\$ 12,927,146	\$ 8,557,142	\$ 3,738,574
Receivables	1,855,829	-	-
Due from other funds	97,219	-	-
Prepaid expenditures	1,693	-	-
Stores inventories	145,860	-	-
<b>Total Assets</b>	<b>\$ 15,027,747</b>	<b>\$ 8,557,142</b>	<b>\$ 3,738,574</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 3,029,427	\$ 4,087	\$ 5,614
Due to other funds	-	-	-
Unearned revenue	56,948	-	-
<b>Total Liabilities</b>	<b>3,086,375</b>	<b>4,087</b>	<b>5,614</b>
<b>Fund Balances:</b>			
Nonspendable	152,653	-	-
Restricted	1,176,898	8,553,055	-
Committed	-	-	-
Assigned	1,923,385	-	3,732,960
Unassigned	8,688,436	-	-
<b>Total Fund Balances</b>	<b>11,941,372</b>	<b>8,553,055</b>	<b>3,732,960</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 15,027,747</b>	<b>\$ 8,557,142</b>	<b>\$ 3,738,574</b>

The accompanying notes are an integral part of these financial statements.

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<b>Non-Major Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 4,012,245	\$ 29,235,107
498,217	2,354,046
-	97,219
-	1,693
24,314	170,174
<u>\$ 4,534,776</u>	<u>\$ 31,858,239</u>
<u><u>\$ 4,534,776</u></u>	<u><u>\$ 31,858,239</u></u>
\$ 209,045	\$ 3,248,173
97,219	97,219
-	56,948
<u>306,264</u>	<u>3,402,340</u>
24,724	177,377
3,870,119	13,600,072
18,724	18,724
314,945	5,971,290
-	8,688,436
<u>4,228,512</u>	<u>28,455,899</u>
<u><u>\$ 4,534,776</u></u>	<u><u>\$ 31,858,239</u></u>

**HANFORD ELEMENTARY SCHOOL DISTRICT**
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2017**


---

<b>Total Fund Balance - Governmental Funds</b>	<b>\$ 28,455,899</b>
<b>Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:</b>	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.	
The cost of capital assets is	\$ 61,040,379
Accumulated depreciation is	<u>(26,442,296)</u>
Net Capital Assets	34,598,083
An internal service fund is used by the District's management to charge the costs of the dental insurance program to the individual funds. The assets and liabilities of the internal service fund are included with governmental activities.	383,392
Expenditures relating to contributions made to pension plans were recognized on the modified accrual basis, but are not recognized on the accrual basis.	4,755,035
The net change in proportionate share of net pension liability as of the measurement date is not recognized as an expenditure under the modified accrual basis, but is recognized on the accrual basis over the expected average remaining service life of members receiving pension benefits.	2,049,132
The difference between projected and actual earnings on pension plan investments are not recognized on the modified accrual basis, but are recognized on the accrual basis as an adjustment to pension expense.	5,729,263
The differences between expected and actual experience in the measurement of the total pension liability are not recognized on the modified accrual basis, but are recognized on the accrual basis over the expected average remaining service life of members receiving pension benefits.	(329,777)
The changes of assumptions is not recognized as an expenditure under the modified accrual basis, but is recognized on the accrual basis over the expected average remaining service life of members receiving pension benefits.	(473,497)
Net pension liability is not due and payable in the current period, and is not reported as a liability in the funds.	(57,066,055)

The accompanying notes are an integral part of these financial statements.

**HANFORD ELEMENTARY SCHOOL DISTRICT**
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
 TO THE STATEMENT OF NET POSITION, Continued  
 JUNE 30, 2017**


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Long-term obligations, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.

Bonds payable	\$ 13,453,367	
Compensated absences	306,113	
Other postemployment benefits (OPEB)	3,496,702	
	<hr/>	
Total Long-Term Obligations		\$ (17,256,182)
<b>Total Net Position - Governmental Activities</b>		<b><u><u>\$ 845,293</u></u></b>

The accompanying notes are an integral part of these financial statements.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	Building Fund	Special Reserve Capital Outlay Fund
<b>REVENUES</b>			
Local Control Funding Formula	\$ 50,973,004	\$ -	\$ -
Federal sources	2,833,331	-	-
Other State sources	6,196,874	-	-
Other local sources	2,223,831	4,102	28,958
<b>Total Revenues</b>	<b>62,227,040</b>	<b>4,102</b>	<b>28,958</b>
<b>EXPENDITURES</b>			
Current			
Instruction	31,740,468	-	-
Instruction-related activities:			
Supervision of instruction	2,333,959	-	-
Instructional library, media and technology	991,838	-	-
School site administration	4,452,296	-	-
Pupil services:			
Home-to-school transportation	1,131,720	-	-
Food services	13,688	-	-
All other pupil services	4,693,452	-	-
Administration:			
Data processing	905,900	-	-
All other administration	2,541,627	-	-
Plant services	6,932,819	-	-
Facility acquisition and construction	933,096	86,047	711,887
Ancillary services	1,421,969	-	-
Other outgo	928,261	-	-
Debt service			
Principal	-	-	-
Interest and other	-	248,847	-
<b>Total Expenditures</b>	<b>59,021,093</b>	<b>334,894</b>	<b>711,887</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>3,205,947</b>	<b>(330,792)</b>	<b>(682,929)</b>
<b>Other Financing Sources (Uses)</b>			
Transfers in	-	-	1,250,000
Other sources	-	8,883,847	-
Transfers out	(1,250,315)	-	-
<b>Net Financing Sources (Uses)</b>	<b>(1,250,315)</b>	<b>8,883,847</b>	<b>1,250,000</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>1,955,632</b>	<b>8,553,055</b>	<b>567,071</b>
<b>Fund Balance - Beginning</b>	<b>9,985,740</b>	<b>-</b>	<b>3,165,889</b>
<b>Fund Balance - Ending</b>	<b>\$ 11,941,372</b>	<b>\$ 8,553,055</b>	<b>\$ 3,732,960</b>

The accompanying notes are an integral part of these financial statements.

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<b>Non-Major Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 3,715,379	\$ 54,688,383
2,924,107	5,757,438
678,250	6,875,124
2,400,357	4,657,248
<u>9,718,093</u>	<u>71,978,193</u>
2,095,477	33,835,945
41,515	2,375,474
74,233	1,066,071
379,765	4,832,061
57,223	1,188,943
3,125,489	3,139,177
221,697	4,915,149
-	905,900
371,773	2,913,400
1,006,045	7,938,864
847,723	2,578,753
675	1,422,644
-	928,261
893,496	893,496
600,126	848,973
<u>9,715,237</u>	<u>69,783,111</u>
<u>2,856</u>	<u>2,195,082</u>
315	1,250,315
368,317	9,252,164
-	(1,250,315)
<u>368,632</u>	<u>9,252,164</u>
371,488	11,447,246
3,857,024	17,008,653
<u>\$ 4,228,512</u>	<u>\$ 28,455,899</u>



**HANFORD ELEMENTARY SCHOOL DISTRICT**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2017**

---

**Total Net Change in Fund Balances - Governmental Funds** **\$ 11,447,246**

**Amounts Reported for Governmental Activities in the Statement of  
Activities are Different Because:**

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures, however, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.

This is the amount by which capital outlays exceeds depreciation in the period.

Capital outlays	\$ 3,120,719	
Depreciation expense	<u>(1,507,180)</u>	1,613,539

Loss on disposal of capital assets is reported in the government-wide Statement of Activities, but is not recorded in the governmental funds. (1,781)

In the Statement of Activities, compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures are measured by the amount of financial resources used (essentially, the amounts actually paid). Vacation used was more than the amounts earned by \$29,557. 29,557

In the governmental funds, pension costs are based on employer contributions made to pension plans during the year. However, in the Statement of Activities, pension expense is the net effect of all changes in the deferred outflows, deferred inflows and net pension liability during the year. (1,824,931)

Proceeds received from issuance of debt is a revenue in the governmental funds, but it increases long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities:

Sale of general obligation bonds	(8,800,000)
----------------------------------	-------------

Governmental funds report the effect of premiums when the debt is first issued, whereas the amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these related items:

Premium on new bond issuance	(452,164)
Amortization on debt premium	16,143

Repayment of debt principal is an expenditure in the governmental funds, but it reduces long-term obligations in the statement of Net Position and does not affect the statement of activities. Repayment of debt principal for the year consisted of:

General obligation bonds	893,496
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The accompanying notes are an integral part of these financial statements.

**HANFORD ELEMENTARY SCHOOL DISTRICT**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES, Continued  
FOR THE YEAR ENDED JUNE 30, 2017**

---

In governmental funds, postemployment benefits other than pensions (OPEB) costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This year, the difference between OPEB costs and actual employer contributions was:		\$ (443,590)
An internal service fund is used by the District's management to charge the costs of the unemployment compensation insurance program to the individual funds. The net income of the internal service fund is reported with governmental activities.		(15,695)
<b>Change in Net Position of Governmental Activities</b>		<b>\$ 2,461,820</b>

The accompanying notes are an integral part of these financial statements.

**HANFORD ELEMENTARY SCHOOL DISTRICT**
**PROPRIETARY FUND**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2017**


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	<b>Governmental Activities - Internal Service Fund</b>
<b>ASSETS</b>	
Current Assets	
Deposits and investments	\$ 553,593
Receivables	<u>306</u>
Total Current Assets	<u>553,899</u>
 <b>LIABILITIES</b>	
Current Liabilities	
Claim liabilities	<u>170,507</u>
 <b>NET POSITION</b>	
Unrestricted	<u><u>\$ 383,392</u></u>

The accompanying notes are an integral part of these financial statements.

**HANFORD ELEMENTARY SCHOOL DISTRICT**

**PROPRIETARY FUND**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN FUND NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2017**

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	<b>Governmental Activities - Internal Service Fund</b>
<b>OPERATING REVENUES</b>	
Charges to other funds and miscellaneous revenues	\$ 684,023
<b>OPERATING EXPENSES</b>	
Professional and contract services	703,977
Operating Loss	<u>(19,954)</u>
<b>NONOPERATING REVENUES</b>	
Interest income	<u>4,259</u>
<b>Change in Net Position</b>	(15,695)
<b>Total Net Position - Beginning</b>	399,087
<b>Total Net Position - Ending</b>	<u><u>\$ 383,392</u></u>

The accompanying notes are an integral part of these financial statements.

**HANFORD ELEMENTARY SCHOOL DISTRICT**
**PROPRIETARY FUND**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2017**


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	<b>Governmental Activities - Internal Service Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash receipts from premiums	\$ 683,801
Cash payments for insurance claims	(690,040)
Net Cash Used by Operating Activities	<u>(6,239)</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest on investments	4,259
Net Cash Provided by Investing Activities	<u>4,259</u>
 Net Decrease in Cash and Cash Equivalents	(1,980)
Cash and Cash Equivalents - Beginning	555,573
Cash and Cash Equivalents - Ending	<u><u>\$ 553,593</u></u>
 <b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES</b>	
Operating loss	\$ (19,954)
Changes in assets and liabilities:	
Receivables	(222)
Accounts payable	13,937
<b>NET CASH USED BY OPERATING ACTIVITIES</b>	<u><u>\$ (6,239)</u></u>

The accompanying notes are an integral part of these financial statements.

**HANFORD ELEMENTARY SCHOOL DISTRICT**
**FIDUCIARY FUNDS**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2017**


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	<b>Agency Funds</b>
<b>ASSETS</b>	
Deposits and investments	\$ 21,469
<b>LIABILITIES</b>	
Due to student groups	\$ 21,469

The accompanying notes are an integral part of these financial statements.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Financial Reporting Entity

The Hanford Elementary School District (the District) was organized under the laws of the State of California. The District operates under a locally-elected five-member Board form of government and provides educational services to grades K - 8 as mandated by the State and/or Federal agencies. The District operates eight elementary schools, one K-8 charter school, two junior high schools, and one community day school.

A reporting entity is comprised of the primary government and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments, boards, and agencies that are not legally separate from the District. For Hanford Elementary School District, this includes general operations, food service, and student related activities of the District.

#### Basis of Presentation - Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The District's funds are grouped into three broad fund categories: governmental, proprietary, and fiduciary.

**Governmental Funds** Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major and non-major governmental funds:

#### Major Governmental Funds

**General Fund** The General Fund is the chief operating fund for all districts. It is used to account for the ordinary operations of the District. All transactions except those accounted for in another fund are accounted for in this fund.

Two funds currently defined as special revenue funds in the California State Accounting Manual (CSAM) do not meet the GASB Statement No. 54 special revenue fund definition. Specifically, Fund 15, Pupil Transportation Equipment Fund, and Fund 20, Special Reserve Fund for Postemployment Benefits, are not substantially composed of restricted or committed revenue sources. While these funds are authorized by statute and will remain open for internal reporting purposes, these funds function effectively as an extension of the General Fund, and accordingly have been combined with the General Fund for presentation in these audited financial statements.

As a result, the General Fund reflects an increase in assets, fund balance, revenues and expenditures of \$1,923,385, \$1,923,385, \$12,731, and \$117,745, respectively.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

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**Building Fund** The Building Fund exists primarily to account separately for proceeds from the sale of bonds (*Education Code* Section 15146) and may not be used for any purposes other than those for which the bonds were issued.

**Special Reserve Capital Outlay Fund** The Special Reserve Capital Outlay Fund exists primarily to provide for the accumulation of General Fund monies for capital outlay purposes (*Education Code* Section 42840).

### Non-Major Governmental Funds

**Special Revenue Funds** The Special Revenue funds are used to account for the proceeds from specific revenue sources (other than trusts, major capital projects, or debt service) that are restricted or committed to expenditures for specified purposes and that compose a substantial portion of the inflows of the fund. Additional resources that are restricted, committed, or assigned to the purpose of the fund may also be reported in the fund.

**Charter School Fund** The Charter School Fund may be used by authorizing districts to account separately for the activities of district-operated charter schools that would otherwise be reported in the authorizing District's General Fund.

**Cafeteria Fund** The Cafeteria Fund is used to account separately for Federal, State, and local resources to operate the food service program (*Education Code* Sections 38090-38093) and is used only for those expenditures authorized by the governing board as necessary for the operation of the District's food service program (*Education Code* Sections 38091 and 38100).

**Deferred Maintenance Fund** The Deferred Maintenance Fund is used to account separately for revenues that are restricted or committed for deferred maintenance purposes (*Education Code* Section 17582).

**Capital Project Funds** The Capital Project funds are used to account for financial resources that are restricted, committed, or assigned to the acquisition or construction of major capital facilities and other capital assets (other than those financed by proprietary funds and trust funds).

**Capital Facilities Fund** The Capital Facilities Fund is used primarily to account separately for monies received from fees levied on developers or other agencies as a condition of approving a development (*Education Code* Sections 17620-17626. Expenditures are restricted to the purposes specified in *Government Code* Sections 65970-65981 or to the items specified in agreements with the developer (*Government Code* Section 66006).

**Debt Service Funds** The Debt Service funds are used to account for the accumulation of restricted, committed, or assigned resources for, and the payment of, principal and interest on general long-term obligations.

**Bond Interest and Redemption Fund** The Bond Interest and Redemption Fund is used for the repayment of bonds issued for a District (*Education Code* Sections 15125-15262).



# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

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**Proprietary Funds** Proprietary funds are used to account for activities that are more business-like than government-like in nature. Business-type activities include those for which a fee is charged to external users or to other organizational units of the local education agency, normally on a full cost-recovery basis. Proprietary funds are generally intended to be self-supporting and are classified as enterprise or internal service. The District has the following internal service fund:

**Internal Service Fund** Internal service funds may be used to account for goods or services provided to other funds of the District on a cost-reimbursement basis. The District operates a Self-Insurance Fund for dental coverage that is accounted for in an internal service fund.

**Fiduciary Funds** Fiduciary funds are used to account for assets held in trustee or agent capacity for others that cannot be used to support the District's own programs. The fiduciary fund category is agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Such funds have no equity accounts since all assets are due to individuals or entities at some future time. The District's agency fund accounts for student body activities (ASB).

### Basis of Accounting - Measurement Focus

**Government-Wide Financial Statements** The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared.

The government-wide Statement of Activities presents a comparison between expenses, both direct and indirect, and program revenues for each governmental function, and exclude fiduciary activity. Direct expenses are those that are specifically associated with a service, program, or department and are therefore, clearly identifiable to a particular function. The District does not allocate indirect expenses to functions in the *Statement of Activities*, except for depreciation. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the District. Eliminations have been made to minimize the double counting of internal activities.

Net position should be reported as restricted when constraints placed on net position are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities result from special revenue funds and the restrictions on their use.

**Fund Financial Statements** Fund financial statements report detailed information about the District. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

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**Governmental Funds** All governmental funds are accounted for using the flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide financial statements, prepared using the economic resources measurement focus and the accrual basis of accounting, and the governmental fund financial statements, prepared using the flow of current financial resources measurement focus and the modified accrual basis of accounting.

**Proprietary Funds** Proprietary funds are accounted for using a flow of economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of this fund are included in the statement of net position. The statement of changes in fund net position presents increases (revenues) and decreases (expenses) in net total position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary fund.

**Fiduciary Funds** Fiduciary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are excluded from the government-wide financial statements because they do not represent resources of the District.

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

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

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

## HANFORD ELEMENTARY SCHOOL DISTRICT

### NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

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Certain grants received before the eligibility requirements are met are recorded as unearned revenue. On the governmental fund financial statements, receivables that will not be collected within the available period are also recorded as unearned revenue.

**Expenses/Expenditures** On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, and typically paid within 60 days. Principal and interest on long-term obligations, which has not matured, are recognized when paid in the governmental funds as expenditures. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds but are recognized in the entity-wide statements.

#### **Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include cash with county treasury balances for purposes of the statement of cash flows.

#### **Investments**

Investments held at June 30, 2017, with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost. Fair values of investments in county pools are determined by the program sponsor.

#### **Prepaid Expenditures**

Prepaid expenditures (expenses) represent amounts paid in advance of receiving goods or services. The District has the option of reporting an expenditure in governmental funds for prepaid items either when purchased or during the benefiting period. The District has chosen to report the expenditures when incurred.

#### **Stores Inventories**

Inventories consist of expendable food and supplies held for consumption. Inventories are stated at cost, on the first-in, first-out basis. The costs of inventory items are recorded as expenditures in the governmental type funds.

#### **Capital Assets and Depreciation**

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the District. The District maintains a capitalization threshold of \$5,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized, but are expensed as incurred.

**HANFORD ELEMENTARY SCHOOL DISTRICT****NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2017**

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When purchased, such assets are recorded as expenditures in the governmental funds and capitalized in the government-wide statement of net position. The valuation basis for capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 20 to 50 years; improvements/infrastructure, 5 to 50 years; equipment, 2 to 15 years.

**Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental activities column of the statement of net position.

**Compensated Absences**

Compensated absences are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide statement of net position as long-term obligations.

Sick leave is accumulated without limit for each employee at the rate of one day for each month worked. Leave with pay is provided when employees are absent for health reasons; however, the employees do not gain a vested right to accumulated sick leave. Employees are never paid for any sick leave balance at termination of employment or any other time. Therefore, the value of accumulated sick leave is not recognized as a liability in the District's financial statements. However, credit for unused sick leave is applicable to all classified school members who retire after January 1, 1999. At retirement, each member will receive .004 year of service credit for each day of unused sick leave. Credit for unused sick leave is applicable to all certificated employees and is determined by dividing the number of unused sick days by the number of base service days required to complete the last school year, if employed full-time.

**Accounts Payable and Long-Term Obligations**

Accounts payable and long-term obligations are reported in the government-wide financial statements. In general, governmental fund accounts payable that are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

**Premiums**

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Debt premiums are amortized over the life of the bonds using the straight-line method.

In governmental fund financial statements, bond premiums are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

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### Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The District reports deferred outflows of resources for pension related items.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The District reports deferred inflows of resources for pension related items.

### Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) plan for schools (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalSTRS and CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Member contributions are recognized in the period in which they are earned. Investments are reported at fair value.

### Fund Balances - Governmental Funds

As of June 30, 2017, fund balances of the governmental funds are classified as follows:

**Nonspendable** - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

**Restricted** - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

**Committed** - amounts that can be used only for specific purposes determined by a formal action of the governing board. The governing board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions or other action as approved by the governing board.

**Assigned** - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District's adopted policy, only the Superintendent or Assistant Superintendent, Fiscal Services may assign amounts for specific purposes.

**Unassigned** - all other spendable amounts.

**HANFORD ELEMENTARY SCHOOL DISTRICT****NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2017**

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**Spending Order Policy**

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

**Minimum Fund Balance Policy**

The governing board adopted a minimum fund balance policy for the General Fund in order to protect the district against revenue shortfalls or unpredicted one-time expenditures. The policy requires a Reserve for Economic Uncertainties consisting of unassigned amounts equal to no less than three percent of General Fund expenditures and other financing uses.

**Net Position**

Net position represents the difference between assets and liabilities. Net position net of investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The government-wide financial statements report \$5,071,741 of restricted net position.

**Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are dental premiums. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. Interfund transfers are eliminated in the governmental activities column of the Statement of Activities.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

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### Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

### Budgetary Data

The budgetary process is prescribed by provisions of the *California Education Code* and requires the governing board to hold a public hearing and adopt an operating budget no later than July 1 of each year. The District governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for. For budget purposes, on behalf payments have not been included as revenue and expenditures as required under generally accepted accounting principles.

### Property Tax

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of Kings bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

### Change in Accounting Principles

In June 2015, the GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

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

The District has implemented the provisions of this Statement as of June 30, 2017.

**HANFORD ELEMENTARY SCHOOL DISTRICT****NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2017**

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In December 2015, the GASB issued Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions.

Prior to the issuance of this Statement, the requirements of Statement No. 68 applied to the financial statements of all state and local governmental employers whose employees are provided with pensions through pension plans that are administered through trusts that meet the criteria in paragraph 4 of that Statement.

This Statement amends the scope and applicability of Statement No. 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above.

The District has implemented the provisions of this Statement as of June 30, 2017.

In March 2016, the GASB issued Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

The District has implemented the provisions of this Statement as of June 30, 2017, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017.



# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

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### New Accounting Pronouncements

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

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

The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2017. Early implementation is encouraged.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Early implementation is encouraged.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). Specifically, this Statement addresses the following topics:

- Blending a component unit in circumstances in which the primary government is a business-type activity that reports in a single column for financial statement presentation;
- Reporting amounts previously reported as goodwill and "negative" goodwill;
- Classifying real estate held by insurance entities;
- Measuring certain money market investments and participating interest-earning investment contracts at amortized cost;
- Timing of the measurement of pension or OPEB liabilities and expenditures recognized in financial statements prepared using the current financial resources measurement focus;

**HANFORD ELEMENTARY SCHOOL DISTRICT****NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2017**

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- Recognizing on-behalf payments for pensions or OPEB in employer financial statements;
- Presenting payroll-related measures in required supplementary information for purposes of reporting by OPEB plans and employers that provide OPEB;
- Classifying employer-paid member contributions for OPEB;
- Simplifying certain aspects of the alternative measurement method for OPEB;
- Accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Early implementation is encouraged.

In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Early implementation is encouraged.

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement are effective for the reporting periods beginning after December 15, 2019. Early implementation is encouraged.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

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### NOTE 2 - DEPOSITS AND INVESTMENTS

#### Summary of Deposits and Investments

Deposits and investments as of June 30, 2017, are classified in the accompanying financial statements as follows:

Governmental activities	\$ 29,788,700
Fiduciary funds	21,469
Total Deposits and Investments	<u>\$ 29,810,169</u>

Deposits and investments as of June 30, 2017, consist of the following:

Cash on hand and in banks	\$ 33,969
Cash in revolving	5,510
Investments	29,770,690
Total Deposits and Investments	<u>\$ 29,810,169</u>

#### Policies and Practices

The District is authorized under *California Government Code* to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

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

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

### General Authorizations

Limitations as they relate to interest rate risk are indicated in the schedules below:

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

### Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the County Pool which purchases a combination of shorter term and longer term investments and which also times cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

### Segmented Time Distribution

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following schedule that shows the distribution of the District's investments by maturity:

Investment Type	Fair Value	12 Months or Less	13 - 24 Months	25 - 60 Months	More Than 60 Months
County Pool	\$ 29,687,094	\$ -	\$ 29,687,094	\$ -	\$ -

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

### NOTE 3 - FAIR VALUE MEASUREMENTS

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the Kings County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

### NOTE 4 - RECEIVABLES

Receivables at June 30, 2017, consist of intergovernmental grants, entitlements, and local sources. All receivables are considered collectible in full.

	General Fund	Non-Major Governmental Funds	Internal Service Fund	Total Governmental Activities
Federal Government				
Categorical aid	\$ 202,229	\$ 398,548	\$ -	\$ 600,777
State Government				
Grants and entitlements	1,488,139	65,310	-	1,553,449
Local Sources	165,461	34,359	306	200,126
Total	<u>\$ 1,855,829</u>	<u>\$ 498,217</u>	<u>\$ 306</u>	<u>\$ 2,354,352</u>

**HANFORD ELEMENTARY SCHOOL DISTRICT****NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017****NOTE 5 - CAPITAL ASSETS**

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

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
Governmental Activities				
Capital Assets Not Being Depreciated				
Land	\$ 2,052,315	\$ 98,227	\$ -	\$ 2,150,542
Construction in progress	369,668	341,375	319,564	391,479
Total Capital Assets Not Being Depreciated	2,421,983	439,602	319,564	2,542,021
Capital Assets Being Depreciated				
Land improvements	6,190,081	126,875	36,781	6,280,175
Buildings and improvements	44,116,040	2,331,837	-	46,447,877
Furniture and equipment	5,228,337	541,969	-	5,770,306
Total Capital Assets Being Depreciated	55,534,458	3,000,681	36,781	58,498,358
Less Accumulated Depreciation				
Land improvements	4,834,657	143,137	35,000	4,942,794
Buildings and improvements	16,643,089	998,396	-	17,641,485
Furniture and equipment	3,492,370	365,647	-	3,858,017
Total Accumulated Depreciation	24,970,116	1,507,180	35,000	26,442,296
Governmental Activities Capital Assets, Net	\$ 32,986,325	\$ 1,933,103	\$ 321,345	\$ 34,598,083

Depreciation expense was charged to the following functions as follows:

Governmental Activities	
Instruction	\$ 673,486
Supervision of instruction	56,404
School site administration	123,633
Home-to-school transportation	84,153
Food services	101,457
All other pupil services	42,618
Ancillary services	28,908
All other general administration	181,378
Plant services	215,143
Total Depreciation Expenses Governmental Activities	\$ 1,507,180

**HANFORD ELEMENTARY SCHOOL DISTRICT****NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017****NOTE 6 - INTERFUND TRANSACTIONS****Interfund Receivables/Payables (Due To/Due From)**

Interfund receivable and payable balances arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund receivable and payable balances at June 30, 2017, between major governmental funds are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Governmental Fund		
General	\$ 97,219	\$ -
Non-Major Governmental Fund		
Deferred Maintenance	-	97,219
Total All Governmental Funds	<u>\$ 97,219</u>	<u>\$ 97,219</u>

The General Fund owes the Deferred Maintenance Non-Major Governmental Fund for repair expenditures.

\$ 97,219

**Operating Transfers**

Interfund transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers for the year ended June 30, 2017, consist of the following:

The General Fund transferred to the Special Reserve Capital Outlay Fund for capital projects.	\$ 1,250,000
The General Fund transferred to the Cafeteria Non-Major Governmental Fund for uncollected food service charges.	315
Total	<u>\$ 1,250,315</u>

**HANFORD ELEMENTARY SCHOOL DISTRICT****NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017****NOTE 7 - ACCOUNTS PAYABLE**

Accounts payable at June 30, 2017, consist of the following:

	General Fund	Building Fund	Special Reserve Capital Outlay Fund	Non-Major Governmental Funds	Internal Service Fund	Total Governmental Activities
Vendor payables	\$ 901,620	\$ 4,087	\$ 5,614	\$ 184,821	\$ 170,507	\$ 1,266,649
Deferred payroll	1,764,193	-	-	-	-	1,764,193
LCFF funding	363,614	-	-	24,224	-	387,838
Total	<u>\$3,029,427</u>	<u>\$ 4,087</u>	<u>\$ 5,614</u>	<u>\$ 209,045</u>	<u>\$ 170,507</u>	<u>\$ 3,418,680</u>

**NOTE 8 - UNEARNED REVENUE**

Unearned revenue at June 30, 2017, consists of the following:

	General Fund
Federal financial assistance	<u>\$ 56,948</u>

**NOTE 9 - LONG-TERM OBLIGATIONS****Summary**

The changes in the District's long-term obligations during the year consisted of the following:

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017	Due in One Year
General obligation bonds-					
1993 Issuance	\$ 143,496	\$ -	\$ 143,496	\$ -	\$ -
2003 Issuance	1,020,000	-	340,000	680,000	350,000
2010 issuance	3,825,000	-	410,000	3,415,000	430,000
2016A issuance	-	8,800,000	-	8,800,000	-
Bond premiums	122,346	452,164	16,143	558,367	-
Compensated absences - net	335,670	-	29,557	306,113	-
Other postemployment benefits	3,053,112	1,262,716	819,126	3,496,702	-
Total	<u>\$ 8,499,624</u>	<u>\$ 10,514,880</u>	<u>\$ 1,758,322</u>	<u>\$ 17,256,182</u>	<u>\$ 780,000</u>

Payments on the general obligation bonds are made by the Bond Interest and Redemption Fund with local revenues. The compensated absences and other postemployment benefits obligations will be paid by the fund for which the employee worked.



# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

### Bonded Debt

The outstanding general obligation bonded debt is as follows:

Issue Date	Maturity Dates	Interest Rate %	Original Issue	Bonds Outstanding July 1, 2016	Issued	Redeemed	Bonds Outstanding June 30, 2017
1993	2002-17	5.15-5.8	\$ 1,750,000	\$ 143,496	\$ -	\$ 143,496	\$ -
2003	2005-19	2.0-3.5	4,775,000	1,020,000	-	340,000	680,000
2010	2012-24	2.0-5.0	5,740,000	3,825,000	-	410,000	3,415,000
2017	2019-47	2.0-5.0	8,800,000	-	8,800,000	-	8,800,000
Total				<u>\$ 4,988,496</u>	<u>\$ 8,800,000</u>	<u>\$ 893,496</u>	<u>\$ 12,895,000</u>

### Debt Service Requirements to Maturity

#### 2003 General Obligation Bonds

On June 12, 2003, the District issued general obligation refunding bonds in the amount of \$4,775,000 for the purpose of refunding the *callable* outstanding 1993 General Obligation Bonds of the District. The bond interest rates range from 2.0 percent to 3.5 percent. Interest on the Bonds is payable semiannually each January 1 and July 1, commencing on July 1, 2004.

The bonds mature through 2019 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2018	\$ 350,000	\$ 17,500	\$ 367,500
2019	330,000	5,775	335,775
Total	<u>\$ 680,000</u>	<u>\$ 23,275</u>	<u>\$ 703,275</u>

The bonds were sold at a premium of \$16,991 which is being amortized over the life of the bonds at \$1,132 per year. The unamortized premium as of June 30, 2017, amounted to \$1,132.

#### 2010 General Obligation Bonds

On December 9, 2010, the District issued general obligation refunding bonds in the amount of \$5,740,000 for the purpose of refunding the outstanding 1998 General Obligation Bonds of the District originally issued to fund improvements to real property for school purposes. The bond interest rates range from 2.0 percent to 5.0 percent. Interest on the Bonds is payable semiannually each March 1 and September 1, commencing on March 1, 2011.

**HANFORD ELEMENTARY SCHOOL DISTRICT****NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

The bonds mature through 2024 as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest to Maturity</u>	<u>Total</u>
2018	\$ 430,000	\$ 147,363	\$ 577,363
2019	445,000	129,306	574,306
2020	460,000	109,500	569,500
2021	485,000	89,450	574,450
2022	505,000	67,125	572,125
2023-2024	1,090,000	55,000	1,145,000
Total	<u>\$ 3,415,000</u>	<u>\$ 597,744</u>	<u>\$ 4,012,744</u>

The bonds were sold at a premium of \$210,148 which is being amortized over the life of the bonds at \$15,011 per year. The unamortized premium as of June 30, 2017, amounted to \$105,071.

**2016A General Obligation Bonds**

On May 24, 2017, the District issued \$8,800,000 Election of 2016, Series A General Obligation Bonds. The bonds were authorized at an election of the registered voters of the District held on November 8, 2016, which authorized the issuance of \$24,000,000 principal amount of general obligation bonds to finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities, and to pay the costs of issuing the bonds. The bonds were issued as current interest bonds. Interest on the bonds is payable semiannually on February 1 and August 1 of each year commencing February 1, 2018. The bonds were sold at a premium of \$452,164 which is being amortized over the life of the bonds.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest to Maturity</u>	<u>Total</u>
2018	\$ -	\$ 217,292	\$ 217,292
2019	600,000	325,144	925,144
2020	115,000	322,625	437,625
2021	-	320,900	320,900
2022	-	320,900	320,900
2023-2027	265,000	1,589,475	1,854,475
2028-2032	845,000	1,454,025	2,299,025
2033-2037	1,435,000	1,251,486	2,686,486
2038-2042	2,230,000	942,747	3,172,747
2043-2047	3,310,000	422,400	3,732,400
Total	<u>\$ 8,800,000</u>	<u>\$ 7,166,994</u>	<u>\$ 15,966,994</u>

**Compensated Absences**

The long-term portion of compensated absences for the District at June 30, 2017, amounted to \$306,113.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

### Other Postemployment Benefits (OPEB) Obligation

The District's annual required contribution for the year ended June 30, 2017, was \$1,140,592, and contributions made by the District during the year were \$642,544, (includes implicit subsidy rate of 1.2544). Interest on the net OPEB obligation and adjustments to the annual required contribution were \$122,124 and \$(176,583), respectively, which resulted in an increase to the net OPEB obligation of \$443,590. As of June 30, 2017, the net OPEB obligation was \$3,496,702. See Note 11 for additional information regarding the OPEB obligation and the postemployment benefits plan.

### NOTE 10 - FUND BALANCES

Fund balances are composed of the following elements:

	General Fund	Building Fund	Special Reserve Capital Outlay Fund	Non-Major Governmental Funds	Total
Nonspendable					
Revolving cash	\$ 5,100	\$ -	\$ -	\$ 410	\$ 5,510
Stores inventories	145,860	-	-	24,314	170,174
Prepaid expenditures	1,693	-	-	-	1,693
Total Nonspendable	152,653	-	-	24,724	177,377
Restricted					
Legally restricted programs	1,176,898	-	-	1,367,968	2,544,866
Capital projects	-	8,553,055	-	760,146	9,313,201
Debt service	-	-	-	1,742,005	1,742,005
Total Restricted	1,176,898	8,553,055	-	3,870,119	13,600,072
Committed					
Deferred maintenance program	-	-	-	18,724	18,724
Total Committed	-	-	-	18,724	18,724
Assigned					
Transportation Equipment	48,308	-	-	-	48,308
Charter school activities	-	-	-	314,945	314,945
Postemployment benefits	1,875,077	-	-	-	1,875,077
Future capital projects	-	-	3,732,960	-	3,732,960
Total Assigned	1,923,385	-	3,732,960	314,945	5,971,290
Unassigned					
Reserve for economic uncertainties	3,500,000	-	-	-	3,500,000
Remaining unassigned	5,188,436	-	-	-	5,188,436
Total Unassigned	8,688,436	-	-	-	8,688,436
Total	\$ 11,941,372	\$ 8,553,055	\$ 3,732,960	\$ 4,228,512	\$ 28,455,899

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

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### NOTE 11 - POSTEMPLOYMENT HEALTH CARE PLAN AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATION

#### Plan Description

The Postemployment Benefits Plan (the "Plan") is a single-employer defined benefit healthcare plan administered by the Hanford Elementary School District. The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Membership of the Plan consists of approximately 45 retirees and beneficiaries currently receiving benefits and approximately 470 active plan members.

#### Contribution Information

The contribution requirements of plan members and the District are established and may be amended by the District and the Hanford Elementary Teachers Association (HETA), the local California Service Employees Association (CSEA), and unrepresented groups. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2016-2017, the District contributed \$512,232 to the plan excluding the implicit rate subsidy factor of 1.2544 percent, all of which was used for current premiums.

#### Annual OPEB Cost and Net OPEB Obligation

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

Annual required contribution	\$ 1,140,592
Interest on net OPEB obligation	122,124
Adjustment to annual required contribution	<u>(176,582)</u>
Annual OPEB cost	1,086,134
Contributions made	<u>(642,544)</u>
Increase in net OPEB obligation	443,590
Net OPEB obligation, beginning of year	<u>3,053,112</u>
Net OPEB obligation, end of year	<u><u>\$ 3,496,702</u></u>

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

### Trend Information

Trend information for annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation is as follows:

Year Ended June 30,	Annual OPEB Cost	Actual Contribution	Percentage Contributed	Net OPEB Obligation
2017	\$ 1,086,134	\$ 642,544	59.16%	\$ 3,496,702
2016	914,868	663,164	72.49%	3,053,112
2015	920,927	581,196	63.11%	2,801,408

### Funded Status and Funding Progress

A schedule of funding progress as of the most recent actuarial valuation is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b - a] / c)
July 1, 2015	\$ -	\$ 9,362,395	\$ 9,362,395	0%	\$ 35,225,292	26.58%

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

### Actuarial Methods and Assumptions

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

**HANFORD ELEMENTARY SCHOOL DISTRICT****NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2017**

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In the July 1, 2015, actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses), based on the plan being funded in an irrevocable employee benefit trust invested in a combined equity and fixed income portfolio. Healthcare cost trend rates ranged from an initial 8.0 percent to an ultimate rate of 5.0 percent. The cost trend rate used for the Dental and Vision programs was 4.0 percent. The UAAL is being amortized at a level dollar method. The remaining amortization period at July 1, 2016, was 30 years.

**NOTE 12 - RISK MANAGEMENT****Property and Liability**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year ending June 30, 2017, the District contracted with Northern California Regional Excess Liability Fund for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

**Workers' Compensation**

For fiscal year 2017, the District participated in the Kings County Self-Insured Schools (KCSIC), an insurance purchasing pool. The intent of KCSIC is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in KCSIC. The workers' compensation experience of the participating districts is calculated as one experience and a common premium rate is applied to all districts in KCSIC. Each participant pays its workers' compensation premium based on its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage. A participant will then either receive money from or be required to contribute to the "equity-pooling fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of KCSIC. Participation in KCSIC is limited to districts that can meet KCSIC's selection criteria.

**Employee Medical and Vision Benefits**

The District has contracted with the Self-Insured Schools of California (SISC III) to provide employee medical benefits. SISC III is a shared risk pool comprised of agencies in California. Rates are set through an annual calculation process. The District pays a monthly contribution, which is placed in a common fund from which claim payments are made for all participating Districts. Claims are paid for all participants regardless of claims flow. The Board of Directors has a right to return monies to a district subsequent to the settlement of all expenses and claims if a district withdraws from the pool. The District has a contract with Keenan-Medical Eye Services for employee vision benefits. The plan is fully insured.

**HANFORD ELEMENTARY SCHOOL DISTRICT****NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017****Employee Dental Benefits Claims Liabilities**

The District records an estimated liability for dental claims paid out of the Self-Insurance Fund of the District. Claims liabilities are based on estimates of the ultimate cost of reported claims (including future claim adjustment expenses) and an estimate for claims incurred, but not reported based on historical experience. The following represent the changes in approximate aggregate liabilities for the District from June 30, 2015 to June 30, 2017 (in thousands):

	<u>Dental Care</u>
Liability Balance, June 30, 2015	\$ 157,297
Claims and changes in estimates	(727)
Liability Balance, June 30, 2016	156,570
Claims and changes in estimates	13,937
Liability Balance, June 30, 2017	<u>\$ 170,507</u>
Assets available to pay claims at June 30, 2017	<u>\$ 553,899</u>

**NOTE 13 - EMPLOYEE RETIREMENT SYSTEMS**

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

For the fiscal year ended June 30, 2017, the District reported net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the above plans as follows:

Pension Plan	Collective Net Pension Liability	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources	Collective Pension Expense
CalSTRS	\$ 41,305,968	\$ 8,149,554	\$ 1,007,612	\$ 4,321,060
CalPERS	15,760,087	5,061,711	473,497	2,258,906
Total	<u>\$ 57,066,055</u>	<u>\$ 13,211,265</u>	<u>\$ 1,481,109</u>	<u>\$ 6,579,966</u>

The details of each plan are as follows:

**California State Teachers' Retirement System (CalSTRS)****Plan Description**

The District contributes to the State Teachers Retirement Plan (STRP) administered by the California State Teachers' Retirement System (CalSTRS). STRP is a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

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A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2015, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publically available reports that can be found on the CalSTRS website under Publications at: <http://www.calstrs.com/member-publications>.

### Benefits Provided

The STRP provides retirement, disability and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age, and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service.

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program, and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the state is the sponsor of the STRP and obligor of the trust. In addition, the state is both an employer and nonemployer contributing entity to the STRP.

The District contributes exclusively to the STRP Defined Benefit Program, thus disclosures are not included for the other plans.

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

	STRP Defined Benefit Program	
	On or before December 31, 2012	On or after January 1, 2013
Hire date		
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	9.205%
Required employer contribution rate	12.58%	12.58%
Required state contribution rate	8.828%	8.828%

### Contributions

Required member, District and State of California contributions rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1 percent of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2017, are presented above and the District's total contributions were \$3,357,027.



**HANFORD ELEMENTARY SCHOOL DISTRICT****NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2017****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2017, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the District were as follows:

Total net pension liability, including State share:

District's proportionate share of net pension liability	\$ 41,305,968
State's proportionate share of the net pension liability associated with the District	23,514,751
Total	<u>\$ 64,820,719</u>

The net pension liability was measured as of June 30, 2016. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. The District's proportionate share for the measurement period June 30, 2016 and June 30, 2015, respectively was 0.0511 percent and 0.0510 percent, resulting in a net increase in the proportionate share of 0.0001 percent.

For the year ended June 30, 2017, the District recognized pension expense of \$4,321,060. In addition, the District recognized pension expense and revenue of \$2,272,948 for support provided by the State. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 3,357,027	\$ -
Net change in proportionate share of net pension liability	1,508,723	-
Difference between projected and actual earnings on pension plan investments	3,283,804	-
Differences between expected and actual experience in the measurement of the total pension liability	-	1,007,612
Total	<u>\$ 8,149,554</u>	<u>\$ 1,007,612</u>

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

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The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows of Resources
2018	\$ 71,642
2019	71,642
2020	1,908,886
2021	1,231,634
Total	<u>\$ 3,283,804</u>

The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is seven years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2018	\$ 115,501
2019	115,501
2020	115,501
2021	115,501
2022	115,500
Thereafter	(76,393)
Total	<u>\$ 501,111</u>

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

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### Actuarial Methods and Assumptions

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

Valuation date	June 30, 2015
Measurement date	June 30, 2016
Experience study	July 1, 2006 through June 30, 2010
Actuarial cost method	Entry age normal
Discount rate	7.60%
Investment rate of return	7.60%
Consumer price inflation	3.00%
Wage growth	3.75%

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on RP2000 series tables adjusted to fit CalSTRS experience.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant. Based on the model for CalSTRS consulting actuary's investment practice, a best estimate range was determined by assuming the portfolio is re-balanced annually and that the annual returns are lognormally distributed and independent from year to year to develop expected percentiles for the long-term distribution of annualized returns. The assumed asset allocation is based on Teachers' Retirement Board of the California State Teachers' Retirement System (board) policy for target asset allocation in effect on February 2, 2012, the date the current experience study was approved by the board. Best estimates of ten-year geometric real rates of return and the assumed asset allocation for each major asset class used as input to develop the actuarial investment rate of return are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global equity	47%	6.30%
Fixed income	12%	0.30%
Real estate	13%	5.20%
Private equity	13%	9.30%
Absolute Return/Risk Mitigating Strategies	9%	2.90%
Inflation sensitive	4%	3.80%
Cash/liquidity	2%	-1.00%

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

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### Discount Rate

The discount rate used to measure the total pension liability was 7.60 percent. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.60 percent) and assuming that contributions, benefit payments and administrative expense occurred midyear. Based on these assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net Pension Liability
1% decrease (6.60%)	\$ 59,448,604
Current discount rate (7.60%)	\$ 41,305,968
1% increase (8.60%)	\$ 26,237,750

### California Public Employees Retirement System (CalPERS)

#### Plan Description

Qualified employees are eligible to participate in the School Employer Pool (SEP) under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2015 annual actuarial valuation report, Schools Pool Actuarial Valuation. This report and CalPERS audited financial information are publically available reports that can be found on the CalPERS website under Forms and Publications at:  
<https://www.calpers.ca.gov/page/forms-publications>.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

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### Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

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

	School Employer Pool (CalPERS)	
	On or before December 31, 2012	On or after January 1, 2013
Hire date		
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.00%	6.00%
Required employer contribution rate	13.888%	13.888%

### Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contributions rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2017, are presented above and the total District contributions were \$1,398,008.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of June 30, 2017, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling \$15,760,087. The net pension liability was measured as of June 30, 2016. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2016 and June 30, 2015, respectively was 0.0798 percent and 0.0771 percent, resulting in a net increase in the proportionate share of 0.0027 percent.

For the year ended June 30, 2017, the District recognized pension expense of \$2,258,906. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 1,398,008	\$ -
Net change in proportionate share of net pension liability	540,409	-
Difference between projected and actual earnings on pension plan investments	2,445,459	-
Differences between expected and actual experience in the measurement of the total pension liability	677,835	-
Changes of assumptions	-	473,497
Total	<u>\$ 5,061,711</u>	<u>\$ 473,497</u>

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows of Resources
2018	\$ 343,007
2019	343,008
2020	1,121,200
2021	638,244
Total	<u>\$ 2,445,459</u>

**HANFORD ELEMENTARY SCHOOL DISTRICT****NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2017**

The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 3.9 years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2018	\$ 293,404
2019	282,790
2020	168,553
Total	<u>\$ 744,747</u>

**Actuarial Methods and Assumptions**

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

Valuation date	June 30, 2015
Measurement date	June 30, 2016
Experience study	July 1, 1997 through June 30, 2011
Actuarial cost method	Entry age normal
Discount rate	7.65%
Investment rate of return	7.65%
Consumer price inflation	2.75%
Wage growth	Varies by entry age and service

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include five years of projected ongoing mortality improvement using Scale AA published by the Society of Actuaries.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2017**

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

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global equity	51%	5.71%
Global debt securities	20%	2.43%
Inflation assets	6%	3.36%
Private equity	10%	6.95%
Real estate	10%	5.13%
Infrastructure and Forestland	2%	5.09%
Liquidity	1%	-1.05%

### Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the School Employer Pool fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount rate	Net Pension Liability
1% decrease (6.65%)	\$ 23,514,137
Current discount rate (7.65%)	\$ 15,760,087
1% increase (8.65%)	\$ 9,303,314



# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

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### Social Security

As established by Federal law, all public sector employees who are not members of their employer's existing retirement system (CalSTRS or CalPERS) must be covered by Social Security or an alternative plan. The District has elected to use Social Security. Contributions made by the District and an employee vest immediately. The District contributes 6.2 percent of an employee's gross earnings. An employee is required to contribute 6.2 percent of his or her gross earnings Social Security.

### On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS in the amount of \$1,973,423 (8.578 percent of annual payroll). Contributions are no longer appropriated in the annual *Budget Act* for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

## NOTE 14 - COMMITMENTS AND CONTINGENCIES

### Grants

The District received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2017.

### Litigation

The District is not currently a party to any legal proceedings.

### Construction Commitments

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

Capital Projects	Remaining Construction Commitment	Expected Date of Completion
Monroe new administration building	\$ 2,135,822	2/2018
MLK classroom wing	191,240	8/2018
Total remaining construction commitments	<u>\$ 2,327,062</u>	

**HANFORD ELEMENTARY SCHOOL DISTRICT****NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2017**

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**NOTE 15 - PARTICIPATION IN JOINT POWERS AUTHORITIES**

The District is a member of the Northern California Regional Excess Liability Fund (NorCal ReLiEF), the Self-Insured Schools of California (SISC III), the Kings County Self-Insured Schools (KCSIS), and the Kings Schools Transportation Authority (KSTA) joint powers authorities (JPAs). The District pays an annual premium to each entity for its health, workers' compensation, and property liability coverage. The relationships between the District, the pools, and the JPAs are such that they are not component units of the District for financial reporting purposes.

These entities have budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, fund transactions between the entities and the District are included in these statements. Audited financial statements are available from the respective entities.

The District has an appointed representative to the governing board of NorCal ReLiEF.

During the year ended June 30, 2017, the District made payment of \$292,879 to NorCal ReLiEF for property and liability insurance.

The District has appointed no members to the governing board of SISC III.

During the year ended June 30, 2017, the District made payment of \$5,658,683 to SISC III for health insurance.

The District has an appointed representative to the governing board of KCSIS.

During the year ended June 30, 2017, the District made payment of \$807,254 to KCSIS for workers' compensation insurance.

The District has an appointed representative to the governing board of KSTA.

During the year ended June 30, 2017, the District made payment of \$285,167 to KSTA for student transportation services.

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***REQUIRED SUPPLEMENTARY INFORMATION***

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## HANFORD ELEMENTARY SCHOOL DISTRICT

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

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variances -</b>
	<b>Original</b>	<b>Final</b>		<b>Favorable (Unfavorable)</b>
				<b>Final to Actual</b>
<b>REVENUES</b>				
Local Control Funding Formula	\$ 49,771,703	\$ 50,973,004	\$ 50,973,004	\$ -
Federal sources	3,124,303	2,833,331	2,833,331	-
Other State sources	5,796,609	6,196,874	6,196,874	-
Other local sources	1,924,103	2,223,831	2,223,831	-
<b>Total Revenues <sup>1</sup></b>	<b>60,616,718</b>	<b>62,227,040</b>	<b>62,227,040</b>	<b>-</b>
<b>EXPENDITURES</b>				
Current				
Certificated salaries	25,056,746	25,487,286	25,487,286	-
Classified salaries	9,935,702	10,309,249	10,309,249	-
Employee benefits	14,200,370	14,484,765	14,484,765	-
Books and supplies	3,413,738	2,517,978	2,517,978	-
Services and operating expenditures	4,338,974	4,199,739	4,199,739	-
Other outgo	1,467,656	574,261	574,261	-
Capital outlay	1,234,518	1,330,070	1,330,070	-
<b>Total Expenditures <sup>1</sup></b>	<b>59,647,704</b>	<b>58,903,348</b>	<b>58,903,348</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over Expenditures</b>	<b>969,014</b>	<b>3,323,692</b>	<b>3,323,692</b>	<b>-</b>
<b>Other Financing Uses</b>				
Transfers out	-	(1,250,315)	(1,250,315)	-
<b>Total Financing Uses</b>	<b>-</b>	<b>(1,250,315)</b>	<b>(1,250,315)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>969,014</b>	<b>2,073,377</b>	<b>2,073,377</b>	<b>-</b>
<b>Fund Balance - Beginning</b>	<b>9,985,740</b>	<b>9,985,740</b>	<b>9,985,740</b>	<b>-</b>
<b>Fund Balance - Ending</b>	<b>\$ 10,954,754</b>	<b>\$ 12,059,117</b>	<b>\$ 12,059,117</b>	<b>\$ -</b>

<sup>1</sup> Due to the consolidation of Fund 15, Pupil Transportation Fund and Fund 20, Special Reserve Fund for Postemployment Benefits for reporting purposes into the General Fund, additional revenues and expenditures pertaining to these other funds are included in the actual revenues and expenditures, however, are not included in the original and final General Fund budgets.

See accompanying note to required supplementary information.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## SCHEDULE OF OTHER POSTEMPLOYMENT BENEFITS (OPEB) FUNDING PROGRESS FOR THE YEAR ENDED JUNE 30, 2017

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<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)</b>	<b>Unfunded AAL (UAAL) (b - a)</b>	<b>Funded Ratio (a / b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b - a) / c)</b>
July 1, 2015	\$ -	\$ 9,362,395	\$ 9,362,395	0%	\$ 35,225,292	26.58%
July 1, 2013	\$ -	\$ 8,053,583	\$ 8,053,583	0%	\$ 29,114,134	27.66%
July 1, 2011	\$ -	\$ 6,907,714	\$ 6,907,714	0%	\$ 27,944,015	24.72%

See accompanying note to required supplementary information.

**HANFORD ELEMENTARY SCHOOL DISTRICT**
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET  
PENSION LIABILITY  
FOR THE YEAR ENDED JUNE 30, 2017**


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	<u>2017</u>	<u>2016</u>
<b>CalSTRS</b>		
District's proportion of the net pension liability (asset)	<u>5.1100%</u>	<u>0.0510%</u>
District's proportionate share of the net pension liability (asset)	\$ 41,305,968	\$ 34,307,537
State's proportionate share of the net pension liability (asset) associated with the District	<u>23,514,751</u>	<u>18,144,905</u>
Total	<u><u>\$ 64,820,719</u></u>	<u><u>\$ 52,452,442</u></u>
District's covered - employee payroll	<u>\$ 25,643,541</u>	<u>\$ 23,320,878</u>
District's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	<u>161.08%</u>	<u>147.11%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>70%</u>	<u>74%</u>
 <b>CalPERS</b>		
District's proportion of the net pension liability (asset)	<u>0.0798%</u>	<u>0.0771%</u>
District's proportionate share of the net pension liability (asset)	<u>\$ 15,760,087</u>	<u>\$ 11,366,384</u>
District's covered - employee payroll	<u>\$ 9,581,751</u>	<u>\$ 8,524,832</u>
District's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	<u>164.48%</u>	<u>133.33%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>74%</u>	<u>79%</u>

*Note:* In the future, as data become available, ten years of information will be presented.

See accompanying note to required supplementary information.

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2015

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0.0482%

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\$ 28,163,133

17,006,116

---

\$ 45,169,249

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---

\$ 21,702,145

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129.77%

---

77%

---

0.0740%

---

\$ 8,395,535

---

\$ 7,842,555

---

107.05%

---

83%

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**HANFORD ELEMENTARY SCHOOL DISTRICT****SCHEDULE OF DISTRICT CONTRIBUTIONS  
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>2017</u>	<u>2016</u>
<b>CalSTRS</b>		
Contractually required contribution	\$ 3,357,027	\$ 2,751,552
Contributions in relation to the contractually required contribution	<u>3,357,027</u>	<u>2,751,552</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered - employee payroll	<u>\$ 26,685,429</u>	<u>\$ 25,643,541</u>
Contributions as a percentage of covered - employee payroll	<u>12.58%</u>	<u>10.73%</u>
<b>CalPERS</b>		
Contractually required contribution	\$ 1,398,008	\$ 1,135,150
Contributions in relation to the contractually required contribution	<u>1,398,008</u>	<u>1,135,150</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered - employee payroll	<u>\$ 10,066,302</u>	<u>\$ 9,581,751</u>
Contributions as a percentage of covered - employee payroll	<u>13.888%</u>	<u>11.847%</u>

*Note* : In the future, as data become available, ten years of information will be presented.

See accompanying note to required supplementary information.



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2015

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\$ 2,070,894

2,070,894

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\$ -

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\$ 23,320,878

---

8.88%

---

\$ 1,003,458

1,003,458

---

\$ -

---

\$ 8,524,832

---

11.771%

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**HANFORD ELEMENTARY SCHOOL DISTRICT****NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2017**

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**NOTE 1 - PURPOSE OF SCHEDULES****Budgetary Comparison Schedule**

This schedule presents information for the original and final budgets and actual results of operations, as well as the variances from the final budget to actual results of operations.

**Schedule of Other Postemployment Benefits (OPEB) Funding Progress**

This schedule is intended to show trends about the funding progress of the District's actuarially determined liability for postemployment benefits other than pensions.

**Schedule of the District's Proportionate Share of the Net Pension Liability**

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the plans' fiduciary net position and, when applicable, the State's proportionate share of the NPL associated with the District. In the future, as data becomes available, ten years of information will be presented.

***Changes in Benefit Terms*** – There were no changes in benefit terms since the previous valuations for both CalSTRS and CalPERS.

***Changes in Assumptions*** – There were no changes in economic assumptions for either the CalSTRS or CalPERS plans from the previous valuations.

**Schedule of District Contributions**

This schedule presents information on the District's required contribution, the amounts actually contributed, and any excess or deficiency related to the required contribution. In the future, as data becomes available, ten years of information will be presented.

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***SUPPLEMENTARY INFORMATION***

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**HANFORD ELEMENTARY SCHOOL DISTRICT****SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2017**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. DEPARTMENT OF EDUCATION</b>			
Passed Through California Department of Education (CDE):			
Title I - Part A, Basic Grants	84.010	14329	\$ 2,127,731
Title II - Part A, Supporting Effective Instruction	84.367	14341	188,004
Title III - English Language Acquisition - LEP	84.365	14346	117,657
Special Education, Basic Local Assistance	84.027	13379	203,150
Special Education, Basic Local Assistance Private School	84.027	10115	1,431
Special Education, Mental Health Services	84.027A	15197	84,877
Total U.S. Department of Education			<u>2,722,850</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Passed Through California Department of Health Care Services:			
Medi-Cal Administrative Assistance	93.778	10060	64,571
Medi-Cal Billing Option	93.778	10013	<u>45,910</u>
Total U.S. Department of Health and Human Services			<u>110,481</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
Passed Through CDE:			
Child Nutrition Cluster			
National School Lunch	10.555	13391	1,977,690
Especially Needy Breakfast	10.553	13526	584,923
Meals Supplements - Snack	10.555	13391	93,822
Summer Food Program	10.559	13004	18,183
Food Distribution - Commodities	10.555	13391	249,489
Subtotal Child Nutrition Cluster			<u>2,924,107</u>
Total U.S. Department of Agriculture			<u>2,924,107</u>
Total Expenditures of Federal Awards			<u>\$ 5,757,438</u>

See accompanying note to supplementary information.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE JUNE 30, 2017

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### ORGANIZATION

The Hanford Elementary School District was established in August 1891 and consists of an area comprising approximately 12.92 square miles. The District operates eight elementary schools, one K-8 charter school, two junior high schools, and one community day school. There were no boundary changes during the year.

### GOVERNING BOARD

MEMBER	OFFICE	TERM EXPIRES
Robert "Bobby" Garcia	President	2018
Jeff Garner	Vice President	2018
Lupe Hernandez	Clerk	2018
Timothy Revious	Trustee	2020
Greg Strickland	Trustee	2020

### ADMINISTRATION

Joy C. Gabler	Superintendent
David Endo	Chief Business Official
Jaime Martinez	Assistant Superintendent Human Resources
Jill Rubalcava	Assistant Superintendent Curriculum, Instruction and Professional Development
Karen McConnell	Assistant Superintendent, Special Services

See accompanying note to supplementary information.

**HANFORD ELEMENTARY SCHOOL DISTRICT****SCHEDULE OF AVERAGE DAILY ATTENDANCE  
FOR THE YEAR ENDED JUNE 30, 2017**

	Second Period Report	Annual Report
<b>HANFORD ELEMENTARY SCHOOL DISTRICT</b>		
Regular ADA		
Transitional kindergarten through third	2,448.52	2,449.38
Fourth through sixth	1,792.88	1,794.44
Seventh and eighth	1,086.43	1,084.93
Total Regular ADA	5,327.83	5,328.75
Extended Year Special Education		
Transitional kindergarten through third	0.60	1.55
Total Extended Year Special Education	0.60	1.55
Community Day School		
Transitional kindergarten through third	4.76	5.21
Fourth through sixth	6.19	5.28
Seventh and eighth	12.32	12.92
Total Community Day School	23.27	23.41
Total ADA	5,351.70	5,353.71
<b>JEFFERSON CHARTER ACADEMY</b>		
Regular ADA - All classroom based		
Transitional kindergarten through third	188.24	187.92
Fourth through sixth	178.52	178.24
Seventh and eighth	59.34	59.23
Total Regular ADA	426.10	425.39

See accompanying note to supplementary information.

**HANFORD ELEMENTARY SCHOOL DISTRICT****SCHEDULE OF INSTRUCTIONAL TIME  
FOR THE YEAR ENDED JUNE 30, 2017****HANFORD ELEMENTARY SCHOOL DISTRICT**

Grade Level	1986-1987 Minutes Requirement	2016-2017 Actual Minutes	Number of Days		Status
			Traditional Calendar	Multitrack Calendar	
Kindergarten	36,000	48,913	180	N/A	Complied
Grades 1 - 3	50,400				
Grade 1		52,103	180	N/A	Complied
Grade 2		52,103	180	N/A	Complied
Grade 3		52,103	180	N/A	Complied
Grades 4 - 6	54,000				
Grade 4		55,293	180	N/A	Complied
Grade 5		55,293	180	N/A	Complied
Grade 6		55,293	180	N/A	Complied
Grades 7 - 8	54,000				
Grade 7		57,138	180	N/A	Complied
Grade 8		57,138	180	N/A	Complied

**JEFFERSON CHARTER ACADEMY**

Grade Level	1986-1987 Minutes Requirement	2016-2017 Actual Minutes	Number of Days		Status
			Traditional Calendar	Multitrack Calendar	
Kindergarten	36,000	48,913	180	N/A	Complied
Grades 1 - 3	50,400				
Grade 1		52,103	180	N/A	Complied
Grade 2		52,103	180	N/A	Complied
Grade 3		52,103	180	N/A	Complied
Grades 4 - 6	54,000				
Grade 4		55,293	180	N/A	Complied
Grade 5		55,293	180	N/A	Complied
Grade 6		55,293	180	N/A	Complied
Grades 7 - 8	54,000				
Grade 7		57,138	180	N/A	Complied
Grade 8		57,138	180	N/A	Complied

See accompanying note to supplementary information.

**HANFORD ELEMENTARY SCHOOL DISTRICT****RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017**

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There were no adjustments to the Unaudited Actual Financial Report which required reconciliation to the audited financial statements at June 30, 2017.

See accompanying note to supplementary information.



# HANFORD ELEMENTARY SCHOOL DISTRICT

## SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2017

	(Budget) 2018 <sup>1</sup>	2017	2016	2015
GENERAL FUND				
Revenues <sup>4</sup>	\$ 62,048,786	\$ 62,214,309	\$ 60,016,389	\$ 49,940,640
Expenditures	61,363,320	58,903,348	56,714,134	48,104,751
Other uses and transfers out	-	1,889,795	2,647,472	501,801
Total Expenditures and Other Uses <sup>4</sup>	61,363,320	60,793,143	59,361,606	48,606,552
INCREASE (DECREASE) IN FUND BALANCE	\$ 685,466	\$ 1,421,166	\$ 654,783	\$ 1,334,088
ENDING FUND BALANCE	\$ 10,703,453	\$ 10,017,987	\$ 8,596,821	\$ 7,942,038
AVAILABLE RESERVES <sup>2</sup>	\$ 7,771,650	\$ 8,688,436	\$ 6,823,394	\$ 6,004,597
AVAILABLE RESERVES AS A PERCENTAGE OF TOTAL OUTGO	12.66%	14.29%	11.49%	12.35%
LONG-TERM OBLIGATIONS	Not Available	\$ 17,256,182	\$ 8,499,624	\$ 9,069,508
AVERAGE DAILY ATTENDANCE AT P-2 <sup>3</sup>	5,423	5,352	5,325	5,372

The General Fund balance has increased by \$2,075,949 over the past two years. The fiscal year 2017-2018 budget projects a further increase of \$685,466 (6.84 percent). For a district this size, the State recommends available reserves of at least 3.0 percent of total General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred operating surpluses in each of the past three years and anticipates incurring an operating surplus during the 2017-2018 fiscal year. Total long-term obligations have increased by \$8,186,674 over the past two years, due primarily to the insurance of general obligation bonds.

Average daily attendance has decreased by 20 over the past two years; however, growth of 71 ADA is anticipated during fiscal year 2017-2018.

<sup>1</sup> Budget 2018 is included for analytical purposes only and has not been subjected to audit.

<sup>2</sup> Available reserves consist of all undesignated fund balances and all funds designated for economic uncertainty contained within the General Fund.

<sup>3</sup> Excludes Charter School average daily attendance.

<sup>4</sup> General Fund amounts do not include activity related to the consolidation of the Pupil Transportation Fund and the Special Reserve Fund for Postemployment Benefits as required by GASB Statement No. 54.

See accompanying note to supplementary information.

**HANFORD ELEMENTARY SCHOOL DISTRICT****SCHEDULE OF CHARTER SCHOOLS  
FOR THE YEAR ENDED JUNE 30, 2017**

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<u>Name of Charter School</u>	<u>Included in Audit Report</u>
Jefferson Charter Academy (Charter School Number 1637)	Yes

See accompanying note to supplementary information.

## HANFORD ELEMENTARY SCHOOL DISTRICT

**NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2017**

	<b>Charter School Fund</b>	<b>Cafeteria Fund</b>	<b>Deferred Maintenance Fund</b>
<b>ASSETS</b>			
Deposits and investments	\$ 395,469	\$ 927,692	\$ 213,918
Receivables	37,775	431,967	-
Stores inventories	-	24,314	-
<b>Total Assets</b>	<b>\$ 433,244</b>	<b>\$ 1,383,973</b>	<b>\$ 213,918</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 71,832	\$ 37,748	\$ 97,975
Due to other funds	-	-	97,219
<b>Total Liabilities</b>	<b>71,832</b>	<b>37,748</b>	<b>195,194</b>
<b>Fund Balances:</b>			
Nonspendable	-	24,724	-
Restricted	46,467	1,321,501	-
Committed	-	-	18,724
Assigned	314,945	-	-
<b>Total Fund Balances</b>	<b>361,412</b>	<b>1,346,225</b>	<b>18,724</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 433,244</b>	<b>\$ 1,383,973</b>	<b>\$ 213,918</b>

See accompanying note to supplementary information.

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<b>Capital Facilities Fund</b>	<b>Bond Interest and Redemption Fund</b>	<b>Total Non-Major Governmental Funds</b>
\$ 733,161	\$ 1,742,005	\$ 4,012,245
28,475	-	498,217
-	-	24,314
<u>\$ 761,636</u>	<u>\$ 1,742,005</u>	<u>\$ 4,534,776</u>
\$ 1,490	\$ -	\$ 209,045
-	-	97,219
<u>1,490</u>	<u>-</u>	<u>306,264</u>
-	-	24,724
760,146	1,742,005	3,870,119
-	-	18,724
-	-	314,945
<u>760,146</u>	<u>1,742,005</u>	<u>4,228,512</u>
<u>\$ 761,636</u>	<u>\$ 1,742,005</u>	<u>\$ 4,534,776</u>

## HANFORD ELEMENTARY SCHOOL DISTRICT

**NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2017**

	<b>Charter School Fund</b>	<b>Cafeteria Fund</b>
<b>REVENUES</b>		
Local Control Funding Formula	\$ 3,415,379	\$ -
Federal sources	-	2,924,107
Other State sources	452,070	201,864
Other local sources	17,354	274,847
<b>Total Revenues</b>	<b>3,884,803</b>	<b>3,400,818</b>
<b>EXPENDITURES</b>		
Current		
Instruction	2,095,477	-
Instruction-related activities:		
Supervision of instruction	41,515	-
Instructional library, media, and technology	74,233	-
School site administration	379,765	-
Pupil services:		
Home-to-school transportation	57,223	-
Food services	-	3,125,489
All other pupil services	221,697	-
Administration:		
All other administration	227,851	139,000
Plant services	502,525	6,842
Facility acquisition and construction	211,180	453,949
Ancillary services	675	-
Debt service		
Principal	-	-
Interest and other	-	-
<b>Total Expenditures</b>	<b>3,812,141</b>	<b>3,725,280</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>72,662</b>	<b>(324,462)</b>
<b>Other Financing Sources (Uses)</b>		
Transfers in	-	315
Other sources	-	-
<b>Net Financing Sources (Uses)</b>	<b>-</b>	<b>315</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>72,662</b>	<b>(324,147)</b>
<b>Fund Balance - Beginning</b>	<b>288,750</b>	<b>1,670,372</b>
<b>Fund Balance - Ending</b>	<b>\$ 361,412</b>	<b>\$ 1,346,225</b>

See accompanying note to supplementary information.

<b>Deferred Maintenance Fund</b>	<b>Capital Facilities Fund</b>	<b>Bond Interest and Redemption Fund</b>	<b>Total Non-Major Governmental Funds</b>
\$ 300,000	\$ -	\$ -	\$ 3,715,379
-	-	-	2,924,107
-	-	24,316	678,250
2,092	456,233	1,649,831	2,400,357
302,092	456,233	1,674,147	9,718,093
-	-	-	2,095,477
-	-	-	41,515
-	-	-	74,233
-	-	-	379,765
-	-	-	57,223
-	-	-	3,125,489
-	-	-	221,697
-	4,922	-	371,773
280,309	216,369	-	1,006,045
182,594	-	-	847,723
-	-	-	675
-	-	893,496	893,496
-	-	600,126	600,126
462,903	221,291	1,493,622	9,715,237
(160,811)	234,942	180,525	2,856
-	-	-	315
-	-	368,317	368,317
-	-	368,317	368,632
(160,811)	234,942	548,842	371,488
179,535	525,204	1,193,163	3,857,024
\$ 18,724	\$ 760,146	\$ 1,742,005	\$ 4,228,512

# HANFORD ELEMENTARY SCHOOL DISTRICT

## NOTE TO SUPPLEMENTARY INFORMATION JUNE 30, 2017

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### NOTE 1 - PURPOSE OF SCHEDULES

#### **Schedule of Expenditures of Federal Awards**

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The District has not elected to use the ten percent de minimis cost rate as covered in Section 200.414 Indirect (F&A) costs of the Uniform Guidance.

#### **Local Education Agency Organization Structure**

This schedule provides information about the District's boundaries and schools operated, members of the governing board, and members of the administration.

#### **Schedule of Average Daily Attendance (ADA)**

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

#### **Schedule of Instructional Time**

The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. The District neither met nor exceeded its target funding. This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of *Education Code* Sections 46200 through 46206.

Districts must maintain their instructional minutes at the 1986-1987 requirements as required by *Education Code* Section 46201.

#### **Reconciliation of Annual Financial and Budget Report With Audited Financial Statements**

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Unaudited Actual Financial Report to the audited financial statements.

#### **Schedule of Financial Trends and Analysis**

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

**HANFORD ELEMENTARY SCHOOL DISTRICT****NOTE TO SUPPLEMENTARY INFORMATION  
JUNE 30, 2017**

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**Schedule of Charter Schools**

This schedule lists all charter schools chartered by the District, and displays information for each charter school on whether or not the charter school is included in the District audit.

**Non-Major Governmental Funds - Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances**

The Non-Major Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures, and Changes in Fund Balances is included to provide information regarding the individual funds that have been included in the Non-Major Governmental Funds column on the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances.



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***INDEPENDENT AUDITOR'S REPORTS***

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**VAVRINEK, TRINE, DAY & CO., LLP**  
Certified Public Accountants

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Governing Board  
Hanford Elementary School District  
Hanford, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Hanford Elementary School District (the District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Hanford Elementary School District's basic financial statements, and have issued our report thereon dated December 8, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Hanford Elementary School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Hanford Elementary School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Hanford Elementary School District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

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

We noted certain matters that we reported to management of Hanford Elementary School District in a separate letter dated December 8, 2017.

## Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Vavrinek, Trine, Day & Co. LLP*

Fresno, California  
December 8, 2017



**VAVRINEK, TRINE, DAY & CO., LLP**  
Certified Public Accountants

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Governing Board  
Hanford Elementary School District  
Hanford, California

**Report on Compliance for Each Major Federal Program**

We have audited Hanford Elementary School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Hanford Elementary School District's (the District) major Federal programs for the year ended June 30, 2017. Hanford Elementary School District's major Federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its Federal awards applicable to its Federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Hanford Elementary School District's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about Hanford Elementary School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program. However, our audit does not provide a legal determination of Hanford Elementary School District's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Hanford Elementary School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2017.

### **Report on Internal Control Over Compliance**

Management of Hanford Elementary School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Hanford Elementary School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Hanford Elementary School District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Varrinck, Trine, Day + Co. LLP*

Fresno, California  
December 8, 2017



**VAVRINEK, TRINE, DAY & CO., LLP**  
Certified Public Accountants

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## **INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE**

Governing Board  
Hanford Elementary School District  
Hanford, California

### **Report on State Compliance**

We have audited Hanford Elementary School District's compliance with the types of compliance requirements as identified in the *2016-2017 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* that could have a direct and material effect on each of the Hanford Elementary School District's State government programs as noted below for the year ended June 30, 2017.

### ***Management's Responsibility***

Management is responsible for compliance with the requirements of State laws, regulations, and the terms and conditions of its State awards applicable to its State programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance of each of the Hanford Elementary School District's State programs based on our audit of the types of compliance requirements referred to above. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2016-2017 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. These standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the applicable government programs noted below. An audit includes examining, on a test basis, evidence about Hanford Elementary School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinions. Our audit does not provide a legal determination of Hanford Elementary School District's compliance with those requirements.

### ***Basis for Qualified Opinion on Unduplicated Local Control Funding Formula Pupil Count***

As described in the accompanying Schedule of Findings and Questioned Costs as item 2017-001, Hanford Elementary School District did not comply with requirements regarding Unduplicated Local Control Funding Formula Pupil Count. Compliance with such requirements is necessary, in our opinion, for Hanford Elementary School District to comply with the requirements applicable to that program.

### ***Qualified Opinion on Unduplicated Local Control Funding Formula Pupil Count***

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, Hanford Elementary School District complied, in all material respects, with the types of compliance requirements referred to above for the year ended June 30, 2017.

### ***Unmodified Opinion on Each of the Other Programs***

In our opinion, Hanford Elementary School District complied, in all material respects, with the compliance requirements referred to above that are applicable to the government programs noted below that were audited for the year ended June 30, 2017, except as described in the Schedule of State Awards Findings and Questioned Costs section of the accompanying Schedule of Findings and Questioned Costs.

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

	Procedures Performed
<b>LOCAL EDUCATION AGENCIES OTHER THAN CHARTER SCHOOLS</b>	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	No (see below)
Continuation Education	No (see below)
Instructional Time	Yes
Instructional Materials	Yes
Ratios of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	No (see below)
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	No (see below)
Middle or Early College High Schools	No (see below)
K-3 Grade Span Adjustment	Yes
Transportation Maintenance of Effort	Yes
Mental Health Expenditures	Yes
<b>SCHOOL DISTRICTS, COUNTY OFFICES OF EDUCATION, AND CHARTER SCHOOLS</b>	
Educator Effectiveness	Yes
California Clean Energy Jobs Act	Yes
After School Education and Safety Program:	
General Requirements	Yes
After School	Yes
Before School	No (see below)
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control Accountability Plan	Yes
Independent Study - Course Based	No (see below)
Immunizations	Yes

Procedures  
Performed

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CHARTER SCHOOLS

Attendance	Yes
Mode of Instruction	Yes
Non Classroom-Based Instruction/Independent Study for Charter Schools	No (see below)
Determination of Funding for Non Classroom-Based Instruction	No (see below)
Annual Instruction Minutes Classroom-Based	Yes
Charter School Facility Grant Program	No (see below)

We did not perform procedures for Independent Study because the independent study ADA was under the level that requires testing.

We did not perform Continuation Education procedures because the program is not offered by the District.

The District did not have any employees retire under the CalSTRS Early Retirement Incentive program; therefore, testing was not required.

The District does not have any Juvenile Court Schools; therefore, we did not perform procedures related to Juvenile Court Schools.

The District does not have any Middle or Early College High Schools; therefore, we did not perform procedures related to Middle or Early College High Schools.

The District does not offer a Before School Education and Safety Program; therefore, we did not perform procedures related to the Before School Education and Safety Program.

The District does not offer Independent Study - Course Based program; therefore, we did not perform any procedures related to Independent Study - Course Based Program.

We did not perform procedures for the Non Classroom-Based Instruction/Independent Study for Charter Schools because the District's charter school is entirely classroom based.

We did not perform procedures for Determination of Funding for Non Classroom-Based Instruction because the Charter School is classroom-based.

Additionally, we did not perform procedures for the Charter School Facility Grant Program because the District did not receive funding for this program.

*Varrinuk, Trine, Day + Co. LLP*

Fresno, California  
December 8, 2017



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***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***

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**HANFORD ELEMENTARY SCHOOL DISTRICT****SUMMARY OF AUDITOR'S RESULTS  
FOR THE YEAR ENDED JUNE 30, 2017**

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**FINANCIAL STATEMENTS**

Type of auditor's report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness identified?	<u>No</u>
Significant deficiency identified?	<u>None reported</u>
Noncompliance material to financial statements noted?	<u>No</u>

**FEDERAL AWARDS**

Internal control over major Federal programs:	
Material weakness identified?	<u>No</u>
Significant deficiency identified?	<u>None reported</u>
Type of auditor's report issued on compliance for major Federal programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of the Uniform Guidance?	<u>No</u>
Identification of major Federal programs:	

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>10.553, 10.555, 10.559</u>	<u>Child Nutrition Cluster</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u>Yes</u>

**STATE AWARDS**

Type of auditor's report issued on compliance for programs:	<u>Unmodified</u>
Unmodified for all programs except for the following program which was qualified:	

<u>Name of Program</u>
Unduplicated Local Control Funding Formula
<u>Pupil Count</u>

**HANFORD ELEMENTARY SCHOOL DISTRICT****FINANCIAL STATEMENT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2017**

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None reported.

**HANFORD ELEMENTARY SCHOOL DISTRICT****FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2017**

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None reported.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## STATE AWARDS FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2017

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The following findings represent instances of noncompliance and questioned costs relating to State program laws and regulations. The findings have been coded as follows:

<u>Five Digit Code</u>	<u>AB 3627 Finding Type</u>
40000	State Compliance

### ***HANFORD ELEMENTARY SCHOOL DISTRICT***

**2017-001      40000**

#### ***Unduplicated Local Control Funding Formula Pupil Count***

##### **Criteria**

As required by *Education Code* Section 42238.02(b)(2), commencing with the 2013-2014 fiscal year, a school district or charter school shall annually submit its enrolled free and reduced-price meal eligibility, foster youth, and English learner pupil-level records for enrolled pupils to the Superintendent using the California Longitudinal Pupil Achievement Data System. As prescribed by *Education Code* Section 42238.02(b)(3)(B), the Controller has included instructions in the Standards and Procedures for Audits of California K-12 Local Education Agencies that include requirements for the independent auditor to determine if the English learner, foster youth, and free or reduced-price meal eligible pupil counts are consistent with the school district's or charter school's English learner, foster youth, and free or reduced-price meal eligible pupil records. Pupils classified in any of these three categories are referred to in Section 42238.02(b)(1) of the *Education Code* as an "unduplicated pupil".

##### **Condition**

During the audit of the unduplicated local control funding formula pupil count, several students were incorrectly reported as free/reduced on the CalPADS report with no current application available for review or the application stated the student was on paid status.

Forty students were initially selected as a sample and six were missing an application on file and one was denied based on income information provided. The district provided a list of students identified as Paid status, per their Horizon software, and that list was compared to students on the Calpads 1.18 report that were not direct certified, not foster/homeless, were participants in the free/reduced program, not migrant, and not designated as EL's. The lists were compared to identify students that were marked paid on the Horizon database but reported as free/reduced on the Calpads database. As a result, one hundred thirty-two (132) students were identified as being incorrectly designated as free/reduced on the Calpads database.

# HANFORD ELEMENTARY SCHOOL DISTRICT

## STATE AWARDS FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2017

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The table below summarizes the effect of students who were incorrectly reported.

### **Hanford Elementary School District (excluding County programs)**

Certified total enrollment	5,518
Certified total unduplicated pupil count	4,668
Unduplicated pupil count adjustment based on eligibility for FRPM	(113)
Adjusted total enrollment	5,518
Adjusted total unduplicated pupil count	4,555

### **Jefferson Charter Academy (excluding County programs)**

Certified total enrollment	436
Certified total unduplicated pupil count	220
Unduplicated pupil count adjustment based on eligibility for FRPM	(19)
Adjusted total enrollment	436
Adjusted total unduplicated pupil count	201

### **Effect**

The effect is that the District's supplemental and concentration grant funding is overstated.

### **Cause**

The District prepares a conversion file from the Child Nutrition System that has a temporary status field for students who were free/reduced classification based on prior year. That conversion file is then uploaded to the District's student information system which then uploads to CalPADS. During the school year 2016-2017 updating process, that status field was not overwritten for pupils who had not turned in an application and resulted in students being reported incorrectly to the student information system.

### **Questioned Cost**

The effect of the misstatement is an estimated questioned cost of \$107,289 for Hanford Elementary School District and \$5,769 for Jefferson Charter Academy. The estimated questioned cost was calculated using the California Department of Education provided "Audit Finding Calculator for Fiscal Year 2016-2017 and Each Year Thereafter."

### **Recommendation**

The District must have procedures in place to verify the status of the students reported on the CalPADS database when the students are designated as an English Learner or participants of the Free/Reduced meal program. The District must also report changes to CalPads data identified in this finding to the California Department of Education.

**HANFORD ELEMENTARY SCHOOL DISTRICT****STATE AWARDS FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2017**

---

**Corrective Action Plan**

The District has corrected the error in the conversion file to remove the temporary status field for students. The District has created procedures to verify the paid student status of students attending the District prior to uploading the information to the CalPADS system each year.

**HANFORD ELEMENTARY SCHOOL DISTRICT****SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2017**

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There were no audit findings reported in the prior year's schedule of financial statement findings.





**VAVRINEK, TRINE, DAY & CO., LLP**  
Certified Public Accountants

113/243

**VALUE THE** *difference*

December 8, 2017

To the Hanford Elementary School District  
Governing Board and  
Citizens' Oversight Committee  
Hanford, California

We have audited the financial statements of the Building fund (Measure U) of Hanford Elementary School District for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you in our engagement letter dated April 25, 2017. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Hanford Elementary School District are described in Note 1 to the financial statements. There were no changes in accounting policies in the current year. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting the Building fund financial statements.

##### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

##### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no corrected or uncorrected misstatements of the financial statements.

*Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 8, 2017.

*Management Consultations with Other Independent Accountant*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Hanford Elementary School District Governing Board and Citizens' Oversight Committee and management of Hanford Elementary School District and is not intended to be and should not be used by anyone other than these specified parties.

*Varrinck, Trine, Day + Co. LLP*

Fresno, California  
December 8, 2017

**HANFORD ELEMENTARY SCHOOL DISTRICT**

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**BUILDING FUND (MEASURE U)  
FINANCIAL AND PERFORMANCE AUDITS**

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**JUNE 30, 2017**

**HANFORD ELEMENTARY SCHOOL DISTRICT**

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**BUILDING FUND (MEASURE U)  
FINANCIAL AUDIT**

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**JUNE 30, 2017**

# **HANFORD ELEMENTARY SCHOOL DISTRICT BUILDING FUND (MEASURE U)**

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***FINANCIAL SECTION***

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**VAVRINEK, TRINE, DAY & CO., LLP**  
Certified Public Accountants

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## **INDEPENDENT AUDITOR'S REPORT**

Governing Board and  
Citizens' Oversight Committee  
Hanford Elementary School District  
Hanford, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Hanford Elementary School District's (the District), Building Fund (Measure U), and the related notes to the financial statements, as of and for the year ended June 30, 2017, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Building Fund (Measure U) of the Hanford Elementary School District at June 30, 2017, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Emphasis of Matter

As discussed in Note 1, the financial statements present only the Building Fund specific to Measure U, and are not intended to present fairly the financial position and changes in financial position of Hanford Elementary School District in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

## Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements of the Hanford Elementary School District's Building Fund (Measure U). The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements.

The accompanying supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2017, on our consideration of the District's Building Fund (Measure U) internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's Building Fund (Measure U) internal control over financial reporting and compliance.

*Vavrinuk, Trine, Day & Co. LLP*

Fresno, California  
December 8, 2017



# **HANFORD ELEMENTARY SCHOOL DISTRICT BUILDING FUND (MEASURE U)**

## **BALANCE SHEET JUNE 30, 2017**

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### **ASSETS**

Deposits and investments	\$ 8,557,142
--------------------------	--------------

### **LIABILITIES AND FUND BALANCE**

#### **Liabilities:**

Accounts payable	\$ 4,087
------------------	----------

#### **Fund Balance:**

Restricted for capital projects	8,553,055
---------------------------------	-----------

#### **Total Liabilities and**

<b>Fund Balance</b>	<b>\$ 8,557,142</b>
---------------------	---------------------

The accompanying notes are an integral part of these financial statements.

**HANFORD ELEMENTARY SCHOOL DISTRICT  
BUILDING FUND (MEASURE U)**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2017**

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**REVENUES**

Interest income	\$ 4,102
-----------------	----------

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**EXPENDITURES**

Capital outlay	86,047
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Bond issuance costs	248,847
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<b>Total Expenditures</b>	<b>334,894</b>
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**DEFICIENCY OF REVENUES OVER EXPENDITURES**

(330,792)
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**Other Financing Sources:**

Proceeds from bond issuance	8,635,000
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Premium from bond issuance	248,847
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<b>Total Financing Sources</b>	<b>8,883,847</b>
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**NET CHANGE IN FUND BALANCE**

8,553,055
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**FUND BALANCE - BEGINNING**

-
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**FUND BALANCE - ENDING**

\$ 8,553,055
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The accompanying notes are an integral part of these financial statements.

## **HANFORD ELEMENTARY SCHOOL DISTRICT BUILDING FUND (MEASURE U)**

### **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Hanford Elementary School District's (the District) Building Fund (Measure U) conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA). The Hanford Elementary School District Building Fund accounts for financial transactions in accordance with the policies and procedures of the California School Accounting Manual.

##### **Financial Reporting Entity**

The financial statements include only the Building Fund of the Hanford Elementary School District used to account for Measure U. This Fund was established to account for the expenditures of general obligation bonds issued under Measure U. These financial statements are not intended to present fairly the financial position and results of operations of the Hanford Elementary School District in compliance with accounting principles generally accepted in the United States of America.

##### **Fund Accounting**

The operations of the Building Fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

##### **Basis of Accounting**

The Building Fund is accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

##### **Budgets and Budgetary Accounting**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. The District's governing board adopts an operating budget no later than July 1 in accordance with State law. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements. The Board revises this budget during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

# **HANFORD ELEMENTARY SCHOOL DISTRICT BUILDING FUND (MEASURE U)**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017**

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### **Encumbrances**

The District utilizes an encumbrance accounting system under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are liquidated when the commitments are paid and all outstanding encumbrances lapse at June 30.

### **Fund Balance - Building Fund (Measure U)**

As of June 30, 2017, the fund balance is classified as follows:

**Restricted** - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

### **New Accounting Pronouncements**

In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Early implementation is encouraged.

# **HANFORD ELEMENTARY SCHOOL DISTRICT BUILDING FUND (MEASURE U)**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017**

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### **NOTE 2 - INVESTMENTS**

#### **Policies and Practices**

The District is authorized under *California Government Code* to make direct investments in local agency bonds, notes, or warrants within the State: U.S. Treasury instrument; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreement; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security, and collateralized mortgage obligations.

#### **Investment in County Treasury**

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

# **HANFORD ELEMENTARY SCHOOL DISTRICT BUILDING FUND (MEASURE U)**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017**

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### **General Authorizations**

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

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

### **Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the Kings County Investment Pool. The District maintains a Building Fund (Measure U) investment of \$8,557,142 with the Kings County Investment Pool, with an average maturity of 525 days.

## **HANFORD ELEMENTARY SCHOOL DISTRICT BUILDING FUND (MEASURE U)**

### **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017**

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#### **NOTE 3 - FAIR VALUE MEASUREMENTS**

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the Kings County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

#### **NOTE 4 - ACCOUNTS PAYABLE**

Accounts payable at June 30, 2017, consist of \$4,087 due to vendors for services received.

# **HANFORD ELEMENTARY SCHOOL DISTRICT BUILDING FUND (MEASURE U)**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017**

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### **NOTE 5 - COMMITMENTS AND CONTINGENCIES**

#### **Construction Commitments**

As of June 30, 2017, the Building Fund (Measure U) had the following commitments with respect to the unfinished capital projects:

Measure U Projects	Remaining Construction Commitment	Expected Date of Completion
Monroe new administration building	\$ 2,135,822	February 2018
MLK classroom wing	191,240	August 2018
Total Projected Cost Remaining	<u>\$ 2,327,062</u>	

#### **Litigation**

The District is not currently a party to any legal proceedings regarding bond projects.



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***SUPPLEMENTARY INFORMATION***

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# **HANFORD ELEMENTARY SCHOOL DISTRICT BUILDING FUND (MEASURE U)**

## **SCHEDULE OF LONG-TERM OBLIGATIONS JUNE 30, 2017**

### **Measure U Bonded Debt**

The District's general obligation bonded debt under Measure U is as follows:

Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 1, 2016	Issued	Redeemed	Bonds Outstanding June 30, 2017
2017	2019-47	2.0-5.0	8,800,000	\$ -	\$ 8,800,000	\$ -	\$ 8,800,000

### **Election 2016, Series A General Obligation Bonds**

On June 14, 2017, the District issued \$8,800,000 in Election 2016, Series A, Measure U general obligation bonds. Proceeds from the bonds will be used to (i) finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities and (ii) pay the costs of issuing the bonds. At June 30, 2017, the principal balance outstanding was \$8,800,000.

The bonds mature through 2047 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2018	\$ -	\$ 217,292	\$ 217,292
2019	600,000	325,144	925,144
2020	115,000	322,625	437,625
2021	-	320,900	320,900
2022	-	320,900	320,900
2023-2027	265,000	1,589,475	1,854,475
2028-2032	845,000	1,454,025	2,299,025
2033-2037	1,435,000	1,251,486	2,686,486
2038-2042	2,230,000	942,747	3,172,747
2043-2047	3,310,000	422,400	3,732,400
Total	\$ 8,800,000	\$ 7,166,994	\$ 15,966,994

**HANFORD ELEMENTARY SCHOOL DISTRICT  
BUILDING FUND (MEASURE U)**

**RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH AUDITED  
GENERAL OBLIGATION BOND FUND  
JUNE 30, 2017**

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There were no adjustments to the Unaudited Actual Building Fund (Measure U), which required reconciliation to the audited financial statements at June 30, 2017.

**HANFORD ELEMENTARY SCHOOL DISTRICT  
BUILDING FUND (MEASURE U)****NOTE TO SUPPLEMENTARY INFORMATION  
JUNE 30, 2017**

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**NOTE 1 - PURPOSE OF SCHEDULES****Schedule of Long-Term Obligations**

This schedule provides a debt repayment schedule associated with the bond proceeds received through issuance of Building Fund (Measure U) obligations.

**Reconciliation of Annual Financial Report With Audited Financial Statements**

This schedule provides the information necessary to reconcile the fund balance of the Building Fund (Measure U) reported on the Unaudited Actual Financial Report to the audited financial statements.

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***OTHER INDEPENDENT AUDITOR'S REPORT***

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**VAVRINEK, TRINE, DAY & CO., LLP**  
Certified Public Accountants

134/243

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Governing Board and  
Citizens' Oversight Committee  
Hanford Elementary School District  
Hanford, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the accompanying financial statements of the Hanford Elementary School District (the District) Building Fund (Measure U), as of and for the year ended June 30, 2017, and the related notes of the financial statements, and have issued our report thereon dated December 8, 2017.

As discussed in Note 1, the financial statements present only the Building Fund specific to Measure U, and are not intended to present fairly the financial position and changes in financial position of Hanford Elementary School District in accordance with accounting principles generally accepted in the United States of America.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Hanford Elementary School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Hanford Elementary School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Hanford Elementary School District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be, significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

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

## Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Varrinck, Trine, Day + Co. LLP*

Fresno, California  
December 8, 2017

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***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***

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**HANFORD ELEMENTARY SCHOOL DISTRICT  
BUILDING FUND (MEASURE U)**

**FINANCIAL STATEMENT FINDINGS  
JUNE 30, 2017**

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None reported.

**HANFORD ELEMENTARY SCHOOL DISTRICT**

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**BUILDING FUND (MEASURE U)  
PERFORMANCE AUDIT**

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**JUNE 30, 2017**

# **HANFORD ELEMENTARY SCHOOL DISTRICT BUILDING FUND (MEASURE U)**

## **PERFORMANCE AUDIT TABLE OF CONTENTS JUNE 30, 2017**

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Independent Auditor's Report on Performance	1
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**VAVRINEK, TRINE, DAY & CO., LLP**  
Certified Public Accountants

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## INDEPENDENT AUDITOR'S REPORT ON PERFORMANCE

Governing Board and  
Citizens' Oversight Committee  
Hanford Elementary School District  
Hanford, California

We were engaged to conduct a performance audit of the Hanford Elementary School District (the District) Building Fund (Measure U) for the year ended June 30, 2017.

We conducted this performance audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our audit objectives.

Our audit was limited to the objectives listed within the report which includes determining the District's compliance with the performance requirements as referred to in Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution. Management is responsible for the District's compliance with those requirements.

In planning and performing our performance audit, we obtained an understanding of the District's internal control in order to determine if the internal controls were adequate to help ensure the District's compliance with the requirements of Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution, but not for the purpose of expressing an opinion of the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

The results of our tests indicated that the District expended Building Fund (Measure U) funds only for the specific projects approved by the voters, in accordance with Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution.

*Vavrinek, Trine, Day & Co. LLP*

Fresno, California  
December 8, 2017

# **HANFORD ELEMENTARY SCHOOL DISTRICT BUILDING FUND (MEASURE U)**

**JUNE 30, 2017**

---

## **AUTHORITY FOR ISSUANCE**

The general obligation bonds associated with Measure U were issued pursuant to the Constitution and laws of the State of California (the State), including the provisions of Chapters 1 and 1.5 of Part 10 of the California Education Code, and other applicable provisions of law. The bonds are authorized to be issued by the requisite 55 percent of the voters of the District, pursuant to a request of the District made by a resolution adopted by the Board of Education of the District.

The District received authorization from an election held on November 8, 2016, to issue bonds of the District in an aggregate principal amount not to exceed \$24 million to (i) finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities and (ii) pay the costs of issuing the bonds. The Series A Bonds represent the first series of bonds to be issued under the 2016 Authorization.

## **PURPOSE OF ISSUANCE**

The net proceeds of the Bonds and any other series of general obligation bonds issued under the Authorization will be used for the purposes specified in the District bond proposition submitted at the Election. An excerpt from the ballot language is as follows:

"HANFORD ELEMENTARY SCHOOLS REPAIR MEASURE: To repair and upgrade aging elementary/middle school facilities by repairing outdated classrooms, upgrading inadequate electrical systems, restrooms, improving access for disabled students, provide access to computers/modern technology, replacing aging portable classrooms and repairing, constructing, acquiring classrooms, facilities, sites, and equipment, shall Hanford Elementary School District issue \$24,000,000 in bonds at legal rates, requiring independent audits, citizens' oversight, no money for administrators, all funds staying local, without increasing current tax rates."

## **AUTHORITY FOR THE AUDIT**

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by school districts, community college districts, or county offices of education, "for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of rental property for school facilities", upon approval by 55 percent of the electorate. In addition to reducing the approval threshold from two-thirds to 55 percent, Proposition 39 and the enacting legislation (AB 1908 and AB 2659) requires the following accountability measures as codified in *Education Code* Sections 15278-15282:

1. Requires that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b)(3)(C) of the California Constitution, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.
2. The school district must list the specific school facilities projects to be funded in the ballot measure, and must certify that the governing board has evaluated safety, class size reduction and information technology needs in developing the project list.

## **HANFORD ELEMENTARY SCHOOL DISTRICT BUILDING FUND (MEASURE U)**

**JUNE 30, 2017**

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3. Requires the school district to appoint a citizen's oversight committee.
4. Requires the school district to conduct an annual independent financial audit and performance audit in accordance with the *Government Auditing Standards* issued by the Comptroller General of the United States of the bond proceeds until all of the proceeds have been expended.
5. Requires the school district to conduct an annual independent performance audit to ensure that the funds have been expended only on the specific projects listed.

### **OBJECTIVES OF THE AUDIT**

1. Determine whether expenditures charged to the Building Fund have been made in accordance with the bond project list approved by the voters through the approval of Measure U.
2. Determine whether salary transactions charged to the Building Fund, if any, were in support of Measure U and not for District general administration or operations.

### **SCOPE OF THE AUDIT**

The scope of our performance audit covered the period of July 1, 2016 to June 30, 2017. The population of expenditures tested included all object and project codes associated with the bond projects. The propriety of expenditures for capital projects and maintenance projects funded through other State or local funding sources, other than proceeds of the bonds, were not included within the scope of the audit. Expenditures incurred subsequent to June 30, 2017, were not reviewed or included within the scope of our audit or in this report.

### **PROCEDURES PERFORMED**

We obtained the general ledger and the project expenditure reports prepared by the District for the period July 1, 2016 through June 30, 2017, for the Building Fund (Measure U). Within the fiscal year audited, we obtained the actual invoices and other supporting documentation for a sample of expenditures to ensure compliance with the requirements of Article XIII A, Section 1(b)(3)(C) of the California Constitution and Measure U as to the approved bond projects list. We performed the following procedures:

1. We selected a sample of expenditures for the period starting July 1, 2016 and ending June 30, 2017, and reviewed supporting documentation to ensure that such funds were properly expended on authorized bond projects.
2. We selected a sample of expenditures of Measure U funds totaling \$330,807 for the fiscal year ended June 30, 2017. This represents 98.78 percent of the total expenditures of \$334,894.
3. We verified that funds from the Building Fund (Measure U) were expended for authorized bond projects and issuance costs, and we verified that no funds were expended for salaries of District administrators or for other operating expenses of the District.

**HANFORD ELEMENTARY SCHOOL DISTRICT  
BUILDING FUND (MEASURE U)****JUNE 30, 2017**

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**CONCLUSION**

The results of our tests indicated that, in all significant respects, the Hanford Elementary School District has properly accounted for the expenditures held in the Building Fund (Measure U) and that such expenditures were made for authorized Bond projects.

**HANFORD ELEMENTARY SCHOOL DISTRICT  
BUILDING FUND (MEASURE U)**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2017**

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None reported.



## HANFORD ELEMENTARY SCHOOL DISTRICT

**AGENDA REQUEST FORM**

TO: Joy C. Gabler

FROM: David Endo

DATE: 01/24/2018

FOR: ☒ Board Meeting  
☐ Superintendent's Cabinet

FOR: ☐ Information  
☒ Action

Date you wish to have your item considered: 01/15/2018

**ITEM:**

Consider approval of warrants.

**PURPOSE:**

The administration is requesting the approval of the warrants as listed on the registers dated: 12/29/17, 01/05/18 and 01/12/18.

**FISCAL IMPACT:**

See attached.

**RECOMMENDATIONS:**

Approve the warrants.

# Warrant Register For Warrants

## Dated 12/29/2017

Warrant Number	Vendor Number	Vendor Name	Amount
12567432	5964	A & M DESIGNS Inst'l Matl's	\$611.33
12567433	6909	AAF FLANDERS Maintenance Supplies	\$3,628.36
12567434	6431	AMAZON.COM Allowance/Books/Office Supplies	\$2,445.66
12567435	3947	ATKINSON ANDELSON LOYA RUUD & ROMO Legal	\$4,900.88
12567436	2758	BALLOONS EVERYWHERE READY Matl's	\$403.35
12567437	153	BOOKSOURCE Books	\$1,462.92
12567438	6888	BRIGHTBYTES Software Licenses	\$11,201.00
12567439	236	STATE OF CALIFORNIA Other Services	\$956.00
12567440	3012	CBS DOOR Maintenance Supplies	\$180.41
12567441	299	CENTRAL VALLEY COMP. CARE INC. Other Services	\$79.00
12567442	6964	CENTRAL VALLEY PRINT SOLUTIONS HR Supplies	\$1,517.00
12567443	304	NICK CHAMPI ENTERPRISES INC. Grounds Matl's	\$150.10
12567444	331	CLASSIC CHARTER Transportation	\$1,366.00
12567445	373	CPM EDUCATIONAL PROGRAM Books	\$653.06
12567446	5644	GOTTSCHALK MUSIC CENTER Band Supplies	\$300.00
12567447	4597	IVS COMPUTER TECHNOLOGY Educational Supplies	\$72,535.89
12567448	796	KINGS COUNTY OFFICE OF ED Other Costs/Other Services	\$382.25
12567449	6377	MARIACHI CONNECTION Inst'l Matl's	\$299.30
12567450	2429	MISSION INN Travel & Conf	\$1,494.16
12567451	7041	MUSIC & ARTS Band Matl's	\$133.03
12567452	1058	OFFICE DEPOT Office Supplies	\$163.24
12567453	6792	PEARSON EDUCATION Textbooks	\$463.08
12567454	1188	QUILL CORPORATION Warehouse	\$319.29
12567455	1204	SHARON RAMSEIER-WILLIAMS Inst'l Consultant	\$2,700.00
12567456	1227	RENAISSANCE LEARNING INC. Software Licenses	\$8,370.00
12567457	1303	SAVE MART SUPERMARKETS Supplies	\$78.78
12567458	5079	SCHOOL KIDS HEALTHCARE Warehouse	\$409.60
12567459	5170	SCORE SPORTS Athletic Matl's	\$2,055.98
12567460	3743	SHRED-IT USA – FRESNO Shredding Services	\$237.94
12567461	1392	SOUTHERN CALIFORNIA EDISON CO. Electricity	\$18,943.60
12567462	2031	SOUTHWEST SCH & OFFICE SUPPLY Warehouse	\$1,349.74
12567463	1404	STANISLAUS FOUNDATION – ADMIN Other Services	\$2,608.75
12567464	1403	STANISLAUS FOUNDATION – DENTAL Other Services	\$8,162.31
12567465	4595	SUNFLOWER WRESTLING INC Athletic Supplies	\$663.00
12567466	2188	SUPPLYWORKS Warehouse	\$1,255.10
12567467	6148	TRANE Repairs	\$574.57
12567468	2138	THE TREE HOUSE Office Supplies	\$1,692.43
12567469	1575	WALMART COMMUNITY RFCSLLC Warehouse/Inst'l Matl's	\$1,077.43

**Total Amount of All Warrants:**

**\$155,824.54**



**Credit Card Register For Payments**  
**Dated 12/29/2017**

Document Number	Vendor Number	Vendor Name	Amount
14021769	176	BSN SPORTS Warehouse	\$1,334.64
14021770	4271	GOLDEN EAGLE CHARTER INC. Transportation	\$10,730.00
14021771	806	KINGS COUNTY TROPHY Inst'l Matl's	\$51.48
14021772	831	LAKESHORE LEARNING Equipment	\$513.73
14021773	1350	SIGN WORKS Office Supplies	\$432.76
14021774	598	WINGFOOT COMMERCIAL TIRE SYS Transportation Supplies	\$200.00
14021775	1637	WOODWIND & BRASSWIND Band Supplies	\$79.09
<b>Total Amount of All Credit Card Payments:</b>			<b>\$13,341.70</b>



**Warrant Register For Warrants  
Dated 01/05/2018**

Warrant Number	Vendor Number	Vendor Name	Amount
12567745	7094	ABEL AGUILAR Other Services	\$21.00
12567746	1142	MICHELE ALEXANDER Travel & Conf	\$144.00
12567747	6253	AT&T Telephone	\$118.06
12567748	6419	JAMIE DIAL Travel & Conf	\$52.00
12567749	1393	GAS COMPANY Gas	\$2,578.83
12567750	6804	MARGARITA GONZALES Reissue Refund	\$.82
12567751	632	CITY OF HANFORD Water/Sewer	\$8,827.61
12567752	2903	JAIME MARTINEZ Travel & Conf	\$144.00
12567753	1392	SOUTHERN CALIFORNIA EDISON CO. Electricity	\$18,806.67
12567754	3728	JASON STRICKLAND Travel & Conf	\$144.00
<b>Total Amount of All Warrants:</b>			<b>\$30,836.99</b>



**Credit Card Register For Payments**  
**Dated 01/05/2018**

Document Number	Vendor Number	Vendor Name	Amount
14021798	91	AUTOMATED OFFICE SYSTEMS Leases	\$5,072.74
14021799	273	CASBO Travel & Conf	\$20.00
14021800	831	LAKESHORE LEARNING Inst'l Matl's	\$1,122.91
Total Amount of All Credit Card Payments:			\$6,215.65





# Warrant Register For Warrants

## Dated 01/12/2018

Warrant Number	Vendor Number	Vendor Name	Amount
12568095	949	AMERICAN INCORPORATED Repairs	\$253.50
12568096	59	AMERIPRIDE UNIFORM SERVICES Laundry/Mop/Mat Services	\$460.27
12568097	6253	AT&T Telephone	\$95.14
12568098	4983	B & H PHOTO-VIDEO Equipment/Inst'l Matl's	\$815.25
12568099	5799	MIRANDA BANUELOS READY Supplies	\$34.66
12568100	3575	PAMELA BECK Inst'l Consultant	\$4,700.00
12568101	7063	BESTWAY SANDWHICHES Food	\$3,397.56
12568102	2970	CA BAND DIRECTORS ASSOC. Travel & Conf	\$445.00
12568103	242	STATE OF CALIFORNIA Fuel	\$50.50
12568104	1891	DEBRA CAWLEY Mileage	\$83.94
12568105	4430	G W SCHOOL SUPPLY Inst'l Matl's	\$154.95
12568106	556	JOY GABLER Travel & Conf	\$11.71
12568107	2749	GARDA CL WEST INC. Other Services	\$534.50
12568108	1393	GAS COMPANY Gas	\$3,634.58
12568109	1816	LUCY GOMEZ Travel & Conf	\$50.00
12568110	6963	GONZALEZ ARCHITECTS Buildings & Improvements	\$37,137.35
12568111	7098	HANFORD CHRISTIAN SCHOOL Gym Rental	\$400.00
12568112	649	HANFORD POLICE DEPARTMENT Other Services	\$10.00
12568113	1252	JOE ROBINSON CONCRETE Repairs	\$2,480.00
12568114	765	JOHNSTONE SUPPLY Kitchen Supplies	\$42.47
12568115	5007	JORGENSEN COMPANY Fire Extinguisher Services	\$1,351.23
12568116	779	KEENAN & ASSOC. CPIC Health & Welfare	\$5,400.00
12568117	778	KEENAN & ASSOC. MED. EYE SERV. Health & Welfare	\$10,189.24
12568118	3760	KINGS COUNTY AIR Maintenance Matl's	\$475.00
12568119	4629	LOWE'S OF HANFORD Grounds Supplies	\$183.72
12568120	912	MANGINI ASSOCIATES INC. Buildings & Improvements	\$7,688.05
12568121	2243	MATSON ALARM Alarm Services	\$195.31
12568122	2243	MATSON ALARM Alarm Services	\$367.50
12568123	977	ORAL E. MICHAM INC. Buildings & Improvements	\$31,858.25
12568124	1058	OFFICE DEPOT Office Supplies	\$92.69
12568125	1058	OFFICE DEPOT Office Supplies	\$93.24
12568126	6257	ORCHARD SUPPLY HARDWARE Maint/Grounds/Custodial Supplies	\$3,064.48
12568127	3072	JENNIFER PITKIN Supplies	\$59.99
12568128	1168	PRODUCERS DAIRY PRODUCTS Food	\$6,226.33
12568129	5898	ANNELIESE ROA Food	\$112.76
12568130	2646	JILL RUBALCAVA Mileage	\$215.61
12568131	5067	RUSSELL SIGLER INC Maintenance Supplies	\$376.25
12568132	3569	WENDI SANTIMORE Mileage	\$53.48
12568133	1325	SCHOOL NURSE SUPPLY Medical Supplies	\$448.31
12568134	4485	SHELCO INDUSTRIES Maintenance Supplies	\$5,959.71
12568135	1367	SISC III Health & Welfare	\$565,101.00
12568136	1392	SOUTHERN CALIFORNIA EDISON CO. Electricity	\$3,048.31
12568137	7092	SUNCREST BANK Buildings & Improvements	\$1,676.75
12568138	2188	SUPPLYWORKS Custodial Supplies	\$695.31
12568139	1466	TERMINIX INTERNATIONAL Pest Control	\$397.00
12568140	1466	TERMINIX INTERNATIONAL Pest Control Kitchen	\$25.00
12568141	5946	THE HARTFORD Health & Welfare	\$1,165.84
12568142	4114	TULARE COUNTY OFFICE OF EDUCATION Travel & Conf	\$100.00

**Warrant Register For Warrants  
Dated 01/12/2018**

Warrant Number	Vendor Number	Vendor Name	Amount
12568143	4522	US AIR CONDITIONING DIST INC. Maintenance Matl's	\$512.25
12568144	2404	VAVRINEK TRINE DAY & CO. LLP Audit Expense	\$1,200.00
12568145	1558	VERIZON WIRELESS Telephone	\$741.12
12568146	3863	WILLIAM WILKINSON Mileage	\$72.22
<b>Total Amount of All Warrants:</b>			<b>\$703,937.33</b>



**Credit Card Register For Payments**  
**Dated 01/12/2018**

Document Number	Vendor Number	Vendor Name	Amount
14021835	949	AMERICAN INCORPORATED Repairs	\$243.00
14021836	273	CASBO Travel & Conf	\$405.00
14021837	366	CORWIN PRESS Inst'l Consultant	\$5,000.00
14021838	546	FRESNO ENVELOPE AND EMBOSSING Printing Supplies	\$491.89
14021839	5690	INDOFF INCORPORATED Warehouse	\$1,705.28
14021840	1278	S & S WORLDWIDE INC. Athletic Supplies	\$304.31
14021841	1314	SCHOLASTIC INC. Books	\$498.97
14021842	1350	SIGN WORKS Equipment	\$4,065.60
14021843	3513	SIGNMAX Maintenance Matl's	\$715.42
14021844	4381	STAPLES - BUSINESS ADVANTAGE Office Supplies	\$214.93
<b>Total Amount of All Credit Card Payments:</b>			<b>\$13,644.40</b>



Hanford Elementary School District  
*Minutes of the Regular Board Meeting*  
*January 10, 2018*

Minutes of the Regular Board Meeting of the Hanford Elementary School District Board of Trustees on January 10, 2018 at the District Office Board Room, 714 N. White Street, Hanford, CA.

- Call to Order** Vice President Revious called the meeting to order at 5:30 p.m. Trustee Garcia, Hernandez and Strickland were present. President Garner was absent.
- Closed Session** Trustees immediately adjourned to closed session for the purpose of:
- Student Discipline pursuant to Education Code section 48918
- Open Session** Trustees returned to open session at 6:02 p.m.
- HESD Managers Present** Joy C. Gabler, Superintendent, and the following administrators were present: Don Arakelian, Kristina Baldwin, Lindsey Calvillo, Doug Carlton, Anthony Carrillo, Debra Colvard, Kenny Eggert, David Endo, Lucy Gomez, Jaime Martinez, Karen McConnell, Gerry Mulligan, Julie Pulis, Jill Rubalcava, Cruz Sanchez and Jay Strickland.
- Case # 18-17** Trustee Hernandez made a motion to accept the Findings of Fact and suspend Case #18-17 from the current alternative placement, Community Day School, for the remainder of the 2017-18 school year for violation of Education Code 48900 and/or 48915 as determined by the Administrative Panel at hearings held on January 8, 2018. Parents may apply for Readmission on or after June 6, 2018. Trustee Garcia seconded; motion carried 4-0:
- Garcia – Yes
  - Hernandez – Yes
  - Revious – Yes
  - Strickland – Yes
- Case # 18-18** Trustee Hernandez made a motion to accept the Findings of Fact and expel Case #18-18 for the remainder of the 2017-18 school year for violation of Education Code 48900 and/or 48915 as determined by the Administrative Panel at hearing held on January 8, 2018. Parents may apply for Readmission on or after June 6, 2018. Trustee Garcia seconded; motion carried 4-0:
- Garcia – Yes
  - Hernandez – Yes
  - Revious – Yes
  - Strickland – Yes
- Public Comments** None
- Board and Staff Comments** None
- Requests to Address the Board** None

## Dates to Remember

Vice President Revious reviewed dates to remember: Striker Classic XVIII at JFK Friday, January 12th at 3:30 p.m.; MLK Holiday Monday, January 15th; Hoop Classic XXIV at Hanford West Friday, January 19th at 6:00 p.m.; Jr Explorer Academy Day at Hamilton Saturday, January 20th at 9:00 a.m.; Boys Round Robin Basketball at Wilson Saturday, January 20th at 8:30 a.m.; Girls Round Robin Basketball at JFK Saturday, January 20th at 8:30 a.m.; Regular Board Meeting Wednesday, January 24th.

## CONSENT ITEMS

Trustee Strickland made a motion to take consent items "a" through "d" together.

Trustee Garcia seconded; motion carried 4-0:

Garcia – Yes  
Hernandez – Yes  
Revious – Yes  
Strickland – Yes

Trustee Garcia then made a motion to approve consent items "a" through "d". Trustee Strickland seconded; motion carried 4-0:

Garcia – Yes  
Hernandez – Yes  
Revious – Yes  
Strickland – Yes

The items approved are as follows:

- a) Accept warrant listings dated December 8, 2017; December 15, 2017 and December 22, 2017.
- b) Approve minutes of Regular Board Meeting held on December 13, 2017 and Special Board Meeting held on December 20, 2017.  
Trustee Strickland and Trustee Garcia requested a change be made to the December 13<sup>th</sup> minutes adjusting their vote to abstaining for item "a" under consent items on the 12/13/2017 agenda minutes.
- c) Approve interdistrict transfers as recommended.
- d) Approve donation of \$300.00 from Jefferson Parent Teacher Club to Jefferson Charter Academy for Mariachi Band Uniforms.

## INFORMATION ITEMS

### BP 5141.52

Karen McConnell, Assistant Superintendent of Special Services, presented for information the following revised Board Policy:

- BP 5141.52 – Suicide Prevention

### BP/AR 5148.2

Karen McConnell, Assistant Superintendent of Special Services, presented for information the following revised Board Policy and Administrative Regulation:

- BP/AR 5148.2 – Before/After School Programs

### BP/AR 6164.6

Karen McConnell, Assistant Superintendent of Special Services, presented for information the following revised Board Policy and Administrative Regulation:

- BP/AR 6164.6 – Identification and Education Under Section 504



- BP 6117** Jill Rubalcava, Assistant Superintendent to Curriculum, Instruction & Professional Development, presented information for deletion of the following Board Policy:
- BP 6117 – Year-Round Schedules

- BP 6154** Jill Rubalcava, Assistant Superintendent to Curriculum, Instruction & Professional Development, presented for information the following revised Board Policy:
- BP 6154 – Homework/Makeup Work

## **BOARD POLICIES AND ADMINISTRATION**

- Krazan & Associates, Inc.** Trustee Garcia made a motion to approve the consultant agreement with Krazan & Associates, Inc., for Martin Luther King Jr. Elementary classroom wing addition & relocatable building project. Trustee Strickland seconded; motion carried 4-0:
- Garcia – Yes
  - Hernandez – Yes
  - Revious – Yes
  - Strickland – Yes

- BP 0460** Trustee Garcia made a motion to approve the revised Board Policy 0460 – Local Control Accountability Plan. Trustee Strickland seconded; motion carried 4-0:
- Garcia – Yes
  - Hernandez – Yes
  - Revious – Yes
  - Strickland – Yes

- BP/AR 6174** Trustee Garcia made a motion to approve the revised Board Policy and Administrative Regulation 6174 – Education for English Learners. Trustee Strickland seconded; motion carried 4-0:
- Garcia – Yes
  - Hernandez – Yes
  - Revious – Yes
  - Strickland – Yes

- BP/AR 3260** Trustee Garcia made a motion to approve the revised Board Policy and Administrative Regulation 3260 – Fees And Charges. Trustee Hernandez seconded; motion carried 4-0:
- Garcia – Yes
  - Hernandez – Yes
  - Revious – Yes
  - Strickland – Yes

- BP 5111.1** Trustee Garcia made a motion to approve the revised Board Policy 5111.1 – District Residency. Trustee Strickland seconded; motion carried 4-0:
- Garcia – Yes
  - Hernandez – Yes
  - Revious – Yes
  - Strickland – Yes

- BP/AR 5113** Trustee Garcia made a motion to approve the revised Board Policy and Administrative

Regulation 5113 – Absences and Excuses. Trustee Hernandez seconded; motion carried 4-0:

Garcia – Yes  
Hernandez – Yes  
Revious – Yes  
Strickland – Yes

## **BP 6111**

Trustee Garcia made a motion to approve the revised Board Policy 6111 – School Calendar. Trustee Strickland seconded; motion carried 4-0:

Garcia – Yes  
Hernandez – Yes  
Revious – Yes  
Strickland – Yes

## **PERSONNEL**

Trustee Strickland made a motion to take Personnel items “a” through “g” together. Trustee Hernandez seconded; motion carried 4-0:

Garcia – Yes  
Hernandez – Yes  
Revious – Yes  
Strickland – Yes

Trustee Strickland then made a motion to approve Personnel items “a” through “g”. Trustee Hernandez seconded; the motion carried 4-0:

Garcia – Yes  
Hernandez – Yes  
Revious – Yes  
Strickland – Yes

The following items were approved:

### Temporary Employees/Substitutes/Yard Supervisors

#### ***Item “a” – Employment***

- Heidi Augusto, Short-term Yard Supervisor – 2.0 hrs., Washington, effective 1/8/18 to 3/23/18
- Mariah Benitez, Short-term Yard Supervisor – 1.75 hrs., Monroe, effective 1/8/18 to 3/23/18
- Tiffany Cantu, Short-term Yard Supervisor – 1.5 hrs., Washington, effective 1/8/18 to 3/23/18
- Olga Hernandez, Short-term Bilingual Clerk Typist II – 8.0 hrs., Kennedy, effective 1/8/18 to 2/9/18
- Sanita Ieronimo, Short-term Yard Supervisor – 2.0 hrs., Simas, effective 1/8/18 to 3/23/18
- Veronica Leach, Yearbook – 1 unit, Hamilton, effective 12/8/17 to 5/15/18
- Yolanda Macias, Short-term Special Education Aide – 5.5 hrs., Roosevelt, effective 11/27/17 to 1/19/18
- Veronica Rubalcava, Short-term Yard Supervisor – 2.5 hrs., Jefferson, effective 1/8/18 to 3/23/18
- Miriam Sanchez Rodriguez, Substitute Yard Supervisor, effective 12/4/17
- Megan Schaub, Short-term READY Program Tutor – 4.5 hrs., (M,T,Th,F) and 5.25 hrs. (W), Lincoln; Short-term Yard Supervisor – 1.25 hrs., (W), Lincoln,

effective 1/8/18 to 3/2/18

- Zachary Stewart, Substitute Custodian II, effective 12/1/17
- Alison Vidal, Substitute Yard Supervisor, effective 12/5/17
- Tiffany West, Short-term Special Circumstance Aide – 5.75 hrs., Roosevelt, effective 11/27/17 to 1/22/18

***Item "b" –  
Temporary  
Athletic Team  
Coaches***

Employment and Certification of Temporary Athletic Team Coaches Pursuant to Title 5 CCR 5594

- Raul Guzman, 4-6 Boys Basketball Coach, Monroe, effective 11/7/17 to 2/11/18

***Item "c" –  
Resignations***

- Kyle Griffin, Computer Maintenance Technician – 8.0 hrs., Information Systems, effective 12/29/17
- Thomas "Andy" Revious, Custodian II – 8.0 hrs., Simas, effective 1/12/18

***Item "d" –  
Retirement***

- Don Pomeroy, Locksmith – 8.0 hrs., Maintenance/DSF, effective 12/29/17

***Item "e" – More  
Hours***

- Mariah Benitez, Short-term Yard Supervisor, from 1.0 hrs. to 1.75 hrs., Monroe, effective 11/28/17 to 12/15/17
- Sherree Nowack, Yard Supervisor, from 2.0 hrs. to 2.5 hrs., Washington, effective 11/13/17

***Item "f" –  
Decrease in  
Hours***

- Madasen Torres, Yard Supervisor, from 3.5 hrs. to 2.5 hrs., Monroe, effective 11/29/17

***Item "g" –  
Volunteers***

<u>Name</u>	<u>School</u>
Letersha Hines	Lincoln
Maria Quintana	Lincoln
Veronica Lopez	Roosevelt
Michele King	Simas
Sonya Rocha	Simas
Leticia Zuniga	Simas
Pedro Martinez	Washington
Jennifer Luna	Washington
Ambar Olivera	Washington

**FINANCIAL**

**Investment  
Policy  
Resolution**

Trustee Strickland made a motion to adopt the Investment Policy Resolution #15-18. Trustee Garcia seconded; motion carried 4-0:

Garcia – Yes  
Hernandez – Yes  
Revious – Yes  
Strickland – Yes

**Adjournment**

There being no further business, Vice President Revious adjourned the meeting at 6:16 p.m.

Respectfully submitted,

Joy C. Gabler,  
Secretary to the Board of Trustees

Approved:

\_\_\_\_\_  
Jeff Garner, President

\_\_\_\_\_  
Lupe Hernandez, Clerk

No	A/D	Sch Req'd	Home Sch	Date
I-185	A	Kennedy	Armona	1/12/2018
I-186	A	Washington	Armona	1/12/2018
I-187	A	Washington	Armona	1/12/2018
I-188	A	Washington	Visalia	1/12/2018
I-189	A	Roosevelt	Lakeside	1/12/2018
I-190	A	Wilson	Lakeside	1/12/2018
I-191	A	Monroe	Pioneer	1/12/2018
I-192	A	Hamilton	Kit Carson	1/12/2018
I-193	A	Hamilton	Armona	1/12/2018
I-194	A	Hamilton	Armona	1/12/2018
I-195	A	Kennedy	Armona	1/12/2018

## HANFORD ELEMENTARY SCHOOL DISTRICT

## AGENDA REQUEST FORM

TO: Joy C. Gabler

FROM: Kristina Baldwin



DATE: January 11, 2018

FOR: ☒ Board Meeting  
☐ Superintendent's Cabinet

FOR: ☐ Information  
☐ Action

Date you wish to have your item considered: January 24, 2018

ITEM: PTC Donation

PURPOSE: General Fund/Instructional Supplies

FISCAL IMPACT: \$1353.57

RECOMMENDATIONS: Approve Donation

## HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy Gabler

FROM: Lindsey Calvillo

DATE: January 10, 2018

FOR: ☒ Board Meeting  
☐ Superintendent's Cabinet

FOR: ☐ Information  
☒ Action

Date you wish to have your item considered: January 24, 2018

**ITEM:** Consider acceptance of donation of \$500.00 from Wonderful Giving to Lee Richmond Elementary School.

**PURPOSE:** To be used for purchase of instructional supplies and sports equipment expenses for the 2017-2018 School Year.

**FISCAL IMPACT:** 0100-1100-0-1110-1000-430000-025-0000

**RECOMMENDATION:** Accept donation.

## HANFORD ELEMENTARY SCHOOL DISTRICT

**AGENDA REQUEST FORM**

TO: Joy C. Gabler

FROM: Javier Espindola

DATE: January 10, 2018

FOR: ☒ Board Meeting  
☐ Superintendent's Cabinet

FOR: ☐ Information  
☒ Action

Date you wish to have your item considered: January 24, 2018

**ITEM:** Consider acceptance of donation of \$233.70 from Box Top Education to Jefferson Charter Academy.

**PURPOSE:** To be used for expenditures for student incentives.

**FISCAL IMPACT:** Increase of \$233.70 to Account #0900-1100-0-1110-1000-430000-021-0000

**RECOMMENDATIONS:** Accept donation.



## HANFORD ELEMENTARY SCHOOL DISTRICT

**Agenda Request Form****TO:** Joy Gabler**FROM:** Ramiro Flores**DATE:** 1/11/18**FOR:** (X) Board Meeting  
( ) Superintendent's Cabinet**FOR:** ( ) Information  
(X) Action

Date you wish to have your item considered: January 24, 2018

**ITEM:** Donation from Box Tops for Education General Mills**PURPOSE:** To use toward student rewards.**FISCAL IMPACT:**

Increase of \$164.30 to 0100-1100-0-1110-1000-430000-029-0000.

**RECOMMENDATION:** Approve donation.

**HANFORD ELEMENTARY SCHOOL DISTRICT**AGENDA REQUEST FORM

TO: Joy Gabler

FROM: Julie Pulis 

DATE: January 10, 2018

For: ☒ Board Meeting  
☐ Superintendent's CabinetFor: ☐ Information  
☒ Action

Date you wish to have your item considered: January 24, 2018

ITEM: Donation of \$339.00 from Boxtops 4 EducationPURPOSE: Accept donation of \$339.00Materials & Supplies \$339.00  
0100-0000-0-1110-4000-430000-024-0000FISCAL IMPACT (if any): \$339.00RECOMMENDATION (if any): Action.

**HANFORD ELEMENTARY SCHOOL DISTRICT**AGENDA REQUEST FORM

TO: Joy Gabler

FROM: Julie Pulis 

DATE: January 10, 2018

For: ☒ Board Meeting  
☐ Superintendent's CabinetFor: ☐ Information  
☒ Action

Date you wish to have your item considered: January 24, 2018

ITEM: Donation of \$500.00 from Kohl'sPURPOSE: Accept donation of \$500.00 from Kohl's to the Monroe READY program.READY Program Incentives \$500.00  
0100-0000-0-1110-4000-430000-024-0000FISCAL IMPACT (if any): \$500.00RECOMMENDATION (if any): Action.

## HANFORD ELEMENTARY SCHOOL DISTRICT

**AGENDA REQUEST FORM**

TO: Board of Trustees

FROM: Joy C. Gabler

DATE: January 16, 2018

FOR: ☒ Board Meeting  
☐ Superintendent's Cabinet

FOR: ☒ Information  
☐ Action

Date you wish to have your item considered: January 24, 2018

**ITEM:** Quarterly report (10/01/17 – 12/31/17) regarding Williams Uniform Complaints. The Types of complaints covered in the Williams Uniform Complaint Procedures are:

1. Instructional Materials – Sufficient textbooks and instructional materials
2. Facilities – Conditions that pose an emergency or urgent threat to the health or safety of students or staff
3. Teacher vacancy or misassignment

**PURPOSE:** To comply with the requirements Education Code 35186, The Superintendent shall report summarized data on the nature and resolution of all Williams Uniform Complaints to the Board and the County Superintendent of Schools on a quarterly basis.

For the second quarter of 2017-18 school year there were no Williams Uniform Complaints filed.

**FISCAL IMPACT:** None

**RECOMMENDATIONS:** None

**Valenzuela/CAHSEE Lawsuit Settlement**  
**Quarterly Report on Williams Uniform Complaints**  
 [Education Code § 35186(d)]

District: \_\_\_\_\_

Person completing this form: \_\_\_\_\_ Title: \_\_\_\_\_

Quarterly Report Submission Month/Quarter:  
*(check one)*

- ☐ October      1<sup>st</sup> Quarter  
☒ January      2<sup>nd</sup> Quarter  
☐ April      3<sup>rd</sup> Quarter  
☐ July      4<sup>th</sup> Quarter

Quarterly Report Submission Year: 2017-2018

Date for information to be reported publicly at governing board meeting: \_\_\_\_\_

Please check the box that applies:

- ☒ No complaints were filed with any school in the district during the quarter indicated above.  
☐ Complaints were filed with schools in the district during the quarter indicated above. The following chart summarizes the nature and resolution of these complaints.

General Subject Area	Total # of Complaints	# Resolved	# Unresolved
Textbooks and Instructional Materials			
Teacher Vacancy or Misassignment			
Facilities Conditions			
CAHSEE Intensive Instruction and Services			
<b>TOTALS</b>			

\_\_\_\_\_  
 Print Name of District Superintendent

\_\_\_\_\_  
 Signature of District Superintendent

\_\_\_\_\_  
 Date

Please submit to: Babs Karras  
 Kings County Office of Education  
 Williams Compliance Technician  
 (559) 589-7022  
[bkarras@kingscoe.org](mailto:bkarras@kingscoe.org)

**HANFORD ELEMENTARY SCHOOL DISTRICT****AGENDA REQUEST FORM**

TO: Joy Gabler

FROM: Doug Carlton

DATE: January 8, 2018

For: ☒ Board Meeting  
☐ Superintendent's Cabinet

For: ☒ Information  
☐ Action

Date you wish to have your item considered: January 24, 2018

**ITEM:**

Receive information on the California School Dashboard

**PURPOSE:**

The Dashboard is an online tool that shows how local educational agencies and schools are performing on the state and local indicators included in California's school accountability system. The Dashboard is a key part of major shifts in California K-12 schools, changes that have raised the bar for student learning, transformed testing and placed the focus on equity for all students. The Dashboard provides information that schools can use to improve.

**FISCAL IMPACT:** None

**RECOMMENDATION:**

Receive for information.

## HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy Gabler  
FROM: Jason Strickland  
DATE: January 12, 2018

For: ☒ Board Meeting  
☐ Superintendent's Cabinet  
☒ Information  
☐ Action

Date you wish to have your item considered: 1/24/17

ITEM: Consider for Adoption the following revised Board Policy:

BP 5111 - Admission

PURPOSE: The following Board Policy reflects changes (see underlined and strikeouts) that are necessary to align with current practices and procedures as well as recommendations by CSBA due to State and Federal law mandates and Education Code changes.

FISCAL IMPACT (if any): None

RECOMMENDATION (if any): Receive for information

# Hanford ESD

## Board Policy

### Admission

BP 5111

#### Students

The Governing Board encourages the enrollment and appropriate placement of all school-aged children in school. The Superintendent or designee shall inform parents/guardians of children entering a district school at any grade level about admission requirements and shall assist them with enrollment procedures.

Before enrolling any child in a district school, the Superintendent or designee shall verify the child's age, residency, immunization, and other applicable eligibility criteria specified in law, the accompanying administrative regulation, or other applicable Board policy or administrative regulation.

(cf. 5111.1 - District Residency)

(cf. ~~5111.12 - Residency Based on Parent/Guardian Employment~~)

(~~cf.~~ 5125 - Student Records)

(cf. 5141.3 - Health Examinations)

(cf. 5141.31 - Immunizations)

(cf. 5141.32 - Health Screening for School Entry)

The Superintendent or designee shall ensure that the enrollment of a homeless or foster child or a child of a military family is not delayed because of outstanding fees or fines owed to the child's last school or for his/her inability to produce previous academic, medical, or other records normally required for enrollment.

(cf. 6173 - Education for Homeless Children)

(cf. 6173.1 - Education for Foster Youth)

(cf. 6173.2 - Education of Children of Military Families)

In addition, no child shall be denied enrollment in a district school solely on the basis of his/her arrest, adjudication by a juvenile court, formal or informal supervision by a probation officer, detention in a juvenile facility, enrollment in a juvenile court school, or other contact with the juvenile justice system. (Education Code 48645.5)

(cf. 5119 - Students Expelled from Other Districts)

(cf. 6173.3 - Education for Juvenile Court School Students)

The Superintendent or designee shall not inquire into or request documentation of a student's citizenship or immigration status, and shall not deny a student enrollment in a district school on the basis of the citizenship or immigration status of the student or his/her parents/guardians. Any



information obtained about a student's or parent/guardian's citizenship or immigration status shall not be shared without parent/guardian consent or a lawful judicial order, in accordance with laws pertaining to the confidentiality of student records.

(cf. 0410 - Nondiscrimination in District Programs and Activities)  
(cf. 5145.3 - Nondiscrimination/Harassment)

A student shall not be denied enrollment based on the parent/guardian's refusal to provide the student's or parent/guardian's social security number. During the enrollment process, students and parents/guardians shall be informed that disclosure of their social security number is voluntary. (5 USC 552a Note)

When enrolling in any district school, including a school in their attendance area, children whose parents/guardians reside within district boundaries shall be subject to the timelines established by the Board for open enrollment. Children whose parents/guardians do not reside within the district or who are not otherwise eligible for enrollment in the district may apply for interdistrict attendance in accordance with the timelines specified in applicable Board policies and administrative regulations.

(cf. 5116.1 - Intradistrict Open Enrollment)  
 (cf. 5117 - Interdistrict Attendance)  
 (cf. 5118 - Open Enrollment Act Transfers)

The district's enrollment application shall include information about the health care options and enrollment assistance available to families within the district. The district shall not discriminate against any child for not having health care coverage and shall not use any information relating to a child's health care coverage or his/her interest in learning about health care coverage in any manner that would harm the child or his/her family. (Education Code 49452.9)

~~(cf. 0410 - Nondiscrimination in District Programs and Activities)~~

#### Legal Reference:

#### EDUCATION CODE

46300 Computation of average daily attendance, inclusion of kindergarten and transitional kindergarten

46600 Agreements for admission of students desiring interdistrict attendance

48000 Minimum age of admission (kindergarten)

48002 Evidence of minimum age required to enter kindergarten or first grade

48010 Minimum age of admission (first grade)

48011 Admission from kindergarten or other school; minimum age

48050-48053 Nonresidents

48200 Children between ages of 6 and 18 years (compulsory full-time education)

48350-48361 Open Enrollment Act

48850-48859 Educational placement of homeless and foster youth

48645.5 Enrollment of former juvenile court school students

49076 Access to records by persons without written consent or under judicial order

49408 Information of use in emergencies

49452.9 Health care coverage options and enrollment assistance

49700-49704 Education of children of military families

#### HEALTH AND SAFETY CODE

120325-120380 Education and child care facility immunization requirements

121475-121520 Tuberculosis tests for students

#### CODE OF REGULATIONS, TITLE 5

200 Promotion from kindergarten to first grade

201 Admission to high school

#### CODE OF REGULATIONS, TITLE 17

6000-6075 School attendance immunization requirements

#### UNITED STATES CODE, TITLE 542

552a Note Refusal to disclose social security number

#### UNITED STATES CODE, TITLE 42

11431-11435 McKinney-Vento Homeless Assistance Act

#### COURT DECISIONS

Plyler v. Doe, 457 U.S. 202 (1982)

#### Management Resources:

##### CSBA PUBLICATIONS

Legal Guidance on Providing All Children Equal Access to Education, Regardless of Immigration Status, February 2017

U.S. DEPARTMENT OF JUSTICE CIVIL RIGHTS DIVISION AND U.S. DEPARTMENT OF EDUCATION; OFFICE FOR CIVIL RIGHTS JOINT PUBLICATIONS

Fact Sheet: Information on the Rights of All Children to Enroll in School

Dear Colleague Letter: School Enrollment Procedures, May 8, 2014~~6, 2014~~

#### WEB SITES

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

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

U.S. Department of Education, Office for Civil Rights: <http://www2.ed.gov/about/offices/list/ocr>

U.S. Department of Justice: <http://www.justice.gov>

#### Policy HANFORD ELEMENTARY SCHOOL DISTRICT

adopted: July 14, 1999 Hanford, California

reviewed: May 16, 2001

revised: June 13, 2012

revised: September 23, 2015

revised:

# HANFORD ELEMENTARY SCHOOL DISTRICT

## AGENDA REQUEST FORM

TO: Joy Gabler

FROM: Doug Carlton

DATE: January 8, 2018

For: ☒ Board Meeting  
☐ Superintendent's Cabinet

For: ☐ Information  
☒ Action

Date you wish to have your item considered: January 24, 2018

### ITEM:

Receive for action: The California School Accountability Report Cards (SARCs)

Jefferson Charter Academy	Lee Richmond Elementary
Hamilton Elementary	Roosevelt Elementary
Lincoln Elementary	Simas Elementary
Martin Luther King Elementary	Washington Elementary
Monroe Elementary	John F. Kennedy Jr. High
	Woodrow Wilson Jr. High

### PURPOSE:

California schools annually provide information to the community to allow public comparison of schools for student achievement, environment, resources & demographics. Additionally, the SARCs contain information that is reported on the California School Dashboard's *Local Indicators*. The information reported on the California School Dashboard Local Indicators includes:

- Number/percentage of students without access to their own copies of standards-aligned instructional materials for use at school and at home
- Number/percentage of misassignments of teachers of English learners, total teacher misassignments, and vacant teacher positions
- Number of identified instances where facilities do not meet the "good repair" standard

SARCS are available to the public online at <http://sarconline.org/>.

Paper copies of SARCS are available in the school office or at the district office.

### FISCAL IMPACT:

Providing information to the community in the form of SARCS is a requirement of receiving funding under the Local Control Funding Formula

### RECOMMENDATION: APPROVE SARCS

## HANFORD ELEMENTARY SCHOOL DISTRICT

**Agenda Request Form**

**TO:** Joy C. Gabler

**FROM:** Gerry Mulligan *GM*

**DATE:** January 12, 2018

**FOR:** (X) Board Meeting  
( ) Superintendent's Cabinet

**FOR:** ( ) Information  
(X) Action

Date you wish to have your item considered: January 24, 2018

**ITEM:**

Consider approval of Architectural Services Agreement with Mangini Associates, Inc. – for the exterior painting of John F. Kennedy Jr. High School.

**PURPOSE:**

Mangini Associates, Inc. to provide the District with architectural services (advertisement publication, bid process, specifications, closeout, etc.) for the exterior painting of John F. Kennedy Jr. High School.

**FISCAL IMPACT:**

The estimated architect's fee for this project is not to exceed \$15,000.

**RECOMMENDATION:**

Approve Architectural Services Agreement with Mangini Associates, Inc. - TPM for the exterior painting of John F. Kennedy Jr. High School.

## HANFORD ELEMENTARY SCHOOL DISTRICT

**Agenda Request Form**

**TO:** Joy C. Gabler

**FROM:** Gerry Mulligan *GM*

**DATE:** January 12, 2018

**FOR:** (X) Board Meeting  
( ) Superintendent's Cabinet

**FOR:** ( ) Information  
(X) Action

Date you wish to have your item considered: January 24, 2018

**ITEM:**

Consider approval of Architectural Services Agreement with Mangini Associates, Inc. – for the reroof of John F. Kennedy Jr. High School's Gym and Cafeteria.

**PURPOSE:**

Mangini Associates, Inc. to provide the District with architectural services (advertisement publication, bid process, specification, closeout, etc.) for the reroof of Kennedy's Gym and Cafeteria.

**FISCAL IMPACT:**

The estimated architect's fee for this project is not to exceed \$15,000.

**RECOMMENDATION:**

Approve Architectural Services Agreement with Mangini Associates, Inc. - for the reroof of John F. Kennedy Jr. High School's Gym and Cafeteria

## HANFORD ELEMENTARY SCHOOL DISTRICT

**Agenda Request Form**

**TO:** Joy C. Gabler

**FROM:** Gerry Mulligan *GM*

**DATE:** January 12, 2018

**FOR:** (X) Board Meeting  
( ) Superintendent's Cabinet

**FOR:** ( ) Information  
(X) Action

Date you wish to have your item considered: January 24, 2018

**ITEM:**

Consider authorization to solicit bids for the exterior painting of John F. Kennedy Jr. High School.

**PURPOSE:**

The project will require the solicitation of bids. Once a bid is awarded, we expect to start the project on June 7<sup>th</sup>. The entire project will be required to be completed before July 31<sup>st</sup>.

**FISCAL IMPACT:**

The total estimated cost for labor and materials on this project is \$175,000.

**RECOMMENDATION:**

Authorize the solicitation of bids for the exterior painting of John F. Kennedy Jr. High School.

## HANFORD ELEMENTARY SCHOOL DISTRICT

**Agenda Request Form**

**TO:** Joy C. Gabler

**FROM:** Gerry Mulligan *GM*

**DATE:** January 12, 2018

**FOR:** ☒ Board Meeting  
☐ Superintendent's Cabinet

**FOR:** ☐ Information  
☒ Action

Date you wish to have your item considered: January 24, 2018

**ITEM:**

Consider authorization to solicit bids for the reroof of John F. Kennedy Jr. High School's Gym and Cafeteria.

**PURPOSE:**

The project will require the solicitation of bids. Once a bid is awarded, we expect to start the project on June 7<sup>th</sup>. The entire project will be required to be completed before July 31<sup>st</sup>.

**FISCAL IMPACT:**

The total estimated cost for labor and materials on this project is \$450,000.

**RECOMMENDATION:**

Authorize the solicitation of bids for the reroof of John F. Kennedy Jr. High School's Gym and Cafeteria.

## HANFORD ELEMENTARY SCHOOL DISTRICT

**AGENDA REQUEST FORM**

TO: Joy C. Gabler

FROM: Karen McConnell

DATE: January 11, 2018

FOR: ☒ Board Meeting  
☐ Superintendent's Cabinet

FOR: ☐ Information  
☒ Action

Date you wish to have your item considered: January 24, 2018

**ITEM:** Review recommended revisions to Board Policy 5141.52 – Suicide Prevention

**PURPOSE:** Policy revision addresses minor changes to the language outlined in the brought to forward in February outlining the mandates of districts serving students in grades 7-12 to adopt policies on suicide prevention, intervention and postvention. In addition to addressing the needs of specified high-risk student populations, the policy addresses strategies to reduce suicide as a contagion.

**FISCAL IMPACT:** None**RECOMMENDATIONS:** Approve



# Hanford ESD

## Board Policy

### Suicide Prevention

BP 5141.52

#### Students

The Governing Board recognizes that suicide is a ~~major~~leading cause of death among youth and ~~should be taken seriously. In order to~~ that school personnel who regularly interact with students are often in a position to recognize the warning signs of suicide and to offer appropriate referral and/or assistance. To attempt to reduce suicidal behavior and its impact on students and families, the Superintendent or designee shall develop preventive measures and strategies ~~and for suicide prevention, intervention procedures, and postvention.~~

~~The~~ In developing measures and strategies for use by the district, the Superintendent or designee may ~~involve~~ consult with school health professionals, school counselors, school psychologists, school social workers, administrators, other staff, parents/guardians, students, local health agencies ~~and, mental health~~ professionals, and community organizations ~~in planning, implementing, and evaluating the district's strategies for suicide prevention and intervention.~~

(cf. 1020 - Youth Services)

(cf. 1220 - Citizen Advisory Committees)

(cf. 1400 - Relations Between Other Governmental Agencies and the Schools)

~~Prevention~~Such measures and ~~Instruction~~

~~Suicide prevention~~ strategies ~~may~~ shall include, but are not ~~be~~ limited to:

1. Staff development on suicide awareness and prevention for teachers, school counselors, and other district employees who interact with students in the secondary grades

(cf. 4131 - Staff Development)

(cf. 4231 - Staff Development)

(cf. 4331 - Staff Development)

2. Instruction to students in problem-solving and coping skills to promote students' mental, emotional, and social health and well-being, as well as instruction in recognizing and appropriately responding to warning signs of suicidal intent in others

(cf. 6142.8 - Comprehensive Health Education)

3. Methods for promoting a positive school climate that enhances students' feelings of connectedness with the school and that is characterized by caring staff and harmonious interrelationships among students-

(cf. 5131 - Conduct)

(cf. 5131.2 - Bullying)

(cf. 5137 - Positive School Climate)

(cf. 5145.3 - Nondiscrimination/Harassment)

(cf. 5145.7 - Sexual Harassment)

(cf. 5145.9 - Hate-Motivated Behavior)

~~The district's health education program shall promote the healthy mental, emotional, and social development of students including, but not limited to, the development of problem-solving skills, coping skills, and self-esteem. Mental, emotional and social development is addressed through thoughtful and meaningful dialogue with students and open and honest discourse with students and designed to help students analyze signs of depression and self-destructive behaviors, including potential suicide, and to identify suicide prevention strategies.~~

4. The provision of information to parents/guardians regarding risk factors and warning signs of suicide, the severity of the youth suicide problem, the district's suicide prevention curriculum

~~(cf. 6142.8 - Comprehensive Health Education)~~

~~The Superintendent or designee may offer parents/guardians education or information which describes the severity of the youth suicide problem, the district provides referrals to outside agencies to assist families whose children exhibit risk factors and warning signs of suicide, basic steps for helping suicidal youth, and/or school and community resources that can help youth in crisis.~~

### Staff Development

~~Suicide prevention training for staff shall be designed to help staff identify and respond to students at risk of suicide. The training shall be offered under the direction of a district counselor/psychologist and/or in cooperation with one or more community mental health agencies and may include information on:~~

1. ~~Research identifying risk factors, such as previous suicide attempt(s), history of depression or mental illness, substance use problems, family history of suicide or violence, feelings of isolation, interpersonal conflicts, a recent severe stressor or loss, family instability, and other factors~~

~~(cf. 5131.6 - Alcohol and Other Drugs)~~

2. ~~Warning signs that may indicate suicidal intentions, including changes in students' appearance, personality, or behavior~~

3. ~~Instructional strategies for teaching the suicide prevention and promoting mental and emotional health~~

4. ~~School and community resources and services~~

~~(cf. 5141.6—School Health Services)~~  
~~(cf. 6164.2—Guidance/Counseling Services)~~

~~5. District procedures for intervening when a student attempts, threatens, or discloses the desire to commit suicide~~

~~(cf. 4131—Staff Development)~~  
~~(cf. 4231—Staff Development)~~  
~~(cf. 4331—Staff Development)~~

## **Intervention**

~~Whenever a staff member suspects or has knowledge of a student's suicidal intentions, he/she shall promptly notify the principal and/or designee, school counselor or school psychologist. The principal and/or designee, school counselor or school psychologist shall then notify the student's parents/guardians as soon as possible and may refer the student to mental health resources in the school or community.~~

~~(cf. 5141—Health Care and Emergencies)~~

~~Students shall be encouraged to notify a teacher, school administrator, counselor, or other adult~~5. Encouragement for students to notify appropriate school personnel or other adults when they are experiencing thoughts of suicide or when they suspect or have knowledge of another student's suicidal intentions.

~~Whenever schools establish a peer counseling system to provide support for students, peer counselors shall immediately notify the appropriate adult to act in the appropriate manner to ensure the safety of the student.~~

~~(cf. 5138—Conflict Resolution/Peer Mediation)~~

~~The Superintendent or designee shall establish crisis~~6. Crisis intervention procedures ~~to ensure student safety and appropriate communications in the event that a~~for addressing suicide ~~occurs~~threats or attempts

7. Counseling and other postvention strategies for helping students, staff, and others cope in the aftermath of a student's suicide

As appropriate, these measures and strategies shall specifically address the needs of students who are at high risk of suicide, including, but not limited to, students who are bereaved by suicide; students with disabilities, mental illness, or an attempt is made on campus substance use disorders; students who are experiencing homelessness or at a school-sponsored activity who are in out-of-home settings such as foster care; and students who are lesbian, gay, bisexual, transgender, or questioning youth. (Education Code 215)

## Legal Reference:

## EDUCATION CODE

215 Student suicide prevention policies

32280-32289 Comprehensive safety plan

49060-49079 Student records

49602 Confidentiality of student information

49604 Suicide prevention training for school counselors

## GOVERNMENT CODE

810-996.6 Government Claims Act

PENAL CODE11164-11174.3 Child Abuse and Neglect Reporting Act

## WELFARE AND INSTITUTIONS CODE

5698 Emotionally disturbed youth; legislative intent

5850-5883 Mental Health Services Act

## COURT DECISIONS

Corales v. Bennett (Ontario-Montclair School District), (2009) 567 F.3d 554

## Management Resources:

## CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS

Health Education Content Standards for California Public Schools, Kindergarten Through Grade Twelve, 2008

~~Youth Suicide Prevention Guidelines for California Schools, 2005~~

Health Framework for California Public Schools, Kindergarten Through Grade Twelve, 2003

~~CALIFORNIA DEPARTMENT OF MENTAL HEALTH PUBLICATIONS~~~~California Strategic Plan for Suicide Prevention: Every Californian is Part of the Solution, 2008~~

## CENTERS FOR DISEASE CONTROL AND PREVENTION PUBLICATIONS

School Connectedness: Strategies for Increasing Protective Factors Among Youth, 2009

NATIONAL ASSOCIATION OF SCHOOL PSYCHOLOGISTS PUBLICATIONSPreventing Suicide, Guidelines for Administrators and Crisis Teams, 2015

## U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES PUBLICATIONS

Preventing Suicide: A Toolkit for High Schools, 2012National Strategy for Suicide Prevention: Goals and Objectives for Action, ~~2004~~rev. 2012

## WEB SITES

American Association of Suicidology: <http://www.suicidology.org>American Foundation for Suicide Prevention: <http://afsp.org>American Psychological Association: <http://www.apa.org>American School Counselor Association: <http://www.schoolcounselor.org>California Department of Education, Mental Health: <http://www.cde.ca.gov/ls/cg/mh>California Department of ~~Mental Health, Children and Youth Programs~~ Care Services, Suicide Prevention Program:[http://www.dmhdhcs.ca.gov/Services\\_and\\_Programs/Children\\_and\\_Youthservices/MH/Pages/SuicidePrevention.aspx](http://www.dmhdhcs.ca.gov/Services_and_Programs/Children_and_Youthservices/MH/Pages/SuicidePrevention.aspx)Centers for Disease Control and Prevention, Mental Health: <http://www.cdc.gov/mentalhealth>National Association of School Psychologists: <http://www.nasponline.org>

National Institute for Mental Health: <http://www.nimh.nih.gov>

**Trevor Project:** <http://thetrevorproject.org>

U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration: <http://www.samhsa.gov>

Policy HANFORD ELEMENTARY SCHOOL DISTRICT

adopted: February 22, 2017 Hanford, California

revised: January 10, 2018

approved:

## HANFORD ELEMENTARY SCHOOL DISTRICT

**AGENDA REQUEST FORM**

TO: Joy C. Gabler

FROM: Karen McConnell

DATE: January 11, 2018

FOR: ☒ Board Meeting  
☐ Superintendent's Cabinet

FOR: ☐ Information  
☒ Action

Date you wish to have your item considered: January 24, 2018

**ITEM:** Review recommended revisions to Board Policy & Administrative Regulation 5148.2 – Before/After School Programs

**PURPOSE:** Policy revisions address program content and focus on alignment with goals, as outlined in the District's LCAP and provides priority enrollment to homeless or foster youth.

**FISCAL IMPACT:** None

**RECOMMENDATIONS:** Approve

# Hanford ESD

## Board Policy

### Before/After School Programs

BP 5148.2

#### Students

The Governing Board desires to provide before-school and/or after-school enrichment programs that support the regular education program ~~and provide safe alternatives for students in a supervised environment~~. In order to increase academic achievement of participating students, the content of such programs shall be coordinated with the district's vision and goals for student learning, ~~its~~ local control and accountability plan, curriculum, and ~~district and state~~ academic standards.

(cf. 0000 - Vision)

(cf. 0200 - Goals for the School District)

(cf. 0460 - Local Control and Accountability Plan)

(cf. 5147 - Dropout Prevention)

(cf. 5148 - Child Care and Development)

(cf. 6011 - Academic Standards)

(cf. 6176 - Weekend/Saturday Classes)

(cf. 6177 - Summer Learning Programs)

(cf. 6179 - Supplemental Instruction)

The district's program shall be planned through a collaborative process that includes parents/guardians, students, and representatives of participating schools, governmental agencies including city and county parks and recreation departments, local law enforcement, community organizations, and, if appropriate, the private sector. (Education Code 8422, 8482.5)

To the extent feasible, the district shall give priority to establishing before-school and/or after-school programs in low-performing schools and/or programs that serve low-income and other at-risk students.

(cf. 1020 - Youth Services)

(cf. 1400 - Relations Between Other Governmental Agencies and the Schools)

(cf. 1700 - Relations Between Private Industry and the Schools)

(cf. 6020 - Parent Involvement)

~~The establishment of any~~ Any program to be established shall be approved by the Board and the principal of each participating school. (Education Code 8421, 8482.3)

The Superintendent or designee shall ensure that all staff who directly supervise students in the district's before-school and/or after-school program possess appropriate knowledge and experience. As needed, staff and volunteers shall receive ongoing training related to their job

responsibilities.—(~~Education Code 8483.4~~)

(cf. 1240 - Volunteer Assistance)  
 (cf. 4131 - Staff Development)  
 (cf. 4222 - Teacher Aides/Paraprofessionals)  
 (cf. 4231 - Staff Development)  
 (cf. 4331 - Staff Development)

~~The~~ Each program shall include academic and enrichment elements in accordance with law and administrative regulation. In addition, ~~the~~ each program may include support services that reinforce the educational component and promote student health and well-being.

(cf. 0450 - Comprehensive Safety Plan)  
 (cf. 3550 - Food Service/Child Nutrition Program)  
 (cf. 5030 - Student Wellness)  
 (cf. 5131.6 - Alcohol and Other Drugs)  
 (cf. 6142.7 - Physical Education and Activity)

No fee shall be charged for participation in the program.

(cf. 3260 - Fees and Charges)  
(cf. 3553 - Free and Reduced Price Meals)  
(cf. 6173 - Education for Homeless Children)  
(cf. 6173.1 - Education for Foster Youth)

The Board and the Superintendent or designee shall monitor student participation rates and shall identify multiple measures that shall be used to evaluate program effectiveness. Such measures may include, but are not limited to, student outcome data; program self-assessments; feedback from staff, participating students, and parents/guardians; and observations of program activities.

(cf. 0500 - Accountability)

Every three years, the ~~program~~ Superintendent or designee shall review ~~its~~ the after-school program plan, including, but not limited to, program goals, program content, and outcome measures. Documentation of the program plan shall be maintained for a minimum of five years.—  
 (~~Education Code 8482.3~~)

(cf. 3580 - District Records)

Legal Reference:

EDUCATION CODE

8263 Eligibility and priorities for subsidized child development services

8263.4 Enrollment of students ages 11-12 years

8273.1 Family fees, exemptions



8350-8359.1 Programs for CalWORKS recipients  
 8360-8370 Personnel qualifications  
 8420-8428 21st Century After-School Program for Teens  
 8482-8484.65 After School Education and Safety Program  
 8484.7-8484.9 21st Century Community Learning Centers  
 8490-8490.7 Distinguished After School Health Recognition Program  
 17264 New construction; accommodation of before- and after-school programs  
 35021.3 After-school physical recreation instructors  
 45125 Criminal record check  
 45330 Paraprofessionals; instructional aides  
~~35340~~[45340](#)-45349 Paraprofessionals; instructional aides  
 49024 Criminal background check; Activity Supervisor Clearance Certificate  
 49430-49434 Nutrition standards  
~~49540~~[49546 Child Care Food Program](#)  
 49553 Free or reduced-price meals  
~~69530-69547~~[960851.1 Suspension of high school exit examination](#)  
~~69430-69460~~ Cal Grant program  
 UNITED STATES CODE, TITLE 20  
~~6311~~ [State plans](#)  
 6314 Title I schoolwide programs  
~~6319~~ ~~Program improvement~~  
 7171-7176 21st Century Community Learning Centers  
 UNITED STATES CODE, TITLE 42  
 1766-1766a Child and Adult Care Food Program  
~~11434a~~ [Education for homeless children and youths](#)  
 CODE OF FEDERAL REGULATIONS, TITLE 7  
 226.17 ~~Nutrition~~[Child care center nutrition](#) standards

#### Management Resources:

CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS

[Quality Program Improvement Plan for Expanded Learning Programs in California 2016-17, November 2016](#)

[Request for Application for Programs Proposing to Serve High School Students, September 2016](#)

[21st Century Community Learning Centers \(21st CCLC\) FAQs Elementary/Middle School Programs, September 2016](#)

A Crosswalk Between the Quality Standards for Expanded Learning and Program Quality Assessment Tools, 2014

Quality Standards for Expanded Learning in California: Creating and Implementing a Shared Vision of Quality, 2014

[21st Century High School After School Safety and Enrichment for Teens Program Frequently Asked Questions, March 2012](#)

California After School Physical Activity Guidelines, 2009

U.S. DEPARTMENT OF EDUCATION PUBLICATIONS

21st Century Community Learning Centers, Nonregulatory Guidance, February 2003

#### WEB SITES

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

California Department of Education, Before and After School: <http://www.cde.ca.gov/ls/ba>  
California Healthy Kids Survey: <https://chks.wested.org>  
California School-Age Consortium: <http://calsac.org>  
Commission on Teacher Credentialing: <http://www.ctc.ca.gov>  
Partnership for Children and Youth: <http://partnerforchildren.org>  
U.S. Department of Agriculture: <http://www.fns.usda.gov/cnd/care/afterschool.htm>  
U.S. Department of Education: <http://www.ed.gov>

Policy HANFORD ELEMENTARY SCHOOL DISTRICT

adopted: January 21, 2009 Hanford, California  
revised: October 14, 2015  
revised: October 28, 2015  
revised: January 10, 2018

# Hanford ESD

## Administrative Regulation

### Before/After School Programs

AR 5148.2

#### Students

~~Grades K-6~~

Grades TK-6

The district's After School Education and Safety (ASES) program or 21st Century Community Learning Center (21st CCLC) program shall serve students in any of grades TK-6 as the district may determine based on local needs. (Education Code 8482.3, 8484.7, 8484.75, 8484.8)

Consistent with state funding priorities, the district shall, to the extent feasible, give priority to establishing ASES programs that serve students in schools with the highest percentage of students eligible for free and reduced-price meals.

~~(cf. 3553—Free and Reduced Price Meals)~~

~~The district's ASES 21st CCLC program shall primarily serve students in Title I schoolwide programs or serve a high percentage of students from low income families. (Education Code 8484.8; 20 USC 7173)~~

(cf. 6171 - Title I Programs)

The district's ASES and 21st CCLC program(s) shall be operated in accordance with the following:

#### 1. Program Elements

a. The program shall include an educational and literacy element in which tutoring or homework assistance is provided in language arts, mathematics, history and social science, computer training, and/or science. (Education Code 8482.3)

(cf. 6142.91 - Reading/Language Arts Instruction)

(cf. 6142.92 - Mathematics Instruction)

(cf. 6142.93 - Science Instruction)

(cf. 6154 - Homework/Makeup Work)

(cf. 6163.4 - Student Use of Technology)

b. The program shall include an educational enrichment element which may include, but is not limited to, fine arts, career technical education, recreation, technology, physical fitness, and

prevention activities. (Education Code 8482.3)

(cf. 5131.6 - Alcohol and Other Drugs)  
 (cf. 5131.62 - Tobacco)  
 (cf. 6142.6 - Visual and Performing Arts)  
 (cf. 6142.7 - Physical Education and Activity)  
 (cf. 6178 - Career Technical Education)

## 2. Nutrition

a. If snacks or meals are made available in the program, they shall conform to ~~state~~ nutrition standards specified in Education Code 49430-49434 or 42 USC 1766 as applicable. (Education Code 8482.3; 42 USC 1766-1766a; 7 CFR 226.17)

(cf. 3550 - Food Service/Child Nutrition Program)  
 (cf. 3554 - Other Food Sales)  
 (cf. 5030 - Student Wellness)

## 3. Location of Program

a. The program may be offered at one or multiple school sites and/or at an easily available and accessible off-campus facility. (Education Code 8482.3)

b. When there is a significant barrier to student participation in ~~the~~ either the before-school or after-school component of a program at the school of attendance, the district Superintendent or designee may, with the approval of the Superintendent of Public Instruction, provide services at another school site. ~~A significant barrier includes either~~ Such transfer of services shall occur only if the school to which the program will be transferred agrees to receive students from the transferring school and has an existing grant of the same type as the transferring school, or does not have a 10-percent lower percentage of students eligible for free or reduced-price meals than the transferring school. A significant barrier includes any of the following: (Education Code 8482.8)

(1) Fewer than 20 students participating in the program component

(2) Extreme transportation constraints, including, but not limited to, desegregation busing, busing for magnet or open enrollment schools, or student dependence on public transportation

~~———~~ (3) A reduction in the program grant of an existing school due to its merging into a new school opened by the district or the splitting of its students with a new school

In such cases, the district shall arrange for safe, supervised transportation between school sites; ensure communication among staff in the regular school program, staff in the before-school or after-school program, and parents/guardians; and ensure alignment of the educational and literacy elements with the regular school program of participating students. (Education Code

8482.8)

(cf. 3540 - Transportation)

#### 4. Staffing

a. All staff members who directly supervise students shall, at a minimum, meet the qualifications for an instructional aide. (Education Code 8483.4; ~~20 USC 6319, 45330, 45344, 45344.5~~)

(cf. 4222 - Teacher Aides/Paraprofessionals)

b. All program staff and volunteers shall be subject to the health screening and fingerprint clearance requirements in law and Board policy. (Education Code 8483.4)

(cf. 1240 - Volunteer Assistance)

(cf. 4112.4/4212.4/4312.4 - Health Examinations)

(cf. 4112.5/4212.5/4312.5 - Criminal Record Check)

c. The student-to-staff ratio shall be no more than 20 to 1. (Education Code 8483.4)

#### 5. Hours of Operation

a. A before-school program shall not operate for less than one and one-half hours per regular school day. (Education Code 8483.1)

b. An after-school program shall begin immediately upon the conclusion of the regular school day and shall operate a minimum of 15 hours per week and at least until 6 p.m. on every regular school day. (Education Code 8483)

#### 6. Admissions

a. Every student attending a school operating a program is eligible to participate in the program, subject to program capacity. (Education Code 8482.6)

(cf. 0410 - Nondiscrimination in District Programs and Activities)

b. If the number of students wishing to participate in the program exceeds program capacity, students shall be selected for enrollment based on the following guidelines:

(1) First priority for enrollment shall be given to students who are identified as homeless youth, as defined by the McKinney-Vento Homeless Assistance Act (42 USC 11434a), at the time they apply for enrollment or at any time during the school year and to students who are identified by the program as being in foster care. (Education Code 8483, 8483.1)

The district is not required to disenroll a current student in order to secure the enrollment of a

student who has priority for enrollment. (Education Code 8483, 8483.1)

The district shall inform the parent/guardian of a homeless or foster youth of the right of the child to receive priority enrollment and how to request priority enrollment. (Education Code 8483)

(cf. ~~(1) Priority~~ 5145.6 - Parental Notifications)  
(cf. 6173 - Education for Homeless Children)  
(cf. 6173.1 - Education for Foster Youth)

\*\*\*Note: Items #(3)-(5) are optional and may be revised or expanded to include enrollment priorities established by the district. \*\*\*

(2) **Third priority** for enrollment shall be given to students identified as in need of academic remediation or support in accordance with Board policy or administrative ~~regulations~~ regulation.

(cf. 6179 - Supplemental Instruction)

(3) Any remaining capacity shall be filled by students selected at random.

(34) A waiting list shall be established to accommodate additional students if space becomes available.

## 7. Attendance/Early Release

a. Each student admitted into a district program shall be expected to attend the full number of hours that the program is in operation every day that he/she participates.

b. When necessary, a student's parent/guardian may request, in writing, that the Superintendent or designee approve the reasonable late daily arrival of his/her child for the before-school program or the reasonable early daily release of his/her child from the after-school program. The Superintendent or designee shall not approve such a request if the student would be attending less than one-half of the daily program hours.

## Reports

The Superintendent or designee shall annually submit to the CDE outcome-based data, including, but not limited to: (Education Code 8427, 8482.3, 8484)

1. For participating students, school day attendance on an annual basis and program attendance on a semi-annual basis

2. Evidence of a program quality improvement process that is data driven and based on CDE program quality standards

(cf. 0500 - Accountability)

Regulation	HANFORD ELEMENTARY SCHOOL DISTRICT	
approved:	January 21, 2009	Hanford, California
revised:	October 14, 2015	
revised:	October 28, 2015	
revised:	January 10, 2018	
approved:		

## HANFORD ELEMENTARY SCHOOL DISTRICT

**AGENDA REQUEST FORM**

TO: Joy C. Gabler

FROM: Karen McConnell

DATE: January 8, 2018

FOR: ☒ Board Meeting  
☐ Superintendent's Cabinet

FOR: ☐ Information  
☒ Action

Date you wish to have your item considered: January 24, 2018

**ITEM:** Review recommended revisions to Board Policy & Administrative Regulation 6145.2 – Athletic Competition

**PURPOSE:** Policy and regulation updated to reflect new law which requires (1) distribution to student athletes and parents/guardians of information on the nature and warning signs of sudden cardiac arrest, (2) training of coaches and athletic directors on the nature and warning signs of sudden cardiac arrest, and (3) removal of a student from an athletic activity if he/she passes out or faints, until clearance is obtained from a health care provider. Policy also updated to reflect the prohibition against the use of a racially derogatory or discriminatory athletic team name, mascot, or nickname. Policy reflects law which provides that a homeless student must be immediately deemed to meet all residency requirements for participation in interscholastic athletic activities. Regulation also updated to reflect requirements that districts and schools post specified Title IX information on their web sites by July 1, 2017.

**FISCAL IMPACT:** None

**RECOMMENDATIONS:**



# Hanford ESD

## Board Policy

### Athletic Competition

BP 6145.2

#### Instruction

The ~~the~~ Governing Board has control of ~~Trustees and responsibility for all aspects of district interscholastic athletic policies, programs, and activities.~~

The Governing Board recognizes that the district's athletic program constitutes an integral component of the educational program, ~~providing participants with an opportunity to promote physical well-being, enhance self-confidence, and helps to build school spirit and promote a positive school climate while learning values such as teamwork and sportsmanship.~~ The athletic program also promotes the physical, social, and emotional well-being and character development of participating students. The district's athletic program shall be designed to meet students' interests and abilities and shall be varied in scope to attract wide participation.—

(cf. 3541.1 - Transportation for School-Related Trips)

(cf. 5030 - Student Wellness)

(cf. 5137 - Positive School Climate)

(cf. 6142.7 - Physical Education and Activity)

(cf. 7110 - Facilities Master Plan)

All athletic teams shall be supervised by qualified coaches to ensure that student athletes receive appropriate instruction and guidance related to safety, health, sports skills, and sportsmanship.  
Athletic events shall be officiated by qualified personnel.

(cf. 4127/4227/4327 - Temporary Athletic Team Coaches)

The Board encourages business and community support for district athletic programs, subject to applicable district policies and regulations governing advertisements and donations.

(cf. ~~1230 - School Connected Organizations~~ 1260 - Educational Foundation)

(cf. 1321 - Solicitation of Funds from and by Students)

(cf. ~~3100 - Budget~~ 1325 - Advertising and Promotion)

(cf. ~~3452 - Student Activity Funds~~)

(cf. ~~3530 - Risk Management/Insurance~~)

(cf. ~~3541.1 - Transportation for School-Related Trips~~)

(cf. ~~5137 - Positive School Climate~~)

(cf. ~~6142.7 - Physical Education~~)

(cf. ~~7110 - Facilities Master Plan~~)

~~Sportsmanship~~

~~The Board supports the ideals of sportsmanship, ethical conduct and fair play~~1700 - Relations Between Private Industry and commits the district to providing an environment which promotes good sportsmanship~~the Schools)~~

~~The Board expects athletes, coaches, spectators and others to demonstrate good sportsmanship during all athletic competition. Students and staff are responsible for maintaining sportsmanlike behavior at all times and may be subject to disciplinary action for improper conduct.~~

~~Each school shall adopt and implement appropriate guidelines and rules related to sportsmanship, citizenship and behavior at athletic contests.~~

~~(cf. 4118 - Suspension/Disciplinary Action)~~

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

~~(cf. 5131.4 - Campus Disturbances)~~

~~(cf. 5144 - Discipline)~~

(cf. 3290 - Gifts, Grants and Bequests)

#### Nondiscrimination and Equivalent Opportunities in the Athletic Program

The district's athletic program shall be free from discrimination and discriminatory practices in accordance with state and federal law, prohibited by state and federal law, including, but not limited to, the use of any racially derogatory or discriminatory school or athletic team name, mascot, or nickname. The Superintendent or designee shall ensure that equivalent athletic opportunities are provided for both genders are provided males and females, and that students are permitted to participate in athletic activities consistent with their gender identity.

~~The Board encourages all interested students to participate in the athletic program and try out for teams.~~

(cf. 0410 - Nondiscrimination in District Programs and Activities)

(cf. 5145.3 - Nondiscrimination/Harassment)

(cf. 5145.7 - Sexual Harassment)

Any complaint regarding the district's athletic program shall be filed in accordance with the district's uniform complaint procedures.

(cf. 1312.3 - Uniform Complaint Procedures)

#### California Interscholastic Federation

Any district school that participates in the California Interscholastic Federation (CIF) shall conduct its athletic activities in accordance with CIF bylaws and rules and policies, any applicable district policy and regulation. The Superintendent or designee shall have responsibility for the district's interscholastic athletic program, while the principal or

designee at each participating school shall be responsible for site-level decisions, as appropriate.

~~The~~ The Board shall annually designate a representative to the local CIF league. ~~In making this selection, the Board shall consider~~ from each school that participates in CIF sports. The Superintendent or designee shall recommend a candidate for the ~~employee's position who demonstrates an~~ understanding of the district's goals for student learning and interscholastic ~~and extracurricular~~ activities, knowledge of the athletic programs, awareness of the implications of league decisions for the school and the district, and ~~individual~~ interpersonal communication and leadership skills.

~~The Superintendent or designee shall ensure that CIF representatives~~ The designated representative(s) shall vote on issues that impact interscholastic athletics at the league and section levels, perform any other duties required by the CIF league, and report regularly to the Board on league, section, and statewide issues, ~~as well as activities and prospective actions related to athletics~~ athletic programs.

(cf. 0500 - Accountability)

### Student Eligibility

### Student Eligibility

~~Participation in the district interscholastic athletic program is limited to those students who maintain minimum progress toward completing district graduation requirements, maintain the required grade point average established~~

Eligibility requirements for student participation in the district's interscholastic athletic program, including requirements pertaining to academic achievement, shall be the same as those set by the district for participation in extracurricular and co-curricular activities.

(cf. 3530 - Risk Management/Insurance)

(cf. 5111.1 - District Residency)

(cf. 5121 - Grades/Evaluation of Student Achievement)

~~(cf. 5111.1 - District Residency)~~

(cf. 6145 - Extracurricular and Cocurricular Activities)

~~(cf. 5111.11 - Residency of Students With Caregiver)~~

(cf. 51166146.1 - Intradistrict Open Enrollment) High School Graduation Requirements

~~(cf. 5117 - Interdistrict Attendance)~~

~~(cf. 5117.1 - Interdistrict Attendance Agreements)~~

(cf. 6173 - Education for Homeless Children)

(cf. 6173.1 - Education for Foster Youth)

~~(cf. 51176173.2 - Alternative Interdistrict Attendance Program)~~ Education of Children of Military Families

In addition, the Superintendent or designee shall ensure that students participating in

interscholastic athletics governed by CIF satisfy CIF eligibility requirements.

Students shall not be charged a fee to participate in an athletic program, including, but not limited to, a fee to cover the cost of uniforms, locks, lockers, or athletic equipment.

(cf. ~~5118 - Transfers~~ 3260 - Fees and Charges)

(cf. 5143 - Insurance)

### Sportsmanship

The Board values the quality and integrity of the athletic program and the character development of student athletes. Student athletes, coaches, parents/guardians, spectators, and others are expected to demonstrate good sportsmanship, ethical conduct, and fair play during all athletic competitions. They shall also abide by the core principles of trustworthiness, respect, responsibility, fairness, caring, and good citizenship, and the Code of Ethics adopted by CIF.

Students and staff shall be subject to disciplinary action for improper conduct.

(cf. 3515.2 - Disruptions)

(cf. 4118 - Dismissal/Suspension/Disciplinary Action)

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

(cf. 5131 - Conduct)

(cf. 5131.1 - Bus Conduct)

(cf. 5131.4 - Student Disturbances)

(cf. 5144 - Discipline)

~~(cf. 5121 - Grades/Evaluation of Student Achievement)~~

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

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

~~(cf. 6145 - Extracurricular and Cocurricular Activities)~~

### Health and Safety

The Board desires to give student health and safety the highest consideration in planning and conducting athletic activities. ~~Universal precautions shall be observed when injuries occur.~~

Students shall have a medical clearance before participating in interscholastic athletic programs. Care shall be taken to ensure that all athletic trainings and competitions are conducted in a manner that will not overtax the physical capabilities of the participants. When appropriate, protective equipment shall be used to prevent or minimize injuries.

(cf. 5131.61 - Drug Testing)

(cf. 5131.63 - Steroids)

(cf. 5141.3 - Health Examinations)

(cf. 5141.6 - School Health Services)

(cf. 5141.7 - Sun Safety)

(cf. 5143 - Insurance)

Coaches and appropriate district employees shall take every possible precaution to ensure that athletic equipment is kept in safe and serviceable condition. The Superintendent or designee shall ensure that all athletic equipment is cleaned and inspected for safety before the beginning of each school year.

(cf. 5142 - Safety)

In the event of an injury or a perceived imminent risk to a student's health, such as a concussion or passing out, fainting, or other sign of sudden cardiac arrest, during or immediately after an athletic activity, the coach or any other district employee who is present shall remove the student athlete from the activity, observe universal precautions in handling blood or other bodily fluid, and/or seek medical treatment for the student as appropriate.

(cf. 4119.42/4219.42/4319.42 - Exposure Control Plan for Bloodborne Pathogens)

(cf. 4119.43/4219.43/4319.43 -- Universal Precautions)

(cf. 5141.1 - ~~Accidents~~ - Health Care and Emergencies)

(cf. 5141.21 - Administering Medication and Monitoring Health Conditions)

(cf. 5141.2322 - ~~Infectious Disease Prevention~~Diseases)

~~Students shall have a medical clearance before participating in the interscholastic athletic program.~~

~~(cf. 5131.61 - Drug Testing)~~

~~(cf. 5131.63 - Anabolic Steroids)~~

~~(cf. 5141.3 - Health Examinations)~~

~~Care shall be taken to ensure that all athletic training and competition is conducted in a manner which will not overtax the physical capabilities of the participants. When appropriate, protective equipment shall be used to prevent or minimize injuries.~~

~~(cf. 5143 - Insurance)~~

## **Supervision**

~~All athletic teams shall be supervised by qualified coaches to ensure that student athletes receive appropriate instruction and guidance related to safety, health, training and preparation for competition. Athletic events shall be officiated by qualified personnel.~~

~~(cf. 4127/4227/4327 - Temporary Athletic Team Coaches)~~

Whenever an injury is suffered by a student, the Superintendent or designee shall notify the student's parent/guardian of the date, time, and extent of any injury suffered by the student and any actions taken to treat the student.

## Legal Reference:

## EDUCATION CODE

200-~~261~~262.4 Prohibition of discrimination ~~on the basis~~

17578 Cleaning and sterilizing of ~~sex~~football equipment

17580-17581 Football equipment

32220-32224 Insurance for athletic teams, especially:

32221.5 Required insurance for athletic activities

33353-33353.5 California Interscholastic Federation; implementation of policies, insurance program

33354 ~~CDE~~ California Department of Education authority over interscholastic athletics

33479-33479.9 The Eric Parades Sudden Cardiac Arrest Prevention Act

35160.5 District policies; rules and regulations

~~35161 Powers and duties generally~~

35179 Interscholastic athletics

35179.1 California High School Coaching Education and Training Program

35179.5 Interscholastic athletics; limitation on full-contact practices

48850 Interscholastic athletics; students in foster care and homeless students

48900 Grounds for suspension and expulsion

48930-48938 Student organizations

49010-49013 Student fees

49020-49023 Athletic programs; legislative intent, equal opportunity, ~~apportionment,~~ prohibited sex discrimination

49030-49034 Performance-enhancing substances

49458 Health examinations, interscholastic athletic program

49475 Health and safety, concussions and head injuries

49700-49701 Education of children of military families

51242 Exemption from physical education for high school students in interscholastic athletic program

## PENAL CODE

245.6 Hazing

## CODE OF REGULATIONS, TITLE 5

4900-~~4962~~4965 Nondiscrimination in elementary and secondary education programs ~~receiving state financial assistance, especially:~~

4920-4922 Nondiscrimination in intramural, interscholastic, and club activities

5531 Supervision of extracurricular activities of ~~pupils~~students

5590-5596 Employment of noncertificated coaches

## UNITED STATES CODE, TITLE 20

1681-1688 Discrimination based on sex or blindness, Title IX

## CODE OF FEDERAL REGULATIONS, TITLE 34

106.31 Nondiscrimination on the basis of sex in education programs or activities

106.33 Comparable facilities

106.41 Nondiscrimination in athletic programs

## COURT DECISIONS

Mansourian v. Regents of University of California, (2010) 602 F. 3d 957

McCormick v. School District of Mamaroneck, (2004) 370 F.3d 275

Kahn v. East Side Union High School District, (2003) 31 Cal. 4th 990

Hartzell v. Connell, (1984) 35 Cal. 3d 899

Management Resources:

CSBA PUBLICATIONS

~~A Board Member's Guide to CIF and Interscholastic Sports~~

~~CIF Updated Legal Guidance: Protecting Transgender and Gender Nonconforming Students Against Discrimination, March 2017~~

CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS

Pupil Fees, Deposits, and Other Charges, Fiscal Management Advisory 12-02, April 24, 2013

CALIFORNIA INTERSCHOLASTIC FEDERATION PUBLICATIONS

California Interscholastic Federation Constitution and Bylaws, 1996-97

~~NATIONAL FEDERATION OF STATE HIGH SCHOOL ASSOCIATIONS~~

~~Rules on Bleeding Players~~

A Guide to Equity in Athletics

Guidelines for Gender Identity Participation

Keep Their Heart in the Game: A Sudden Cardiac Arrest Information Sheet for Athletes and Parents/Guardians

Pursuing Victory with Honor, 1999

CENTERS FOR DISEASE CONTROL AND PREVENTION PUBLICATIONS

Heads Up: Concussion in High School Sports, Tool Kit, June 2010

Heads Up: Concussion in Youth Sports, Tool Kit, July 2007

Acute Concussion Evaluation (ACE) Care Plan, 2006

U.S. DEPARTMENT OF EDUCATION OFFICE FOR CIVIL RIGHTS PUBLICATIONS

Withdrawal of Dear Colleague Letter on Transgender Students, Dear Colleague Letter, February 22, 2017

Intercollegiate Athletics Policy Clarification: The Three-Part Test - Part Three, Dear Colleague Letter, April 20, 2010

WEB SITES

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

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

California Interscholastic Federation: <http://www.cifstate.org>

Centers for Disease Control and Prevention, Concussion Resources:

<http://www.cdc.gov/concussion>

National Federation of State High School Associations: <http://www.nfhs.org>

National Operating Committee on Standards for Athletic Equipment: <http://www.nocsae.org>

U.S. Anti-Doping Agency: <http://www.usada.org>

U.S. Department of Education, Office for Civil Rights: <http://www2.ed.gov/ocr>

Policy HANFORD ELEMENTARY SCHOOL DISTRICT

adopted: May 16, 2001 Hanford, California

revised: November 2009

revised: November 2011  
revised: November 2017  
revised: December 13, 2017

|



# Hanford ESD

## Administrative Regulation

### Athletic Competition

AR 6145.2  
Instruction

#### Sportsmanship

~~Sportsmanship involves taking a loss or defeat without complaint, taking victory without gloating and treating opponents and officials with fairness, courtesy and respect.~~

~~Unacceptable behavior at all school contests includes berating an opponent's school or mascot, berating opposing players and making obscene cheers or gestures.—~~

~~Coaches, athletes, cheerleaders and spectators shall respect the integrity and judgment of sports officials.— Words or gestures of complaint about officials' calls are unacceptable.—~~

#### Nondiscrimination and Equivalent Opportunities in the Athletic Program

~~No student shall~~~~(cf. 4118—Suspension/Disciplinary Action)~~  
~~(cf. 4218—Dismissal/Suspension/Disciplinary Action)~~  
~~(cf. 5144—Discipline)~~

#### Equivalent Opportunity

~~Exclusion on the basis of gender from participation in any extracurricular or athletic program or activity constitutes discrimination.—(Education Code 230)~~

~~(cf. 0410—Nondiscrimination in District Programs and Activities)~~  
~~(cf. 1312.3—Uniform Complaint Procedures)~~

~~No person shall on the basis of gender~~ be excluded from participation in, be denied the benefits of, be denied equivalent opportunity in, or otherwise be discriminated against in interscholastic or intramural athletics. ~~The district shall not provide athletics separately on such basis.—(5—CCR 4920, intramural, or club athletics on the basis of actual or perceived sex, sexual orientation, gender, gender identity, gender expression, ethnic group identification, race, ancestry, national origin, religion, color, mental or physical disability, or any other basis specified in law. (Education Code 220, 221.5, 230; 5 CCR 4920; 34 CFR 106.41)~~

(cf. 0410 - Nondiscrimination in District Programs and Activities)  
(cf. 5145.3 - Nondiscrimination/Harassment)

The Superintendent or designee may provide single-sex teams when selection for the teams is

based on competitive skills. (5 CCR 4921; 34 CFR 106.41)

Each student shall be allowed to participate in any single-sex athletic program or activity consistent with his/her gender identity and for which he/she is otherwise eligible to participate, irrespective of the gender listed on the student's records. (Education Code 221.5)

(cf.

The district may provide single gender teams where selection for teams is based on competitive skills. (5 CCR 4921)

### 5125 - Student Records)

When a school provides only one team in a particular sport for members of one gender sex, but provides no team in the same sport for members of the other gender sex, and athletic opportunities in the total program for that gender sex have been previously limited, members of the excluded gender sex shall be allowed to try out for the team. (5 CCR 4921 and compete with the team. The same standards for eligibility shall be applied to every student trying out for the team, regardless of sex, sexual orientation, gender, gender identity, gender expression, or other protected group status. (5 CCR 4921; 34 CFR 106.41)

When

The Superintendent or designee shall ensure that equivalent opportunities are available to both genders sexes in athletic programs; the district shall consider by considering, among other factors: (5 CCR 4922; 34 CFR 106.41)

1. Whether the offered selection of sports and other extracurricular and co-curricular levels of competition effectively accommodates accommodate the interests and abilities of both genders sexes

The athletic program may be found to effectively accommodate the interests and abilities of both sexes using any one of the following tests: (Education Code 230)

- a. Whether the interscholastic-level participation opportunities for male and female students are provided in numbers substantially proportionate to their respective enrollments
- b. Where the members of one sex have been and are underrepresented among interscholastic athletes, whether the district can show a history and a continuing practice of program expansion that is demonstrably responsive to the developing interests and abilities of the members of that sex
- c. Where the members of one sex are underrepresented among interscholastic athletes and the district cannot show a history and continuing practice of program expansion as required in item #1b above, whether the district can demonstrate that the interests and abilities of the members of that sex have been fully and effectively accommodated by the present program

2. The provision and maintenance of equipment and supplies
3. Scheduling of games and practice times, selection of the season for a sport, and location of the games and practices
- ~~4. Travel and per diem allowances~~
5. Opportunities to receive coaching and academic tutoring
6. Assignment and compensation of coaches and tutors
7. Provision of locker rooms, practice facilities, and competitive facilities
8. Provision of medical and training facilities and services
- ~~9. Provision of housing and dining facilities and services~~
10. Publicity
11. Provision of necessary funds

Each school that offers competitive athletics shall, at the end of the school year, post on its school web site, or on the district web site if the school does not have a web site, the following information: (Education Code 221.9)

1. The total enrollment of the school, classified by gender
2. The number of students enrolled at the school who participate in competitive athletics, classified by gender
3. The number of boys' and girls' teams, classified by sport and by competition level

(cf. Health 1113 - District and Safety School Web Sites)

The data reported for items #1-3 above shall reflect the total number of players on a team roster on the official first day of competition. The materials used to compile this information shall be retained by the school for at least three years after the information is posted on the web site. (Education Code 221.9)

(cf. 3580 - District Records)

#### Concussions and Head Injuries

The Superintendent or designee shall annually distribute to student athletes and their parents/guardians an information sheet on concussions and head injuries. The student and parent/guardian shall sign and return the information sheet before the student's initiating practice

or competition. (Education Code 49475)

~~(cf. Coaches and appropriate district employees shall take every possible precaution to ensure that athletic equipment is kept in safe and serviceable condition.—~~

~~Whenever an athlete incurs an injury or wound that produces bleeding or other bodily fluids, the athlete shall be appropriately treated as soon as possible, using universal precautions.~~

~~(cf. 4119.42 /4219.42/4319.42—Exposure Control Plan for Bloodborne Pathogens)~~

~~(cf. 5141.1—Accidents)~~

~~(cf. 5141.23—Infectious Disease Prevention)~~

5145.6 - Parental Notifications)

The Superintendent or designee shall provide training to coaches and/or athletic trainers regarding concussion symptoms, prevention, and appropriate response. (Education Code 35179.1, 49032)

(cf. 4127/4227/4327 - Temporary Athletic Team Coaches)

If a student athlete is suspected of sustaining a concussion or head injury in an athletic activity, he/she shall be immediately removed from the activity for the remainder of the day. The student shall not be permitted to return to the activity until he/she is evaluated by a licensed health care provider trained in the management of concussions and receives the health care provider's written clearance to return to the activity. If the health care provider determines that the athlete sustained a concussion or a head injury, the athlete shall also complete a graduated return-to-play protocol of no less than seven days in duration under the supervision of a licensed health care provider. (Education Code 49475)

### Sudden Cardiac Arrest

The Superintendent or designee shall distribute an information sheet on sudden cardiac arrest to all student athletes who will be participating in an athletic activity and to their parents/guardians. The student and parent/guardian shall sign and return the information sheet prior to the student's participation in the athletic activity. If an athletic activity is not covered by the CIF, the student and his/her parent/guardian shall, prior to participating in the athletic activity, sign and return an acknowledgement that they have received and reviewed the sudden cardiac arrest information posted on the California Department of Education's web site. (Education Code 33479.2, 33479.3)

The Superintendent or designee shall provide training to coaches and/or athletic trainers regarding the nature and warning signs of sudden cardiac arrest. (Education Code 33479.6, 33479.7, 35179.1, 49032)

If a student athlete passes out or faints, or is known to have passed out or fainted, while participating in or immediately following his/her participation in an athletic activity, the student shall be removed from participation at that time. If a student exhibits any other symptoms of

sudden cardiac arrest, including seizures during exercise, unexplained shortness of breath, chest pains, dizziness, racing heart rate, or extreme fatigue, he/she may be removed from participation by a coach or other employee who observes these symptoms. If any such symptoms are observed, notification shall be given to the student's parent/guardian so that the parent/guardian can determine the treatment, if any, the student should seek. A student who has been removed from participation shall not be permitted to return until he/she is evaluated and given written clearance to return to participation by a health care provider. (Education Code 33479.2, 33479.5)

### Additional Parental Notifications

Before a student participates in interscholastic athletic activities, ~~his/her parents/guardians shall receive the Superintendent or designee shall~~, in addition to providing his/her parents/guardians with information on the signs and symptoms of concussions and sudden cardiac arrest as described above, send a notice to the student's parents/guardians which:

1. Contains information about the procedures for filing a discrimination complaint that arises out of an interscholastic athletic activity, including the name of the district's Title IX Coordinator

(cf. 1312.3 - Uniform Complaint Procedures)

2. Includes a copy of students' Title IX rights pursuant to Education Code 221.8

3. Explains that there is an element of risk associated with all athletic ~~competition competitions~~ and that the district cannot ~~ensure guarantee~~ that ~~their student students~~ will not be injured, despite ~~the staff's a~~ commitment to ~~provide for~~ every participant's health and welfare

(cf. ~~cf.~~ 3530 - Risk Management/Insurance)

4. Provides information about insurance protection pursuant to Education Code 32221.5

(cf. 5143 - Insurance)

5. Requests parental permission for the student to participate in the program and, if appropriate, be transported by the ~~school~~district to and from competitions

(cf. 3541.1 - Transportation for School-Related Trips)

3. — Explains

6. States the district's expectation that ~~it is imperative that the student students~~ adhere strictly to all safety rules, regulations, and instructions, as well as rules and guidelines related to ~~conduct and~~ sportsmanship ~~and citizenship~~

(cf. 5144 - Discipline)

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

7. Includes a copy of the local California Interscholastic Federation (CIF) league rules

8. Includes information about the district policy requiring any student athlete and his/her parent/guardian to sign a statement that the student will not use steroids, unless prescribed by a licensed health care practitioner, or prohibited dietary supplements that include substances banned by the U.S. Anti-Doping Agency.

(cf. 5131.63 - Steroids)

Regulation	HANFORD ELEMENTARY SCHOOL DISTRICT
approved:	May 16, 2001 Hanford, California
revised:	December 2014
revised:	October 2015
revised:	December 13, 2017

## HANFORD ELEMENTARY SCHOOL DISTRICT

**AGENDA REQUEST FORM**

TO: Joy C. Gabler

FROM: Karen McConnell

DATE: January 11, 2018

FOR: ☒ Board Meeting  
☐ Superintendent's Cabinet

FOR: ☐ Information  
☒ Action

Date you wish to have your item considered: January 24, 2018

ITEM: Review recommended revisions to Board Policy & Administrative Regulation 6164.6 –  
Identification And Education Under Section 504

**PURPOSE:** Policy revisions address minor changes in the policy as recommended by CSBA.

**FISCAL IMPACT:** None

**RECOMMENDATIONS:** Approve

# Hanford ESD

## Board Policy

### Identification And Education Under Section 504

BP 6164.6

#### Instruction

The Governing Board believes that all children, including children with disabilities, should have ~~an~~ the opportunity to learn in a safe and nurturing environment. ~~The district Superintendent or designee~~ shall work to identify children with disabilities who reside within ~~its~~ the jurisdiction of the district in order to ensure that they receive educational and related services required by law.

The Superintendent or designee shall provide ~~identified~~ qualified students with disabilities with a free appropriate public education, (FAPE), as defined under Section 504 of the federal Rehabilitation Act of 1973. Such students shall receive regular or special education and related aids and services designed to meet their individual educational needs as adequately as the needs of ~~nondisabled~~ students without disabilities are met. (34 CFR 104.33)

(cf. 0410 - Nondiscrimination in District Programs and Activities)

(cf. 0430 - Comprehensive Local Plan for Special Education)

(cf. 5141.21 - Administering Medication and Monitoring Health Conditions)

(cf. 5141.22 - Infectious Diseases)

(cf. 5141.23 - Asthma Management)

(cf. 5141.24 - Specialized Health Care Services)

(cf. 5141.27 - Food Allergies/Special Dietary Needs)

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

(cf. 6164.4 - Identification and Evaluation of Individuals for Special Education)

In addition, qualified students with disabilities shall be provided an equal opportunity to participate in programs and activities that are integral components of the district's basic education program, including, but not limited to, extracurricular athletics, interscholastic sports, and/or other nonacademic activities. (34 CFR 104.37)

(cf. 6145 - Extracurricular and Co-curricular Activities)

(cf. 6145.2 - Athletic Competition)

(cf. 6145.5 - Student Organizations and Equal Access)

The district's local control and accountability plan shall include goals and specific actions to improve student achievement and other outcomes of students with disabilities. At least annually, the Superintendent or designee shall assess the district's progress in attaining the goals established for students with disabilities and shall report these results to the Board. (Education Code 52052, 52060)

(cf. 0460 - Local Control and Accountability Plan)



In providing services to students with disabilities under Section 504, the Superintendent or designee shall ensure district compliance with law, including providing the students and their parents/guardians with applicable procedural safeguards and required notifications. -Any dispute as to the identification, evaluation, or placement of any student with a disability shall be resolved in accordance with the processes specified in the "Procedural Safeguards" section of the accompanying administrative regulation.

The Superintendent or designee shall maintain a list of impartial hearing officers who are qualified and willing to conduct Section 504 hearings. -To ensure impartiality, such officers shall not be employed by or under contract with the district in any other capacity except as hearing officer and shall not have any professional or personal involvement that would affect their impartiality or objectivity in the matter.

#### Legal Reference:

##### EDUCATION CODE

49423.5 Specialized physical health care services

52052 Numerically significant student subgroups

52060-52077 Local control and accountability plan

56043 Special education, timelines

56321 Assessment; development of IEP; parental notifications, consent

##### CODE OF REGULATIONS, TITLE 5

3051.12 Health and Nursing Services

##### UNITED STATES CODE, TITLE 20

1232g Family Educational Rights and Privacy Act of 1974

1400-1482 Individuals with Disabilities Education Act

##### UNITED STATES CODE, TITLE 29

705 Definitions; Vocational Rehabilitation Act

794 Rehabilitation Act of 1973, Section 504

##### UNITED STATES CODE, TITLE 42

12101-12213 Americans with Disabilities Act

##### CODE OF REGULATIONS, TITLE 28

35.101-35.190 Nondiscrimination on the basis of disability in state and local government services

##### CODE OF FEDERAL REGULATIONS, TITLE 34

104.1-104.61 Nondiscrimination on the basis of handicap, especially:

104.1 Purpose to effectuate Section 504 of the Rehabilitation Act of 1973

104.3 Definitions

104.32 Location and notification

104.33 Free appropriate public education

104.34 Educational setting

104.35 Evaluation and placement

104.36 Procedural safeguards

104.37 Nonacademic services

104.7 Responsible employee; grievance procedures

## COURT DECISIONS

Christopher S. v. Stanislaus County Office of Education, (2004) 384 F.3d 1205

## Management Resources:

### CSBA PUBLICATIONS

Rights of Students with Diabetes Under IDEA and Section 504, Policy Brief,

~~November~~December 2007

### CALIFORNIA DEPARTMENT OF EDUCATION LEGAL ADVISORIES

Legal Advisory on Rights of Students with Diabetes in California's K-12 Public Schools, August 2007

### U.S. DEPARTMENT OF EDUCATION OFFICE FOR CIVIL RIGHTS PUBLICATIONS

Dear Colleague Letter; and Resource Guide on Students with ADHD, July 2016

Protecting Students with Disabilities: Frequently Asked Questions About Section 504 and the Education of Children with Disabilities, October 2015

Dear Colleague Letter, January 2013

Dear Colleague Letter and Questions and Answers on ADA Amendments Act of 2008 for Students with Disabilities Attending Public Elementary and Secondary Schools; January 2012

Free Appropriate Public Education for Students with Disabilities: Requirements under Section 504 of the Rehabilitation Act of 1973, September 2007

### WEB SITES

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

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

U.S. Department of Education, Office for Civil Rights: <http://www2.ed.gov/about/offices/list/ocr>

## Policy HANFORD ELEMENTARY SCHOOL DISTRICT

adopted: ay 16, 2001 Hanford, California

revised: August 20, 2013

revised: August 28, 2013

revised: January 10, 2018

approved:

# Hanford ESD

## Administrative Regulation

### Identification And Education Under Section 504

AR 6164.6

#### Instruction

The Superintendent designates the following position as the district's 504 Coordinator to implement the requirements of Section 504 of the federal Rehabilitation Act of 1973: (34 CFR 104.7)

~~Director of Special Services~~

Assistant Superintendent

714 North White Street

Hanford, CA 93230

(559) 585-3617

#### Definitions

For the purpose of implementing Section 504 ~~of the Rehabilitation Act of 1973~~, the following terms and phrases shall have only the meanings specified below:

Free appropriate public education (FAPE) means the provision of regular or special education and related aids and services designed to meet the individual educational needs of a student with disabilities as adequately as the needs of ~~nondisabled~~ students without disabilities are met, ~~without at no~~ cost to the student or his/her parent/guardian, except when a fee is ~~imposed on nondisabled~~ specifically authorized by law for all students. (34 CFR 104.33)

(cf. 3260 - Fees and Charges)

Student with a disability means a student who has a physical or mental impairment which substantially limits one or more major life activities. (~~3428~~ CFR ~~104.335.108~~)

Physical impairment means any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more ~~of the following~~ body systems: such as neurological; musculoskeletal, special sense organs; respiratory, ~~(including speech organs);~~ cardiovascular; reproductive, digestive, genito-urinary; immune, hemic ~~and~~ lymphatic; skin; and endocrine. (~~3428~~ CFR ~~104.335.108~~)

Mental impairment means any mental or psychological disorder, such as ~~mental retardation~~ intellectual disability, organic brain syndrome, emotional or mental illness, and specific learning disabilities. ~~(3428 CFR 104.35.108)~~ (~~28~~ CFR ~~104.35.108~~)

Substantially limits major life activities means limiting a person's ability to perform functions, as compared to most people in the general population, such as caring for himself/herself,

performing manual tasks, seeing, hearing, eating, sleeping, walking, standing, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, writing, communicating, and working. Major life activities also includes major bodily functions such as functions of the immune system, special sense organs and skin, normal cell growth, ~~and~~ digestive, bowel, bladder, neurological, brain, respiratory, circulatory, cardiovascular, endocrine, hemic, lymphatic, musculoskeletal, and reproductive functions.—

Substantially, as well as the operation of an individual organ within a body system. The determination of whether an impairment substantially limits a student's major life activities shall be ~~determined~~ made without regard to the ameliorative effects of mitigating measures other than ordinary eyeglasses or contact lenses. —Mitigating measures ~~include~~ are measures that an individual may use to eliminate or reduce the effects of an impairment, including, but ~~are~~ not limited to, medications, medical supplies or equipment, prosthetic devices, assistive devices, reasonable modifications or auxiliary aids or services, learned behavioral, or adaptive neurological modifications ~~which an individual may use to eliminate or reduce the effects of an impairment~~, psychotherapy, behavioral therapy, or physical therapy. (42 USC 12102; ~~3428~~ CFR ~~104.335.108~~)

## Referral, Identification, and Evaluation

Any action or decision to be taken by the district involving the referral, identification, or evaluation of a student with disabilities shall be in accordance with the following procedures:

1. A parent/guardian, teacher, other school employee, student success team, or community agency may refer a student to the principal or 504 Coordinator for identification as a student with a disability under Section 504.

(cf. 6164.5 - Student Success Teams)

2. Upon receipt of any such referral, the principal, 504 Coordinator, or other qualified individual with expertise in the area of the student's suspected disability shall consider the referral and determine whether an evaluation is appropriate. —This determination shall be based on a review of the student's school records, including those in academic and nonacademic areas of the school program; consultation with the student's teacher(s), other professionals, and the parent/guardian, as appropriate; and analysis of the student's needs.

If it is determined that an evaluation is unnecessary, the principal or 504 Coordinator shall inform the parents/guardians in writing of this decision and of the procedural safeguards available, as described in the "Procedural Safeguards" section below.

3. ~~If it is determined that~~ the student needs or is believed to need special education or related services under Section 504, the district shall conduct an evaluation of the student prior to his/her initial placement. (34 CFR 104.35)

Prior to conducting an initial evaluation of a student for eligibility under Section 504, the district

shall obtain written parent/guardian consent. The district's evaluation procedures shall ensure that the tests and other evaluation materials: (34 CFR 104.35)

- a. Have been validated and are administered by trained personnel in conformance with the instruction provided by the test publishers
- b. Are tailored to assess specific areas of educational need and are not merely designed to provide a single general intelligence quotient
- c. Reflect the student's aptitude or achievement or whatever else the tests purport to measure rather than his/her impaired sensory, manual, or speaking skills, except where those skills are the factors that the tests purport to measure

#### Section 504 Services Plan and Placement

Services and placement decisions for students with disabilities shall be determined as follows:

1. A ~~multi-disciplinary~~ multidisciplinary 504 team shall be convened to review the evaluation data in order to make placement decisions.

The 504 team shall consist of a group of persons knowledgeable about the student, the meaning of the evaluation data, and the placement options. (34 CFR 104.35)

In interpreting evaluation data and making placement decisions, the team shall draw upon information from a variety of sources, including aptitude and achievement tests, teacher recommendations, physical condition, social or cultural background, and adaptive behavior. The team shall also ensure that information obtained from all such sources is documented and carefully considered and that the placement decision is made in conformity with 34 CFR 104.34. (34 CFR 104.35)

2. If, upon evaluation, a student is determined to be eligible for services under Section 504, the team shall meet to develop a written 504 services plan which shall specify the types of regular or special education services, accommodations, and supplementary aids and services necessary to ensure that the student receives FAPE.

The parents/guardians shall be invited to participate in the meeting and shall be given an opportunity to examine all relevant records.

(cf. 5141.21 - Administering Medication and Monitoring Health Conditions)

(cf. 5141.22 - Infectious Diseases)

(cf. 5141.23 - Asthma Management)

(cf. 5141.24 - Specialized Health Care Services)

(cf. 5141.26 - Tuberculosis Testing)

(cf. 5141.27 - Food Allergies/Special Dietary Needs)

3. If the 504 team determines that no services are necessary for the student, the record of the

team's meeting shall reflect whether or not the student has been identified as a ~~disabled~~ person with a disability under Section 504 and shall state the basis for the determination that no special services are presently needed. -The student's parent/guardian shall be informed in writing of his/her rights and procedural safeguards, as described in the "Procedural Safeguards" section below.

4. The student shall be placed in the regular educational environment, unless the district can demonstrate that the education of the student in the regular environment with the use of supplementary aids and services cannot be achieved satisfactorily. The student shall be educated with those who are not disabled to the maximum extent appropriate to his/her individual needs. (34 CFR 104.34)

5. The district shall complete the identification, evaluation, and placement process within a reasonable time frame. The district shall adhere to this time frame regardless of any extended school breaks or times that school is otherwise not in session.

6. A copy of the student's Section 504 services plan shall be kept in his/her student record. The student's teacher(s) and any other staff who provide services to the student shall be informed of the plan's requirements.

If a student transfers to another school within the district, the principal or designee at the school from which the student is transferring shall ensure that the principal or designee at the new school receives a copy of the plan prior to the student's enrollment in the new school.

(cf. 5116.1 - Intradistrict Open Enrollment)  
(cf. 5125 - Student Records)

#### Review and Reevaluation

The 504 team shall monitor the progress of the student and, at least annually, shall review the effectiveness of the student's Section 504 services plan to determine whether the services are appropriate and necessary and whether the student's needs are being met as adequately as the needs of ~~nondisabled~~ students without disabilities are met. In addition, each student with a disability under Section 504 shall be reevaluated at least once every three years.

A reevaluation of the student's needs shall be conducted before any subsequent significant change in placement. (34 CFR 104.35)

(cf. 5144.1 - Suspension and Expulsion/Due Process)  
(cf. 5144.2 - Suspension and Expulsion/Due Process (Students with Disabilities))

#### Procedural Safeguards

The Superintendent or designee shall notify the parents/guardians of students with disabilities of all actions and decisions by the district regarding the identification, evaluation, or educational

placement of their children. ~~He/she~~ also shall notify the parents/guardians of all the procedural safeguards available to them if they disagree with the district's action or decision, including an opportunity to examine all relevant records and an impartial hearing in which they shall have the right to participate. (34 CFR 104.36)

(cf. 6159.1 - Procedural Safeguards and Complaints for Special Education)

If a parent/guardian disagrees with any district action or decision regarding the identification, evaluation, or educational placement of his/her child under Section 504, he/she may request a Section 504 due process hearing within 30 days of that action or decision.

Prior to requesting a Section 504 due process hearing, the parent/guardian may, at his/her discretion, but within 30 days of the district's action or decision, request an administrative review of the action or decision. ~~The Coordinator shall designate an appropriate administrator to meet with the parent/guardian to attempt to resolve the issue and the administrative review shall be held within 14 days of receiving the parent/guardian's request.~~ ~~If the parent/guardian is not satisfied with the resolution of the issue,~~ or if the parent/guardian did not request an administrative review, he/she may request a Section 504 due process hearing.

A Section 504 due process hearing shall be conducted in accordance with the following procedures:

1. The parent/guardian shall submit a written request to the Coordinator within 30 days of receiving the district's decision or, if an administrative review is held, within 14 days of the completion of the review. The request for the due process hearing shall include:
  - a. The specific nature of the decision with which he/she disagrees
  - b. The specific relief he/she seeks
  - c. Any other information he/she believes is pertinent to resolving the disagreement
2. Within 30 days of receiving the parent/guardian's request, the Superintendent or designee and 504 Coordinator shall select an impartial hearing officer. This 30-day deadline may be extended for good cause or by mutual agreement of the parties.
3. Within 45 days of the selection of the hearing officer, the Section 504 due process hearing shall be conducted and a written decision mailed to all parties. This 45-day deadline may be extended for good cause or by mutual agreement of the parties.
4. The parties to the hearing shall be afforded the right to:
  - a. Be accompanied and advised by legal counsel and by individuals with special knowledge or training related to the problems of students with disabilities under Section 504
  - b. Present written and oral evidence

- c. Question and cross-examine witnesses
- d. Receive written findings by the hearing officer stating the decision and explaining the reasons for the decision

If desired, either party may seek a review of the hearing officer's decision by a federal court of competent jurisdiction.

#### Notifications

The Superintendent or designee shall ensure that the district has taken appropriate steps to notify students and parents/guardians of the district's duty under Section 504. (34 CFR 104.32)

(cf. 5145.6 - Parental Notifications)

Regulation	HANFORD ELEMENTARY SCHOOL DISTRICT
approved:	September 15, 1999 Hanford, California
revised:	September 1, 2010
revised:	August 6, 2013
revised:	August 28, 2013
review:	January 10, 2018
approved:	



## HANFORD ELEMENTARY SCHOOL DISTRICT

## AGENDA REQUEST FORM

TO: Joy C. Gabler

FROM: Jill Rubalcava



DATE: January 12, 2018

FOR: ☒ Board Meeting  
☐ Superintendent's Cabinet

FOR: ☐ Information  
☒ Action

Date you wish to have your item considered: **January 24, 2018****ITEM:** BP 6117 Year – Round Schedules**PURPOSE:** Delete optional BP 6117 Year - Round Schedules since we do not operate any year-round schools at this time.**FISCAL IMPACT:** None at this time**RECOMMENDATIONS:** Approve deletion of this optional policy

# Hanford ESD

# DELETE

## Board Policy

### Year-Round Schedules

BP 6117

#### Instruction

~~The Board of Trustees recognizes that adequate school facilities must be provided to accommodate present student enrollment as well as anticipated growth. While new facilities may ultimately be built and/or present ones expanded, the Board also recognizes that existing facilities should be used as efficiently as possible.~~

~~The Board believes that a year round schedule is an effective way to handle the problem of over-enrollment while delivering sequential, continuous instruction which breaks up the traditional three-month summer vacation, thus reducing learning loss. The Board also believes that intersessions can provide significant opportunities for remediation or enrichment.~~

~~The Board approves the implementation of a year round schedule at any school site when community support has been demonstrated.~~

~~The Superintendent or designee shall develop a year round schedule for selected schools. The schedule shall specify the type of plan as well as the number of tracks.~~

~~All students will attend school for a minimum of 163 school days and/or no less than the minimal number of instructional minutes designated by grade level during a 12-month period as provided in law.~~

~~Federal and state holidays will be observed by all students.~~

~~(cf. 6115—Ceremonies and Observances)~~

~~The Superintendent or designee may approve requests for intradistrict transfer from a school operating on a year round calendar to a school operating on a traditional calendar or vice versa, if conditions permit.~~

~~Insofar as possible, parents/guardians of children in year-round programs shall have the opportunity to select the program track that best meets family needs. The schools shall give first priority to keeping family members on the same program track.~~

~~(cf. 5116—School Attendance Boundaries)~~

~~Legal Reference:~~

~~EDUCATION CODE~~

~~17017.5 Approval of applications; year-round education program~~  
~~17017.7 Priority for funding new construction~~  
~~17046.8 Maximum allowable building area~~  
~~37610 37620 Establishment of continuous school programs~~  
~~37630 37632 Elements of continuous school programs~~  
~~37640 37643 Finances of continuous school programs~~  
~~37670 37672 Year-round schools~~  
~~42250.1 Funding for air conditioning~~  
~~42260 42268 Year round School Grant Program~~

~~Policy HANFORD ELEMENTARY SCHOOL DISTRICT~~  
~~adopted: May 16, 2001 Hanford, California~~

## HANFORD ELEMENTARY SCHOOL DISTRICT

## AGENDA REQUEST FORM

TO: Joy C. Gabler  
FROM: Jill Rubalcava

DATE: January 12, 2018

FOR: ☒ Board Meeting  
☐ Superintendent's Cabinet

FOR: ☐ Information  
☒ Action

Date you wish to have your item considered: January 24, 2018

ITEM: BP 6154 Homework/Makeup Work

PURPOSE: Update BP 6154 Homework/Makeup Work to align with CSBA recommended changes and current HESD practice.

FISCAL IMPACT: None at this time

RECOMMENDATIONS: Approval

# Hanford ESD

## Board Policy

### Homework/Makeup Work

BP 6154

#### Instruction

~~\*\*\*Note: The following optional policy may be revised to reflect district practice.\*\*\*~~

~~The Governing Board recognizes that meaningful homework assignments can be a valuable extension of student learning time and assist students in developing good study habits. Homework shall be assigned when necessary to support classroom lessons, enable students to complete unfinished assignments, or review and apply academic content for better understanding.~~

~~The Superintendent or designee shall collaborate with school administrators and teachers to develop and regularly review guidelines for the assignment of homework and the related responsibilities of students, staff, and parents/guardians.~~

~~\*\*\*Note: The following optional paragraph may be revised to specify the average number of minutes of homework that may be expected per day at each grade level, or the district may adopt an administrative regulation that contains such guidelines.\*\*\*~~

~~Homework assignments shall be reasonable in length and appropriate to the grade level and course. The Board expects that the number, frequency, and degree of difficulty of homework assignments will increase with the grade level and the maturity of students. Teachers shall assign homework only as necessary to fulfill academic goals and reinforce current instruction.~~

~~(cf. 6011 - Academic Standards)~~

~~As needed, teachers may receive training in designing relevant homework assignments that reinforce classroom learning objectives.~~

~~(cf. 4131 - Staff Development)~~

~~\*\*\*Note: The following optional paragraph may be revised to reflect district practice.\*\*\*~~

~~Although on-time completion of homework is important to maintain academic progress, the Board recognizes that students learn at different rates. Students shall receive credit for work that is completed late in order to encourage their continued learning.~~

~~Age-appropriate instruction may be given to help students allocate their time wisely, meet their deadlines, and develop good personal study habits.~~

~~At the beginning of the school year, teachers shall communicate homework expectations to~~

students and their parents/guardians. Homework guidelines also shall be included in student and/or parent handbooks. These communications shall include the manner in which homework relates to achievement of academic standards and course content, the impact of homework assignments on students' grades, any school resources and programs that are available to provide homework support, and ways in which parents/guardians may appropriately assist their children.

Although it is the student's responsibility to undertake assignments independently, parents/guardians may serve as a resource and are encouraged to ensure that their child's homework assignments are completed. When a student repeatedly fails to complete his/her homework, the teacher shall notify the student's parents/guardians as soon as possible so that corrective action can be taken prior to the release of any final grades or report cards.

~~(cf. The Board of Education believes that homework is an important part of the educational program of the students in the Hanford Elementary School District and should be assigned on a regular basis. Homework should help students become self-directed, independent learners and improve their academic achievements.~~

~~Homework assignments appropriate to the developmental level of a student will be used for enrichment, reinforcement, and extension of school experiences.~~

~~The amount of time usually required to complete homework assignments should gradually increase as the child progresses through the grade levels.~~

~~Homework is differentiated to support the goals, abilities, and interests of students. Some students may require more time for study than others, and different subjects require different amounts of homework.~~

~~Each school will develop a homework plan to assure that this policy is fully and properly implemented. It will be the responsibility of each teacher to understand the school plan and participate in it. Teachers will also explain to students and parents at the beginning of the school year their homework plan.~~

~~The Board recognizes that cooperation between parents and the school is necessary for students to make progress toward learning goals. Parents are encouraged to take an interest in the homework activities of their children and provide conditions that are conducive to good study habits.~~

~~(cf 6011 – Academic Standards)~~

~~(cf 5020 - Parent Rights and Responsibilities)~~

~~(cf 6020 - Parent Involvement)~~

\*\*\*Note: The following paragraph should be revised to reflect district practice. Pursuant to Education Code 8482.3, before-school and after-school programs operated under the After-School Education and Safety Program (Education Code 8482-8484.65) and/or the federal 21st-Century Community Learning Center program (Education Code 8484.7-8484.9; 20 USC 7171-7176) are required to include an educational and literacy component in which tutoring or

~~homework assistance is provided in language arts, mathematics, history-social science, computer training, and/or science. If the district offers a before-school or after-school program under the 21st Century High School After School Safety and Enrichment for Teens program for grades 9-12 (Education Code 8420-8428; 20 USC 7171-7176), the program must include an academic-assistance program, which may include homework assistance. See AR 5148.2 - Before/After-School Programs. In addition, some districts offer a supervised study hall elective which high-school students can take instead of other electives.\*\*\*~~

~~To further support students' homework efforts, Hanford Elementary School District offers a supervised homework period during the READY after school program. the Superintendent or designee may establish and maintain telephone help lines, provide access to school library media centers and technological resources, and/or provide before-school and after-school programs where students can receive homework assistance from teachers, volunteers, and/or student tutors. The Board encourages the Superintendent or designee to design class and transportation-schedules that will enable students to make use of homework support services.~~

~~(cf. 1240 - Volunteer Assistance)~~

~~(cf. 1700 - Relations between Private Industry and the Schools)~~

~~(cf. 3541 - Transportation Routes and Services)~~

~~(cf. 5148 - Child Care and Development)~~

~~(cf. 5148.2 - Before/After School Programs)~~

~~(cf. 6112 - School Day)~~

~~(cf. 6142.4 - Service Learning/Community Service Classes)~~

~~(cf. 6163.1 - Library Media Centers)~~

~~Teachers shall review all completed homework to assess the student's understanding of academic content and shall provide timely feedback to the student.~~

## Makeup Work

~~\*\*\*Note: Pursuant to Education Code 48205, students who miss school work because of an excused absence must be given full credit for makeup work satisfactorily completed within a reasonable period of time. State law does not require districts to give full credit for makeup work following an unexcused absence. However, CSBA's governance brief Research-Supported Strategies to Improve the Accuracy and Fairness of Grades recommends that student absence be dealt with separately from determining students' academic understanding and progress. Thus, the following paragraph provides for full credit to be awarded for satisfactory completion of makeup work regardless of the reason for the absence, an approach which is consistent with BP/AR 5121 - Grades/Evaluation for Student Achievement. Also see BP/AR 5113.1 - Chronic Absence and Truancy for strategies to address excessive excused and/or unexcused absences. The district may revise the following paragraph to reflect district practice, provided that it ensures compliance with Education Code 48205.\*\*\*~~

Students who miss school work-because of absences shall be given the opportunity to complete all assignments and tests that can be reasonably provided. -As determined by the teacher, the assignments and tests shall be reasonably equivalent to, but not necessarily identical to, the

assignments and tests missed during the absence. Students shall receive full credit for work satisfactorily completed within a reasonable period of time.

(cf. 5113 - Absences and Excuses)

The Superintendent or designee shall notify parents/guardians that no student may have his/her grade reduced or lose academic credit for any excused absence when missed assignments and tests are satisfactorily completed within a reasonable period of time. Such notification shall include the full text of Education Code 48205. (Education Code 48980)

(cf. 5121 - Grades/Evaluation of Student Achievement)

(cf. 5145.6 - Parental Notifications)

The teacher of any class from which a student is suspended may require the student to complete any assignments and tests missed during the suspension. (Education Code 48913)

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

Legal Reference:

EDUCATION CODE

8420-8428 21st Century High School After School Safety and Enrichment for Teens

8482-8484.65 After School Education and Safety Program

8484.7-8484.9 21st Century Community Learning Centers

48205 \_Absences for personal reasons

48913 \_Completion of work missed by suspended student

48980 Parental notifications

UNITED STATES CODE, TITLE 20

7171-7176 21st Century Community Learning Centers

58700-58702 Tutoring and homework assistance program; summer school apportionment credit

Management Resources:

CSBA PUBLICATIONS

Research-Supported Strategies to Improve the Accuracy and Fairness of Grades, Governance Brief, July 2016

WEB SITES

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

SBE POLICIES

Parent Involvement in the Education of Their Children, 1994

Policy Statement on Homework, 1995 State PTA: <http://www.capta.org>

Policy HANFORD ELEMENTARY SCHOOL DISTRICT

adopted: May 16, 2001 Hanford, California



revised: May 15, 2002  
revised:

## HANFORD ELEMENTARY SCHOOL DISTRICT

**AGENDA REQUEST FORM**

TO: Joy Gabler

FROM: Karen McConnell

DATE: December 20, 2017

FOR: ☒ Board Meeting  
☐ Superintendent's Cabinet

FOR: ☐ Information  
☒ Action

Date you wish to have your item considered: January 24, 2018

**ITEM:** Application for Extended School Year Waiver for Special Education

**PURPOSE:** Public hearing to take public input regarding request to apply for a waiver with the California Department of Education for an Extended School Year "ESY" waiver for the 2017-2018 school year. ESY is the special education summer school program offered to students with ESY documented on their Individualized Education Program "IEP." This waiver application would include the operational hours required under the Education Code, but request that ESY be operated fully within the month of June.

**FISCAL IMPACT:** No change to the current fiscal costs to operate the program.

**RECOMMENDATIONS:** Approve

HANFORD ELEMENTARY SCHOOL DISTRICT  
**Human Resources Department**

**AGENDA REQUEST FORM**

**TO:** Joy Gabler

**FROM:** Jaime Martinez

**DATE:** January 16, 2018

**RE:** (X ) Board Meeting  
 ( ) Superintendent's Cabinet  
 ( ) Information  
 (X ) Action

DATE YOU WISH TO HAVE YOUR ITEM CONSIDERED: **January 24, 2018**

**ITEM:** Consider approval of personnel transactions and related matters.

**PURPOSE:**

**a. Employment**

Classified

- Loretta King, Bus Driver – 4.5 hrs., Transportation/DSF, effective 1/12/18

Temporary Employees/Substitutes/Yard Supervisors

- Alex Acevedo, Short-term Custodian II – 8.0 hrs., Washington, effective 1/8/18 to 3/2/18
- Abel Aguilar, Substitute Yard Supervisor, effective 1/8/18
- Larry Dias, Substitute Bus Driver, effective 1/9/18
- Melissa Rodriguez, Short-term Yard Supervisor – 1.75 hrs., King, effective 1/16/18 to 3/23/18
- Sandra Virden, Short-term Yard Supervisor – 1.0 hr. (M,T,Th,F), Lincoln, effective 1/8/18 to 3/23/18

**b. Resignations**

- Maria Prado, Bilingual Licensed Vocational Nurse – 6.0 hrs., Richmond, effective 1/16/18
- Christian Romero, Yard Supervisor – 2.5 hrs., Simas, effective 12/15/17
- Laurie Tolbert, Substitute Special Circumstance Aide, Special Education Aide and Alternative Education Program Aide, effective 10/26/17

**c. Termination**

- Larry Dias, Substitute Bus Driver, Transportation/DSF, effective 1/10/18

**d. Retirement**

- Linda Arnett, Bus Driver – 4.5 hrs., Transportation/DSF, effective 4/10/18
- Joann Irwin, Teacher, Roosevelt, effective 6/6/18

**e. More Hours**

- Guadalupe Lopez, Yard Supervisor, from 1.5 hrs. to 2.0 hrs., Jefferson, effective 1/8/18
- Veronica Rubalcava, Short-term Yard Supervisor, from 2.5 hrs. to 3.0 hrs., Jefferson, effective 1/8/18 to 3/23/18

**f. Job Description**

- Director of Curriculum and Instruction, Beginning Teacher Support and Guidance (new)

**g. Reclassification**

- Debra Colvard, from Director of Curriculum and Instruction, to Director of Curriculum and Instruction, Beginning Teacher Support and Guidance, Curriculum, and Instruction Department, effective 1/25/18

**h. Volunteers**

<u>Name</u>	<u>School</u>
Warren Hull	Jefferson
Sharon Pagendarm	Jefferson
Ruth Moore	King
Alexandria Marquez	Simas
Eleanor Guerrero (Retired HESD Employee)	Washington

**RECOMMENDATION:** Approve.

HANFORD ELEMENTARY SCHOOL DISTRICT  
Job Description

**DIRECTOR OF CURRICULUM AND INSTRUCTION,  
BEGINNING TEACHER SUPPORT AND GUIDANCE**

**DEFINITION**

Under the direction of the Assistant Superintendent of Curriculum, Instruction and Professional Development, the Director of Curriculum and Instruction for Beginning Teacher Support and Guidance provides leadership and expertise in program development, instruction, and professional development with an emphasis on new teacher development.

**DISTINGUISHING CHARACTERISTICS**

The Director is directly responsible for supporting new teachers with the appropriate tools to enable successful implementation of a standards-based curriculum and instruction.

**SUPERVISION RECEIVED AND EXERCISED**

The Director receives general direction from the Assistant Superintendent of Curriculum, Instruction and Professional Development and exercises functional supervision over certificated and classified staff in the Curriculum and Instruction Department.

**ESSENTIAL FUNCTIONS**

The Director of Curriculum and Instruction for Beginning Teacher Support and Guidance maintains primary responsibility for the planning and organizing of the District's Induction Program including the following:

- Assists in selection, training and utilization of coaches.
- Overseeing IIP meetings and professional development offerings.
- Scheduling of meetings, seminars, and workshops.
- Facilitating the Advisory Committee meetings.
- Fostering communication with all program stakeholders.
- Attending state sponsored induction meetings.
- Developing and implementation of all aspects of the program.
- Monitoring of candidate success and completion.

## **ESSENTIAL FUNCTIONS** (continued)

- Articulation with the credential analysts for eligibility of candidates and credential recommendations.
- Collecting and analyzing data for the purpose of program improvement.
- Completing all CCTC requirements for the Seven year Accreditation Cycle.

As a member of the Curriculum and Instruction leadership team, the Director of Curriculum and Instruction for Beginning Teacher Support and Guidance may also be responsible for the following:

- Assists development of a coherent and cohesive standards-based curriculum.
- Coordinates and provides site-level professional development activities to ensure equal access to quality training opportunities, with specific emphasis on activities that support Educationally Disadvantaged Youth, English Language Learners, and Migrant students.
- Supervises, plans, and directs a variety of projects and activities related to the District's supplemental programs, including programs that support Educationally Disadvantaged Youth, English Language Learners, and Migrant students.
- Develops and coordinates a comprehensive professional development program for certificated and management personnel in standards-based curriculum and instruction.
- Assists in the selection, training and utilization of Instructional Coaches.
- Assists professional development and grade level collaboration sessions during grade level meetings, minimum days and professional development days.
- Provides assistance and support to Learning Directors in their development as instructional leaders.
- Supports and assists the HESD dual-immersion program.
- Coordinates the acquisition and utilization of materials to support standards-based differentiated instruction, with specific focus on supporting Educationally Disadvantaged Youth, English Language Learners, and Migrant students.
- Assists site administrators in the implementation of demonstration classrooms as a venue for on-going professional development.

## NECESSARY EMPLOYMENT STANDARDS

### Knowledge of:

School curricular and instructional practices for grades K-8.

Budget development and management.

Strategies for improving overall operations of the District.

Educational leadership strategies for purposes of school improvement.

### Skill and Ability to:

Carry out District policies and regulations related to areas of responsibility.

Manage budget for assigned area of responsibility.

Promote articulation of District philosophy, goals, objectives and policies.

Provide leadership and direction to other managers in areas of responsibility.

## EDUCATION AND EXPERIENCE

Any combination of education and experience that could likely provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the knowledge, skills, and abilities would be:

Education: Master's Degree

Experience: Four years successful multi-level elementary school teaching experience (K-8), and three years successful administrative experience at school and/or district level.

Licenses and Certificate: A valid California Administrative Services Credential.

## WORKING CONDITIONS

Environment: Office environment.

Physical Abilities: Sitting for extended periods of time, hearing and speaking to exchange information and make presentations, vision sufficient to read complex printed materials and monitor financial data.

Adopted: \_\_/\_\_/18

## HANFORD ELEMENTARY SCHOOL DISTRICT

**AGENDA REQUEST FORM**

TO: Joy C. Gabler

FROM: David Endo

DATE: 01/15/2018

FOR: ☒ Board Meeting  
☐ Superintendent's Cabinet

FOR: ☐ Information  
☒ Action

Date you wish to have your item considered: 01/24/2018

**ITEM:**

Consider acceptance of the audit report.

**PURPOSE:**

Education code 41020.3 requires the governing board of each local educational agency (LEA) to review, at a public meeting, the annual audit of the LEA for the prior year by January 31.

There were was a finding with regard to the number of unduplicated students the District identified. A conversion file from the Child Nutrition Software did not allow for a field to be updated thereby overstating the number of unduplicated students to CALPADS.

**FISCAL IMPACT:**

The effect of the misstatement is an estimated questioned cost of \$107,289 for Hanford Elementary School District and \$5,769 for Jefferson Charter Academy.

**RECOMMENDATIONS:**

Accept the audit report.



## HANFORD ELEMENTARY SCHOOL DISTRICT

**AGENDA REQUEST FORM**

TO: Joy C. Gabler

FROM: David Endo

DATE: 01/15/2018

FOR: ☒ Board Meeting  
☐ Superintendent's Cabinet

FOR: ☐ Information  
☒ Action

Date you wish to have your item considered: 01/24/2018

**ITEM:**

Consider acceptance of the Building Fund (Measure U) financial audit report.

**PURPOSE:**

In accordance with the requirements of Proposition 39, the District conducted an independent performance audit of the Building Fund to ensure the bond funds were spent exclusively on projects identified in the text of the ballot Measure U.

The financial audit report has been included for review.

**FISCAL IMPACT:**

None.

**RECOMMENDATIONS:**

Accept the Building Fund (Measure U) financial audit report.

## HANFORD ELEMENTARY SCHOOL DISTRICT

**AGENDA REQUEST FORM**

TO: Joy C. Gabler

FROM: David Endo

DATE: 01/15/2018

FOR: ☒ Board Meeting  
☐ Superintendent's Cabinet

FOR: ☐ Information  
☒ Action

Date you wish to have your item considered: 01/24/2018

**ITEM:**

Consider approval of the audit corrective action plan.

**PURPOSE:**

The Kings County Office of Education requires school districts to submit an acceptable plan for correction relating to any audit findings by March 15, 2018. The audit corrective action plan has been attached for your review.

**FISCAL IMPACT:**

None.

**RECOMMENDATIONS:**

Approve the audit corrective action plan.

**AUDIT FINDING CORRECTIVE ACTION**  
**Due March 15, 2018**

**District: Hanford Elementary School District**

**Finding: 2017-001 Unduplicated Local Control Funding Formula Count #40000**

**Condition:**

During the audit of the unduplicated local control funding formula pupil count, several students were incorrectly reported as free/reduced on the CalPADS report with no current application available for review or the application stated the student was on paid status. Forty students were initially selected as a sample and six were missing an application on file and one was denied based on income information provided. The district provided a list of students identified as Paid status, per their Horizon software, and that list was compared to students on the Calpads 1.18 report that were not direct certified, not foster/homeless, were participants in the free/reduced program, not migrant, and not designated as EL's. The lists were compared to identify students that were marked paid on the Horizon database but reported as free/reduced on the Calpads database. As a result, one hundred thirty-two (132) students were identified as being incorrectly designated as free/reduced on the Calpads database.

**District Response:**

The District has corrected the error in the conversion file to remove the temporary status field for students. The District has created procedures to verify the paid student status of students attending the District prior to uploading the information to the CalPADS system each year.