

**AGENDA INDEX FOR THE  
SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT**

**Regular Meeting of the Board of Education  
Community Room  
Board of Education Building  
777 North F Street  
San Bernardino, California**

**MICHAEL J. GALLO**  
Vice President

**MARGARET HILL, D.Ed.**  
Board Member

**JUDI PENMAN**  
Board Member



**DR. BARBARA FLORES**  
President

**DALE MARSDEN, Ed.D.**  
Superintendent

**BOBBIE PERONG**  
Board Member

**LYNDA K. SAVAGE**  
Board Member

**DANNY TILLMAN**  
Board Member

May 7, 2013

Estimated Time

**SESSION ONE – Workshop**

- 1.0**    *Workshop*    **4:30 p.m.**  
1.1    Budget Priorities

**SESSION TWO - Opening**

- 2.0**    *Opening*    **5:30 p.m.**  
2.1    Call to Order  
2.2    Pledge of Allegiance to the Flag  
2.3    Adoption of Agenda  
2.4    Inspirational Reading

**SESSION THREE - Special Presentations**

- 3.0**    *Special Presentations*    **5:45 p.m.**  
3.1    Student Report/School Showcase—San Gorgonio High School  
3.2    Recognition of Classified Employees Appreciation Week (May 19 - 25, 2013)  
3.3    Recognition of Day of the Teacher

**SESSION FOUR - Reports and Comments**

- 4.0**    *Reports and Comments*    **6:00 p.m.**  
4.1    Report by San Bernardino Teachers Association

\*All indicated times are approximate. The actual time for any item is dependent upon the amount of time required for prior items.

- 4.2 Report by California School Employees Association
- 4.3 Report by Communications Workers of America
- 4.4 Report by San Bernardino School Police Officers Association
- 4.5 Report by San Bernardino School Managers
- 4.6 Comments by Board Members
- 4.7 Comments by Superintendent and Staff Members
- 4.8 Strategic Planning Implementation

**SESSION FIVE – Public Comment**

- 5.0**    *Public Comment*    **6:30 p.m.**

**SESSION SIX - Administrative Presentation**

- 6.0**    *Administrative Presentation*    **6:45 p.m.**  
6.1    Measure N Bond Presentation

**SESSION SEVEN - Administrative Reports**

- 7.0**    *Administrative Reports*    **7:00 p.m.**  
7.1    Williams Deciles 1-3 Schools Quarterly Report  
7.2    Follow Up on Requests and Questions from Board and Community Members, as of May 1, 2013

**SESSION EIGHT – Consent Calendar**

- 8.0**    *Consent Calendar*    **7:15 p.m.**

**BUSINESS SERVICES DIVISION**

- 8.1    Acceptance of Gifts and Donations to the District
- 8.2    Amendment No. 1 of the Agreement with San Bernardino County Superintendent of Schools, San Bernardino, California, to Provide Courier Services to the District
- 8.3    Bid No. 18-12, Computer Equipment, Software and Services
- 8.4    Business and Inservice Meetings
- 8.5    Commercial Warrant Registers for period from April 1, 2013 through April 15, 2013
- 8.6    Delegation of Purchasing Authority
- 8.7    Extended Field Trip, Arroyo Valley High School, CORE Academy Summer Internship, Yosemite National Park, California
- 8.8    Field Trip, Indian Springs High School, California Theatre of Performing Arts, San Bernardino, California
- 8.9    Extended Field Trip, Indian Springs High School, Knott’s Berry Farm, Buena Park, California
- 8.10    Federal/State/Local District Budgets and Revisions

Board of Education Meeting  
May 7, 2013

- 8.11 Payment for Course of Study Activities
- 8.12 Signature Authorization – Accounting Services
- 8.13 Signature Authorization – Business Services Division
- 8.14 Signature Authorization – Purchasing Director
- 8.15 Temporary Borrowing Between Funds of the School District for Fiscal Year 2013-14

## **EDUCATIONAL SERVICES**

### **Curriculum and Instruction**

- 8.16 Amendment No. 1 of the Agreement with Life Long Learning & Associates, Blue Jay, California, to Provide Math and Language Professional Development at Arroyo Valley High School
- 8.17 Request for Waiver of California High School Exit Exam (CAHSEE) Passage Requirement for Students with a Disability
- 8.18 Woodward Leadership Academy Notice of Violation

## **STUDENT SERVICES**

### **Health Services**

- 8.19 Physical Education Exemptions

### **Special Education**

- 8.20 Amendment No. 1 of the Agreement with The Cosca Group, Hemet, California, to Provide an In-Depth Study of the Special Education Program

### **Youth Services**

- 8.21 Expulsion of Student(s)
- 8.22 Student(s) Recommended for Expulsion, but Remanded Back to the School Sites Due to Errors of Due Process, Lack of Evidence and/or Availability of Other Means of Correction
- 8.23 Student(s) Not Recommended for Expulsion as Specified Under Education Code Section 48915 (a)
- 8.24 Revocation of Suspension of Expulsion
- 8.25 Petition to Expunge, Rescind, or Modify Expulsion

## **FACILITIES/OPERATIONS DIVISION**

### **Facilities Management**

- 8.26 Amendment No. 1 to the Contract with Energy Education, Inc., to Provide Energy Management and Conservation Services
- 8.27 Amendment No. 1 to the Professional Service Agreement with ATI Architects and Engineers for Architectural and Engineering Services for DSA Approved One

- Story Kindergarten-type Classroom Buildings
- 8.28 Amendment No. 4 to the Professional Services Agreement with PSWC Group Architects for Architectural and Engineering Services for the Dr. Mildred Dalton Henry Elementary School Project
  - 8.29 Amendment No. 5 to the Professional Services Agreement with PSWC Group Architects for Architectural and Engineering Services for the Graciano Gomez Elementary School Project
  - 8.30 Amendment No. 29 to the Professional Services Agreement with HMC Architects for Architectural and Engineering Services for Various Modernization Projects – Group 7
  - 8.31 Amendment No. 30 to the Professional Services Agreement with HMC Architects to Provide Architectural and Engineering Services for Hunt Elementary School Phase II Project
  - 8.32 Approval to Process Payments for Pending Change Orders for the Lease/Lease-Back Delivery Method for the Little Mountain Elementary School Project
  - 8.33 Bid No. F11-02A Re-Bid, HVAC Upgrades at Dr. Martin Luther King Jr., Del Vallejo, Shandin Hills and Serrano Middle Schools
  - 8.34 Bid No. F11-02B Re-Bid, HVAC Upgrades at Arrowview, Golden Valley and Richardson PREP Hi Middle Schools
  - 8.35 Notice of Completion, Bid No. 03-12, Cooling Tower Replacement Board of Education
  - 8.36 Notice of Completion, Bid No. F08-09, Arrowhead, Carmack, Harmon, and Kendall Elementary Schools Modernization Project
  - 8.37 Notice of Completion, Bid No. F08-10, Bradley, Marshall, Ramona-Alessandro and Warm Springs Elementary Schools Modernization Project
  - 8.38 Notices of Completion, Bid No. F08-18, Category Nos. 06, 07 and 17 - New Construction for the Captain Leland F. Norton Elementary School
  - 8.39 Notice of Completion, Bid No. F08-29, Category Nos. 02 and 28 - Indian Springs High School New Construction/Old Curtis Middle School Modernization Project (Prepared by Facilities/Operations Division)
  - 8.40 Notice of Completion, Bid No. F09-12, Hunt Elementary School - Phase II Project
  - 8.41 Request for Retention Reduction, Bid No. F08-18, Category No. 13 - Captain Leland F. Norton Elementary School Project
  - 8.42 Takeover Agreement with The Ohio Casualty Insurance Company for Pacwest Corp. for Bid No. F11-02D, Pacific High School Modernization, Sierra and San Andreas High Schools Modernization/HVAC Upgrades
  - 8.43 Tender Agreement with Great American Insurance Company for Bid No. F08-17, Group 11 - Barton, Burbank, Emmerton, and Lankershim Elementary Schools Modernization Project, Category No. 03 - General Construction

Board of Education Meeting  
May 7, 2013

**Nutrition Services**

- 8.44 Amendment No. 8 to Service Agreements with Temporary Labor Companies to Provide Nutrition Services Personnel

**HUMAN RESOURCES DIVISION**

- 8.45 Amendment No. 1 of the Agreement with the University of Redlands Liberal Studies Program, Redlands, California, for Educational Field Experience

**SESSION NINE - Action**

**9.0 Action Items 7:20 p.m.**

- 9.1 7-11 Convenience Store/Gas Station Project  
9.2 Resolution of the Board of Education of the San Bernardino City Unified School District Authorizing the Refinancing of General Obligation Bonds, Election of 2004, Series A, Series B and Series C  
9.3 Resolution of the Board of Education of the San Bernardino City Unified School District Authorizing the Issuance and Sale of General Obligation Bonds, Election of 2012, Series A and Series B, Under Measure N  
9.4 Personnel Report #21, Dated May 7, 20133

**SESSION TEN - Closed Session**

**10.0 Closed Session 7:45 p.m.**

As provided by law, the Board will meet in Closed Session for consideration of the following:

**Student Matters/Discipline**

**Conference with Labor Negotiator**

District Negotiator: Harold Vollkommer  
Employee Organization: California School Employees Association  
Communications Workers of America  
San Bernardino School Police Officers Association  
San Bernardino Teachers Association

**Anticipated Litigation**

(Government Code Section 54956.9(b)(1))  
Number of Cases: Eleven

**Public Employee Appointment**

Title: Director, Single District Special Education Local Plan Area (SELPA)  
Elementary School Principal  
Middle School Principal

Board of Education Meeting  
May 7, 2013

**Public Employee Discipline/Dismissal/Release/Demotion/Reassignment Pursuant to  
Government Code Section 54957**

**Non-Reelection of Certificated Employee(s)**

**Consideration of Administrative Law Judge's Proposed Decision in Case #2013030854  
Pursuant to Government Code Section 54957 and/or 54956.9(a)**

**SESSION ELEVEN – Open Session**

**11.0 *Action Reported from Closed Session* *8:45 p.m.***

- 11.1 Adoption of Resolution Terminating Services of Certificated Employees as a  
Result of Reduction or Discontinuation of Particular Kinds of Services (Acting  
Upon Proposed Decision of Administrative Law Judge)

**SESSION TWELVE - Closing**

**12.0 *Adjournment* *9:00 p.m.***

The next regular meeting of the Board of Education of the San Bernardino City Unified School District will be held on Tuesday, May 21, 2013, at 5:30 p.m. in the Community Room of the Board of Education Building, 777 North F Street, San Bernardino.

Posted: May 3, 2013

**AGENDA FOR THE  
SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT**

**Regular Meeting of the Board of Education  
Community Room  
Board of Education Building  
777 North F Street  
San Bernardino, California**

---

**MICHAEL J. GALLO**  
Vice President

**MARGARET HILL, D.Ed.**  
Board Member

**JUDI PENMAN**  
Board Member



**DR. BARBARA FLORES**  
President

**DALE MARSDEN, Ed.D.**  
Superintendent

**BOBBIE PERONG**  
Board Member

**LYNDA K. SAVAGE**  
Board Member

**DANNY TILLMAN**  
Board Member

---

May 7, 2013

**SESSION ONE – Workshop**

**2.0**    *Workshop*

- 1.1    Budget Priorities  
(Prepared by Superintendent)

Superintendent Dale Marsden will lead a discussion on budget priorities in the event that the Governor's proposed Local Control Funding Formula (LCFF) passes.

**SESSION TWO - Opening**

**2.0**    *Opening*

- 2.1    Call to Order
- 2.2    Pledge of Allegiance to the Flag
- 2.3    Adoption of Agenda
- 2.4    Inspirational Reading

\*All indicated times are approximate. The actual time for any item is dependent upon the amount of time required for prior items.

**SESSION THREE - Special Presentations**

**3.0 Special Presentations**

3.1 Student Report/School Showcase—San Gorgonio High School

3.2 Recognition of Classified Employees Appreciation Week (May 19 - 25, 2013)  
(Prepared by the Communications Department)

**WHEREAS** in order for the San Bernardino City Unified School District to run efficiently and effectively, it must depend daily on the dedication and capabilities of employees in the Classified Service; and

**WHEREAS** more than 2,400 classified employees who work in various capacities ranging from instructional aides, computer technicians, and delivery drivers to library clerks and custodians, perform their duties with great pride and skill; and

**WHEREAS** classified employees work with commitment in forwarding the mission of the San Bernardino City Unified School District and thereby provide many benefits to this community, its schools, and the state of California; and

**WHEREAS** our School District joins the state of California in setting aside May 19-25, 2013, as a fitting time to honor classified employees and recognize their long and excellent service record;

**THEREFORE, BE IT RESOLVED** that the members of the Board of Education of the San Bernardino City Unified School District acknowledge the contributions of the District's classified employees and express the appreciation of the School District and the community for these important services; and

**BE IT FURTHER RESOLVED** that the Board of Education designates May 19-25, 2013, as a period of time set aside to spotlight the accomplishments of our classified employees.

3.3 Recognition of Day of the Teacher  
(Prepared by the Communications Department)

**WHEREAS** the Board of Education of the San Bernardino City Unified School District is honored each year to participate with other school districts throughout California in declaring a day to celebrate teachers; and

**WHEREAS** countries throughout the world recognize the importance of teachers, and Mexico has set aside *Día del Maestro*, which is celebrated May 15; and



**WHEREAS** we honor the women and men who make such a vital contribution to our community and our nation by teaching, motivating, supporting, nurturing, and preparing children and youth to become productive citizens of the future; and

**WHEREAS** May 8, 2013, has been designated "The Day of the Teacher" in California, honoring the thousands of women and men who have chosen the education profession, have accepted positions in the public schools, and who are building exemplary careers in this field; and

**WHEREAS** being a good teacher goes far beyond the act of merely delivering facts and information; good teachers encourage students to learn and strive for success, develop in students lifelong skills on which the students' futures depend, and give support and guidance to children and youth during the formative years of their lives; and

**WHEREAS** additionally, May 17, 2013, has been chosen as the day to honor teachers in the San Bernardino City Unified School District, who are second-to-none in their chosen profession;

**THEREFORE, BE IT RESOLVED** that the members of the Board of Education of the San Bernardino City Unified School District, acting on behalf of the residents of the City of San Bernardino, take this opportunity to express their gratitude and appreciation to the teachers of the School District for their service, dedication, and professional excellence in providing quality education to every student in this school system; and

**BE IT FURTHER RESOLVED** that May 17, 2013, be declared a day to honor and express appreciation to all members of the teaching staff of the District schools.

#### **SESSION FOUR - Reports and Comments**

##### **4.0 *Reports and Comments***

4.1 Report by San Bernardino Teachers Association

4.2 Report by California School Employees Association

4.3 Report by Communications Workers of America

4.4 Report by San Bernardino School Police Officers Association

4.5 Report by San Bernardino School Managers

4.6 Comments by Board Members

Individual Board members may wish to share a comment, concern, and/or observation with other Board members and/or staff about a topic not on the agenda. In addition, individual Board members may wish to suggest items to be scheduled on a future agenda.

4.7 Comments by Superintendent and Staff Members

The Superintendent and other members of the management staff may discuss events and future activities significant to the school district.

4.8 Strategic Planning Implementation Discussion

**SESSION FIVE – Public Comment**

**5.0 *Public Comment***

This is the time during the agenda when the Board of Education is prepared to receive comments of members of the public on any matter within its subject matter jurisdiction. If you wish to address the Board, please complete a “Request to Address the Board of Education” form giving a brief description of the matter you wish to address. If you wish to speak to an agenda item and prefer to wait to address the Board at the time the item is under Board consideration, indicate so on your form. Please place your completed form in the inbox located at the agenda table.

The Board may not have complete information available to answer questions and may refer specific concerns to the Superintendent for attention. The Board requests that any person wishing to make complaints against District employees file the appropriate complaint form prior to this meeting. Speakers are cautioned that under California law, no person is immune from liability for making intentionally false or defamatory comments regarding any person simply because these comments are made at a public meeting.

This is the only time on the agenda that the public will have an opportunity to address the Board on non-agendized matters. When recognized by the President of the Board, please step to the microphone at the podium, give your name and address, and limit your comments to five minutes. The Board limits total time for public comment on any topic to 30 minutes.

## **SESSION SIX - Administrative Presentation**

### **6.0 *Administrative Presentation***

#### **6.1 Measure N Bond Presentation (Prepared by Facilities/Operations)**

John Peukert, Assistant Superintendent, Facilities/Operations; David Casnocha with Stradling, Yocca, Carlson, and Rauth (Bond attorney); and Timothy Carty, with Piper Jaffray and Company (Bond underwriter) will present to, and answer questions from, the Board of Education regarding the issuance of the current bond, the refinancing of prior bonds, repayment of QSCB, and CABS.

## **SESSION SEVEN - Administrative Reports**

### **7.0 *Administrative Reports***

#### **7.1 Williams Deciles 1-3 Schools Quarterly Report (Prepared by Superintendent)**

California Education Code section 1240 requires that the County Superintendent visit all deciles 1-3 schools (Williams monitored schools currently based on the 2009 Academic Performance Index [API]) identified in the county and report the results of his findings on a quarterly basis. Commencing with 2008-09, Education Code section 52055.740 (4) requires that the visits include Quality Education Investment Act schools (even if they are not currently identified as Williams monitored schools) as they are subject to meeting all of the Williams Settlement requirements.

The instructional materials sufficiency reviews, facilities inspections, School Accountability Report Card (SARC) reviews, and California High School Exit Examination (CAHSEE) site validation reviews (as appropriate) were conducted during the first quarter of the 2012-13 fiscal year and the findings were reported in October 2012. The annual teacher assignment monitor and review process began November 5, 2012, and concludes by report to the California Commission on Teacher Credentialing on July 1, 2013. The final teacher assignment information will be provided in the fourth quarterly report.

In summary, there are no findings to report in the following areas:

1. Instructional Materials
2. School Facilities
3. SARC
4. Teacher Assignment

In summary, the findings were as follows:

Board of Education Meeting  
 May 7, 2013

5. CAHSEE Intensive Instruction and Services

The 2012-13 Valenzuela Documentation Review was conducted to determine the extent to which pupils who have not passed the CAHSEE by the end of grade 12 are informed of their eligibility to receive CAHSEE intensive instruction and services for up to two consecutive years after grade 12, and the extent to which pupils who have elected to receive services are being served for the Classes of 2011 and 2012.

Through their review, the County has determined that our district is in compliance with the terms of the Valenzuela Settlement Legislation.

7.2 Follow Up on Requests and Questions from Board and Community Members, as of May 1, 2013

	Date of Request	Question/Request	Requested by	Assigned to	Anticipated Completion Date	Status/Remarks/Action
1	4/17/13	How many counselors are at Lincoln Elementary?	Ron Fletcher	Dr. Mitchell		One. <b>Completed.</b>
2	4/17/13	Consider a later start time for teenage students.	Ron Fletcher	Dr. Mitchell		
3	4/17/13	Leave the lights on past 11:30 p.m. until the custodians lock the gates and get to their cars.	Carl Greenwood	Mr. Peukert		
4	4/17/13	Expressed concern that a Cajon High School staff member verbally and racially harassed her son.	Nikky Frazier	Dr. Vollkommer	5/21/13	Investigation in progress.
5	4/17/13	Expressed concern of how she and her granddaughter were treated by Cajon High School staff.	Shonda Gilchrist	Dr. Vollkommer	5/21/13	Investigation in progress.
6	2/19/13 3/5/13	Expressed concern of Belvedere administrators' intimidation of staff.	Aurora McElroy Lourdes Hauchbaum Erika Guerrero	Dr. Vollkommer	5/21/13	Investigation in progress.
7	2/5/13	Consider installing video cameras in all classrooms.	Richelle Capozio	Dr. Vollkommer	5/13	Staff will work with SBTA to examine

Board of Education Meeting  
 May 7, 2013

	Date of Request	Question/Request	Requested by	Assigned to	Anticipated Completion Date	Status/Remarks/Action
						possibilities.
<b>EDUCATIONAL SERVICES – DR. DAVALOS</b>						
1	1/22/13	Expand Richardson PREP HI enrollment policy so all students living in District boundaries are eligible for the lottery.	Mr. Tillman	Dr. Davalos	5/13	Educational Services staff will bring a recommendation to amend the policy.
2	1/22/13	Contract with an agency to conduct a program evaluation.	Mrs. Penman	Dr. Davalos	5/13	Work in progress.
3	3/19/13	Show the alignment of benchmark 3 with CST performance.	Mr. Gallo	Dr. Davalos	Summer 2013	Staff will conduct an evaluation upon release of official 2013 CST scores.
4	3/19/13	Review the Rodriguez PREP Academy entrance requirements policy.	Mr. Gallo Mr. Tillman	Dr. Davalos	5/21/13	Staff is currently conducting a review and will present findings in a future Board Correspondence.
5	4/2/13	Ensure Salinas Elementary School retains a creative arts focus or change the name.	Mrs. Hill	Dr. Davalos	5/21/13	Board will receive a Board Correspondence on this topic.
6	4/2/13	The Board needs to look at where to prioritize funds for common core.	Dr. Flores	Dr. Davalos	5/7/13	This will be included in May 7 Workshop. <b>Completed.</b>
7	4/17/13	Can the District offer CAFE's Project to Aspire program for parents?	Dr. Flores	Dr. Davalos	6/13	Staff will conduct a review of the program to make a next step determination.

Board of Education Meeting  
 May 7, 2013

	Date of Request	Question/Request	Requested by	Assigned to	Anticipated Completion Date	Status/Remarks/Action
<b>STUDENT SERVICES – DR. MITCHELL</b>						
1	4/2/13	Prepare a resolution to support homeless students.	Board Consensus	Dr. Mitchell	5/21/13	Ongoing collaboration through the District Community Engagement Plan.
2	4/2/13	Include a discipline policy for next Policy Committee meeting.	Mr. Gallo	Dr. Mitchell	6/30/13	A recommendation will be presented to the Policy Committee by 6/30/13.
3	4/2/13	Are funds available to provide health centers at schools?	Mr. Tillman	Dr. Mitchell	5/21/13	Cabinet will consider this option as part of the District Community Engagement Plan.
4	4/17/13	Inform ICUC parents of the reclassification process and their role. Clarify the Biliteracy seal to them.	Dr. Flores	Dr. Davalos		4/25/13 <b>Completed.</b>
5	4/17/13	What would the cost be for an in-District school for expelled students?	Mrs. Perong	Dr. Mitchell	7/13	District is currently in the process of establishing such a school.
<b>BUSINESS SERVICES – DR. SAUL</b>						
1	2/5/13	Have a workshop on School Services' report.	Mrs. Savage	Dr. Saul	6/13	Update will be provided of next steps during 6/13 meeting.
<b>HUMAN RESOURCES – DR. VOLLKOMMER</b>						
1	3/5/13	Agendize Personnel Commission to find a way to fill positions. How many positions are vacant and not backfilled?	Mr. Tillman Mr. Gallo Mrs. Perong	Dr. Vollkommer		Date to be determined.

Board of Education Meeting  
 May 7, 2013

	Date of Request	Question/Request	Requested by	Assigned to	Anticipated Completion Date	Status/Remarks/Action
2	1/8/13	Train teachers in peer tutoring, possibly with Ed Equity.	Mrs. Perong	Dr. Vollkommer	5/13	Report will be prepared for future Board Correspondence
<b>COMMUNICATIONS – MRS. BARDERE</b>						
1	4/2/13	Contact the New American Alliance about partnering.	Dr. Flores	Mrs. Bardere	6/3/13	<b>Completed.</b>
2	4/17/13	Bring back student awards to Board meetings.	Mrs. Hill	Mrs. Bardere		
<b>SUPERINTENDENT – DR. MARSDEN</b>						
1	4/2/13	Talk to legislators about TRANs taking away funds from students.	Dr. Flores	Dr. Marsden	5/13	Will share information with our state lobbyists.
2	4/2/13	Tell legislators that support charter schools they need to offer them a funding source to address cash flow problems.	Mr. Tillman	Dr. Marsden	5/13	Will share information with our state lobbyists.
3	4/17/13	Budget anticipated additional funds. Couple it with Strategic Plan to maintain its priority.	Mr. Gallo	Dr. Marsden		5/7/13 Agenda. <b>Completed.</b>

Board of Education Meeting  
May 7, 2013



**SESSION EIGHT – Consent Calendar**

**8.0 Consent Calendar** (When considered as a group, unanimous approval is advised.)

Certain items of business require review and approval by the Board of Education. Other items are for information and review only. Therefore, the following items are grouped as a consent list for receipt and approval. When members have questions about items included in the consent calendar, these items are pulled out of the group and considered separately.

**BUSINESS SERVICES DIVISION**

8.1 Acceptance of Gifts and Donations to the District  
 (Prepared by Business Services Division)

From time to time, the District receives requests from organizations and businesses to donate money, equipment, and/or supplies to be used for educational purposes in our schools.

The District has received requests to accept gifts or donations of the following:

SITE	DONOR	DONATION AND PURPOSE	AMOUNT	VALUE
San Bernardino Adult School	Judy Reynolds Champaign, Illinois	(100) Math books for beginning and intermediate math students		\$266.73
Salinas Elementary School	Farmer Boys Ayala Rialto, California	\$121.00 To sponsor the 5 <sup>th</sup> Grade Science Camp	\$121.00	
English Learner Programs Department	Nestle Waters North America, Inc., Ontario, California	(72) cases of water to benefit the 2013 SEI/ELM teachers pre-service meeting		\$359.00
English Learner Programs Department	Staples, San Bernardino, California	A variety of classroom materials to support the 2013 SEI/ELM teachers pre-service meeting		\$1,100.00
English Learner Programs Department	Schools First Federal Credit Union, Santa Ana, California	12” wooden rulers and dry erase markers for up to 250 teachers to support the 2013 SEI/ELM teachers pre-service meeting		\$1,500.00

Board of Education Meeting  
 May 7, 2013

English Learner Programs Department	Lakeshore Learning, Carson, California	Gift Cards and learning materials to support the 2013 SEI/ELM teachers pre-service meeting		\$750.00
English Learner Programs Department	McGraw-Hill Education Carlsbad, California	(800) Student Readers to support the 2013 SEI/ELM teachers pre-service meeting		\$1,600.00
Communications Department	San Bernardino School Employees Federal Credit Union, San Bernardino, California	\$650.00 To support the Golden Apple Dinner Event	\$650.00	
Anton Elementary School	Anton Elementary (PTA) Parent Teacher Association San Bernardino, California	\$1,248.00 To be used towards the payment of yearbooks	\$1,248.00	
Salinas Elementary School	Maggie's Kids Foundation Highland, California	\$100.00 To support Salinas Elementary School's Holiday giving store	\$100.00	
English Learner Programs Department	National Geographic Learning, San Diego, California	(250) Tote bags to sponsor the 2013 SEI/ELM teachers pre-service meeting		\$1,000.00
English Learner Programs Department	Cardenas Market Ontario, California	Sweet bread to sponsor the 2013 SEI/ELM teachers pre-service meeting		\$118.00
Bradley Elementary School	Lifetouch, Corona, California	\$214.56 To sponsor the ASB	\$214.56	
Dr. Martin Luther King Middle School	Lynne kittnell Moreno Valley, California	A collection of Disney dolls towards King's MODEL store to support the PBS Program		\$1,046.00

The acceptance of these donations meets all requirements of Board Policy 3290, Gifts, Donations, Grants, and Bequests.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education acknowledges receipt of (100) Math books with the total value of \$266.73, Judy Reynolds, Champaign, Illinois; \$121.00, Farmer Boys Ayala, Rialto, California; (72) cases of water with the total value of \$359.00, Nestle Waters North America, Inc., Ontario, California; a variety of classroom materials with the total value of \$1,100.00, Staples, San Bernardino, California; 12" wooden rulers and dry erase markers with the total value of \$1,500.00, Schools First Federal Credit Union, Santa Ana, California; Gift

Board of Education Meeting  
May 7, 2013

cards and learning materials with the total value of \$750.00, Lakeshore Learning, Carson, California; (800) Student Readers with the total value of \$1,600.00, McGraw-Hill Education, Carlsbad, California; \$650.00, San Bernardino School Employees Federal Credit Union, San Bernardino, California; \$1,248.00, Anton Elementary (PTA) Parent Teacher Association, San Bernardino, California; \$100.00, Maggie's Kids Foundation, Highland, California; (250) Tote bags with the total value of \$1,000.00, National Geographic Learning, San Diego, California; Sweet bread with the total value of \$118.00, Cardenas Market, Ontario, California; \$214.56, Lifetouch, Corona, California; and a collection of Disney dolls with the total value of \$1,046.00, Lynne Kittnell, Moreno Valley, California.

Requester: Various

Approver: Interim Chief Business and Financial Officer, Business Services Division

8.2 Amendment No. 1 of the Agreement with San Bernardino County Superintendent of Schools, San Bernardino, California, to Provide Courier Services to the District  
(Prepared by Business Services Division)

The Accounting Services Department requests Board of Education approval to amend the agreement with San Bernardino County Superintendent of Schools, San Bernardino, California, approved by Board on June 19, 2012, Agenda Item 8.16. The amendment is necessary to add \$16,275.62 to the original fee of \$12,595.05 for an aggregate contract not to exceed amount of \$28,870.67, to provide courier services to the District. The additional fee will be paid from the Unrestricted General Fund—Business Services, Account No. 068. All other terms and conditions remain the same.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education approves amending the agreement with San Bernardino County Superintendent of Schools, San Bernardino, California, approved by the Board on June 19, 2012, Agenda Item 8.16. The amendment is necessary to add \$16,275.62 to the original fee of \$12,595.05 for an aggregate contract not to exceed amount of \$28,870.67, to provide courier services to the District. The additional fee will be paid from the Unrestricted General Fund—Business Services, Account No. 068. All other terms and conditions remain the same.

BE IT FURTHER RESOLVED that the Board of Education authorizes Debra Love, Director, Purchasing Department, to sign all related documents.

Requester: Director, Accounting Services Department

Approver: Director, Fiscal Services Department

Board of Education Meeting  
May 7, 2013

8.3 Bid No. 18-12, Computer Equipment, Software and Services  
(Prepared by Business Services Division)

Bid No. 18-12 Computer Equipment, Software and Services, advertised October 23, and October 30, was opened November 15, 2012, at 11:00 a.m. The Districts request that all bids received in response to Bid No. 18-12 be rejected in their entirety. After careful consideration, the District found no advantage in awarding this bid. The District will continue to use existing contract for purchase of computer equipment, software, and services.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that in the best interest of the District, all bids received in response to Bid No. 18-12, be rejected in its entirety.

Requester/Approver: Director, Purchasing Department

8.4 Business and Inservice Meetings  
(Prepared by Business Services Division)

During the course of the school year, members of the Board of Education, as well as students, parents, volunteers, community members and other individuals who are not District employees, are involved in activities that include attendance at various conferences, inservices, training sessions and other business meetings, the cost of which must be approved by the Board of Education.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education approves the attendance and participation of the following individuals in scheduled business and inservice meetings:

Rosa Loera  
(Board Representative, English Learner Programs)

To attend the 2013 California Association for Bilingual Education (CABE) Conference in Ontario, California, on May 23, 2013. Total cost, including meals and mileage per District guidelines, not to exceed \$125.00, will be paid from English Learner Programs Account No. 501.

Julia Ramirez  
(Board Representative, English Learner Programs)

To attend the 2013 California Association for Bilingual Education (CABE) Conference in Ontario, California, on May 23, 2013. Total cost, including meals and mileage per District guidelines, not to exceed \$125.00, will be paid from English Learner Programs Account No. 261.

Board of Education Meeting  
May 7, 2013

Requester: Director, English Learner Programs  
Approver: Chief Academic Officer, Educational Services Division

8.5 Commercial Warrant Registers for Period from April 1, 2013 through April 15, 2013  
(Prepared by Business Services Division)

It is requested that the Board of Education approve the Commercial Warrant Register and authorize specific individuals to sign disbursements on its behalf.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Commercial Warrant Register for period from April 1, 2013 through April 15, 2013, be approved.

BE IT FURTHER RESOLVED that the Board of Education authorizes James Cunningham, Accounting Services Director; David Moyes, Accounts Payable Supervisor; or Derek Harris, Interim Employee Benefits Director, to signed disbursements.

Requester: Director, Accounting Services Department  
Approver: Director, Fiscal Services Department

8.6 Delegation of Purchasing Authority  
(Prepared by Business Services Division)

In order to conduct District business, the Board of Education approves on an annual basis, certain authorizations for purchasing authority for District personnel to carry out the purchasing function.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education, under the provision of Education Code Section 17605, authorizes those individuals employed by the District as Purchasing Department buyers to sign purchase orders including, but not limited to, supplies, furniture, and equipment that cost less than \$15,000.00 through June 30, 2014.

BE IT FURTHER RESOLVED that the Board of Education, under the provisions of Education Code Section 17605, authorizes those individuals employed by the District as Purchasing Department purchasing clerks and senior purchasing clerks to sign purchase orders for, but not limited to, supplies, furniture, and equipment that cost less than \$5,000.00 through June 30, 2014.

Board of Education Meeting  
May 7, 2013

Requester: Director, Purchasing Department

Approver: Interim Chief Business and Financial Officer, Business Services Division

8.7 Extended Field Trip, Arroyo Valley High School, CORE Academy Summer Internship, Yosemite National Park, California  
(Prepared by Business Services Division)

Arroyo Valley High School requests Board of Education approval of an extended field trip for 18 Arroyo Valley High School students and 3 District employees to attend the CORE Academy Summer Internship, in Yosemite National Park, California, from May 27, through May 31, 2013.

Students have the opportunity to fulfill part of the school's mission statement to expose and educate students on the natural resources of their environment. The field ecologist will be training students to use GIS equipment and teaching them to identify indigenous and invasive plants of the Yosemite Valley. Students will participate in the restoration plan for the area with the aid of park ecologists.

The cost of the trip, not to exceed \$3,000.00, including meals and lodging for 18 Arroyo Valley High School students and 3 District employees, will be paid from Arroyo Valley High School CORE Academy Fundraiser and ASB funds. Transportation provided by America's Express Rental, not to exceed \$2,250.00, will be paid from Arroyo Valley High School CORE Academy Fundraiser and ASB funds. No student will be denied participation due to financial constraints.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education approves the extended field trip for 18 Arroyo Valley High School students and 3 District employees to attend the CORE Academy Summer Internship, in Yosemite National Park, California, from May 27, through May 31, 2013. The cost of the trip, not to exceed \$3,000.00, including meals and lodging for 18 Arroyo Valley High School students and 3 District employees, will be paid from Arroyo Valley High School CORE Academy Fundraiser and ASB funds. Transportation provided by America's Express Rental, not to exceed \$2,250.00, will be paid from Arroyo Valley High School CORE Academy Fundraiser and ASB funds. Names of the students are on file in the Business Services office.

Requester: Principal, Arroyo Valley High School

Approver: Chief Academic Officer, Educational Services Division

8.8 Field Trip, Indian Springs High School, California Theatre of Performing Arts, San Bernardino, California  
(Prepared by Business Services Division)

Indian Springs High School requests Board of Education approval of a field trip for 30 Indian Springs High School students, 2 adult chaperones, and 1 District employee to attend The California Theatre of Performing Arts in San Bernardino, California, on May 18, 2013.

The students will be experiencing a live symphony performed by professionals. By experiencing a live performance students are able to understand certain nuance that they learn in class. This event will enhance their education.

The cost of the trip, not to exceed \$637.82 for 30 Indian Springs High School students, 2 adult chaperones, and 1 District employee, will be paid from Indian Springs High School Account No. 422 and Account No. 202. Transportation provided by Durham School Services, not to exceed \$337.82, will be paid from Indian Springs High School Account No. 202. No student will be denied participation due to financial constraints.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education approves a field trip for 30 Indian Springs High School students, 2 adult chaperones, and 1 District employee to attend The California Theatre of Performing Arts in San Bernardino, California, on May 18, 2013. The cost of the trip, not to exceed \$637.82 for 30 Indian Springs High School students, 2 adult chaperones, and 1 District employee will be paid from Indian Springs High School Account No. 422 and Account No. 202. Transportation provided by Durham School Services, not to exceed \$337.82, will be paid from Indian Springs High School Account No. 202. Names of the students are on file in the Business Services office.

Requester: Principal, Indian Springs High School  
Approver: Chief Academic Officer, Educational Services Division

8.9 Extended Field Trip, Indian Springs High School, Knott's Berry Farm, Buena Park, California  
(Prepared by Business Services Division)

Indian Springs High School requests Board of Education approval of an extended field trip for 18 Indian Springs High School students and 2 District employees to attend Knott's Berry Farm, in Buena Park, California, on April 27, 2013.

This is a student leadership conference for ASB hosted by Herff Jones. Students will be able to collaborate with other peer leaders from throughout Southern California.

Board of Education Meeting  
May 7, 2013

The cost of the trip, not to exceed \$1,060.85, including meals for 18 Indian Springs High School students and 2 District employees, will be paid from Indian Springs High School Account No. 422. Transportation provided by Durham School Services, not to exceed \$548.77, will be paid from Indian Springs High School Sports Busing Account No. 202. No student will be denied participation due to financial constraints.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education ratifies an extended field trip for 18 Indian Springs High School students and 2 District employees to attend Knott's Berry Farm in Buena Park, California, on April 27, 2013. The cost of the trip, not to exceed \$1,060.85 including meals for 18 Indian Springs High School students and 2 District employees, will be paid from Indian Springs High School Account No. 422. Transportation provided by Durham School Services, not to exceed \$548.77, will be paid from Indian Springs High School Sports Busing Account No. 202. Names of the students are on file in the Business Services office.

Requester: Principal, Indian Springs High School  
Approver: Chief Academic Officer, Educational Services Division

8.10 Federal/State/Local District Budgets and Revisions  
(Prepared by Business Services Division)

Throughout the year, the District is advised by federal, state, and local agencies of program entitlements and any additions and/or reductions in funds available for already-approved programs. The following programs requested by the Board of Education affect the restricted and unrestricted portions in the budgets of the District funds. In order to adjust the program budgets, it is necessary to have Board of Education approval.

The restricted program, Preschool Staff Development (594) was included in the Fiscal Year 2012-2013 approved budget in the amount of \$1,028.00. Based on the grant award notification received on April 22, 2013, an increase in the amount of \$110.00 will result in a revised total of \$1,138.00.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education approves the addition of \$110.00 in the budgeting of revenues and expenditures for the restricted program, Preschool Staff Development (594).

Requester/Approver: Director, Fiscal Services



Board of Education Meeting  
May 7, 2013

8.11 Payment for Course of Study Activities  
(Prepared by Business Services Division)

District schools find it to be educationally advantageous to employ persons outside of the District in order to provide activities that enhance their educational programs.

Kimbark Elementary School wishes to hire the San Bernardino County Department of Solid Waste Management for a presentation titled “The Magic of Recycling Show” on May 8, 2013. Students will learn the importance of recycling and how anyone and everyone can make a difference to save our environment. The presentation will be made at no cost to the District.

Kimbark Elementary School wishes to hire Peak Energy Coalition for a presentation titled “Peak Energy Awareness” on May 10, 2013. This is an educational presentation which empowers students with the knowledge to wisely manage energy use in their homes, schools, and communities. The presentation will be made at no cost to the District.

Rio Vista Elementary School wishes to hire Donzaleigh Abernathy for two student presentations titled “The Civil Rights Movement, a Pictorial History” on May 24, 2013. The presentations will give students the view from a child’s perspective on the Civil Rights Movement. The cost, not to exceed \$1,125.00, will be paid from Categorical Programs Account No. 049.

Del Vallejo Middle School wishes to hire Donzaleigh Abernathy for three student presentations titled “The Civil Rights Movement, a Pictorial History” on May 7, 2013. The presentations will give students the view from a child’s perspective on the Civil Rights Movement. The cost, not to exceed \$1,625.00, will be paid from Categorical Programs Account No. 049.

San Bernardino High School wishes to hire Donzaleigh Abernathy for four student presentations titled “The Civil Rights Movement, a Pictorial History” on May 14, 2013. The presentations will give students the view from a child’s perspective on the Civil Rights Movement. The cost, not to exceed \$2,250.00, will be paid from Categorical Programs Account No. 049.

Cajon High School wishes to hire Donzaleigh Abernathy for four student presentations titled “The Civil Rights Movement, a Pictorial History” on May 9, 2013. The presentations will give students the view from a child’s perspective on the Civil Rights Movement. The cost, not to exceed \$2,250.00, will be paid from Categorical Programs Account No. 049.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education considers the following activities to be a part of the regular course of study for the 2012-13 school year and approves payment to the following:

Board of Education Meeting  
May 7, 2013

The San Bernardino County Department of Solid Waste Management for a presentation titled “The Magic of Recycling Show” on May 8, 2013. The presentation will be made at no cost to the District.

Peak Energy Coalition for a presentation titled “Peak Energy Awareness” on May 10, 2013. The presentation will be made at no cost to the District.

Donzaleigh Abernathy for two student presentations titled “The Civil Rights Movement, a Pictorial History” on May 24, 2013. The cost, not to exceed \$1,125.00, will be paid from Categorical Programs Account No. 049.

Donzaleigh Abernathy for four student presentations titled “The Civil Rights Movement, a Pictorial History” on May 14, 2013. The cost, not to exceed \$2,250.00, will be paid from Categorical Programs Account No. 049.

Donzaleigh Abernathy for four student presentations titled “The Civil Rights Movement, a Pictorial History” on May 9, 2013. The cost, not to exceed \$2,250.00, will be paid from Categorical Programs Account No. 049.

BE IT FURTHER RESOLVED that the Board of Education ratifies payment to the following:

Donzaleigh Abernathy for three student presentations titled “The Civil Rights Movement, a Pictorial History” on May 7, 2013. The cost, not to exceed \$1,625.00, will be paid from Categorical Programs Account No. 049.

Requester: various

Approver: Assistant Superintendent, Student Services; Assistant Superintendent, Human Resources Division; Chief Academic Officer, Educational Services Division

8.12 Signature Authorization – Accounting Services  
(Prepared by Business Services Division)

The Business Services Division requests Board of Education’s approval to grant signature authorization for Jim Cunningham, Director, Accounting Services, effective April 17, 2013.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education ratifies delegating signature authority for Jim Cunningham, Director, Accounting Services, to sign all documents that require authorized agent to execute, including but not limited to grants, contracts, agreements, reports, financial forms and specifically on the following District documents and related materials on behalf of the Board of Education effective April 17, 2013:

Board of Education Meeting  
May 7, 2013

District Orders (and related journal entries);  
Payroll Orders (and related journal entries);  
Voluntary Payroll Deductions;  
Journal Entries (for those not authorized for District or payroll orders);  
Checks drawn against the District Account;  
Checks drawn against the Workers' Compensation Account;  
Deposits to the County Treasurer;  
Purchase Orders  
Interfund Transfers  
Budget Transfers  
Revolving Cash Fund Authorization Forms  
Revolving Cash Fund Checks; District Revolving Cash Account, Salary Replacement Account  
Bank of America, District Account

BE IT FURTHER RESOLVED that the Board of Education grants access to Jim Cunningham, Director, Accounting Services, to the San Bernardino County Schools' Computer Consortium System with an Electronic Signature Key, effective April 17, 2013.

Requester/Approver: Interim Chief Business and Financial Officer, Business Services Division

8.13 Signature Authorization – Business Services Division  
(Prepared by Business Services Division)

In order to conduct District business, the Board of Education approves on an annual basis, certain authorizations for purchasing authority for District personnel to carry out the purchasing function.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education, under the provisions of Public Contract Code Section 20118.3, delegates authority to Debbie Love, Purchasing Director, to approve purchase orders, without estimates or bids, for supplementary textbooks, library books, educational films, audiovisual materials, test materials, workbooks, instructional computer software packages, or periodicals in any amount needed for the operation of the District effective July 1, 2013, through June 30, 2014.

Requester/Approver: Interim Chief Business and Financial Officer, Business Services Division

Board of Education Meeting  
May 7, 2013

8.14 Signature Authorization – Purchasing Director  
(Prepared by Business Services Division)

California Education Code 17604 delegates power to the Board of Trustees to enter into contracts on behalf of the District and to delegate such contractual authority to one or more District officers or employees by resolution of the Board.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education delegates temporary signature authority to Debra Love, Purchasing Services Director, to sign all contracts approved by the Board of Education, effective July 1, 2013, through June 30, 2014.

Requester/Approver: Interim Chief Business and Financial Officer, Business Services Division

8.15 Temporary Borrowing Between Funds of the School District for Fiscal Year 2013-14  
(Prepared by Business Services Division)

The San Bernardino County Treasurer has allowed in the past school district payrolls to be paid, regardless of the district's cash balance. The Treasurer has notified the County Superintendent of Schools that it will allow payroll warrants to be drawn against specific funds even if that fund's cash balance are insufficient, as long as the aggregate cash balances in the district's funds are sufficient to cover the expense. This arrangement now requires district governing boards to pass and renew annually a resolution authorizing temporary interfund borrowing between funds.

It is recommended that the following resolution be adopted:

**RESOLUTION TO AUTHORIZE TEMPORARY BORROWING  
BETWEEN FUNDS OF THE SCHOOL DISTRICT**

**WHEREAS** the San Bernardino County Treasurer does not have authority to honor warrants drawn on school district funds with insufficient cash balances in the absence of an approved borrowing arrangement with the district; and

**WHEREAS** the governing board of any school district may direct that moneys held in any fund or account may be temporarily transferred to another fund or account of the district for payment of obligations as authorized by Education Code Section 42603; and

**WHEREAS** actual interfund transfers shall be accounted for as temporary loans between funds and shall not be available for appropriation or be considered income to the borrowing fund or account; and

Board of Education Meeting  
May 7, 2013

**WHEREAS** amounts transferred shall be repaid either in the same fiscal year, or in the following fiscal year if the transfer takes place within the final 120 calendar days of a fiscal year;

**NOW THEREFORE, BE IT RESOLVED** that the Governing Board of the San Bernardino City Unified School District hereby authorizes, for fiscal year 2013-14, temporary transfers between all funds and authorizes the San Bernardino County Treasurer to honor warrants drawn on those funds, regardless of their cash balances, provided the aggregate cash balance of all District funds is positive.

**BE IT FURTHER RESOLVED** that the Governing Board of the San Bernardino City Unified School District hereby authorizes the Superintendent or his designee to approve any actual interfund transfers processed between the funds and requires that any actual transfer of funds pursuant to this resolution be ratified by the Board as soon as practicable.

Requester: Director, Accounting Services Department

Approver: Interim Chief Business and Financial Officer, Business Services Division

## **EDUCATIONAL SERVICES**

### **Curriculum and Instruction**

- 8.16 Amendment No. 1 of the Agreement with Life Long Learning & Associates, Blue Jay, California, to Provide Math and Language Professional Development at Arroyo Valley High School  
(Prepared by Business Services Division)

Arroyo Valley High School requests Board of Education approval to amend the agreement with Life Long Learning & Associates, Blue Jay, California, approved by the Board on August 21, 2012, Agenda Item 9.9. The amendment is necessary to add \$5,600.00 to the original fee of \$61,000.00 for an aggregate contract not to exceed amount of \$66,600.00, for five additional days of language professional development to 20 language arts teachers. The additional fee will be paid from the Restricted General Fund—School Improvement Grant-New SIG, Account No. 507. All other terms and conditions remain the same.

It is recommended that the following resolution be adopted:

**BE IT RESOLVED** that the Board of Education approves amending the agreement with Life Long Learning & Associates, Blue Jay, California, approved by Board on August 21, 2012, Agenda Item 9.9. The amendment is necessary to add \$5,600.00 to the original fee of \$61,000.00 for an aggregate contract not to exceed amount of \$66,600.00, for five additional days of language professional development to 20 language arts teachers. The additional fee will

Board of Education Meeting  
May 7, 2013

be paid from the Restricted General Fund—School Improvement Grant-New SIG, Account No. 507. All other terms and conditions remain the same.

BE IT FURTHER RESOLVED that the Board of Education authorizes Debra Love, Director, Purchasing Department, to sign all related documents.

Requester: Principal, Arroyo Valley High School  
Approver: Chief Academic Officer, Educational Services Division

8.17 Request for Waiver of California High School Exit Exam (CAHSEE) Passage Requirement for Students with a Disability  
(Prepared by Educational Services Division)

Education Code Section 60851(a) provides that “Commencing with the 2003-2004 school year and each school year thereafter, each pupil completing Grade 12 shall successfully pass the exit examination as a condition of receiving a diploma of graduation or a condition of graduation from high school.” Waiver of the successful passage of the CAHSEE is allowed under Specific Code Section: E.C. 56101: “...the waiver is necessary or beneficial to the content and the implementation of the pupil’s individualized education program...” Waiver of the successful passage of the California High School Exit Exam (CAHSEE) is requested for the specific students with the birthdates listed below:

11/26/1994    02/14/1995    04/24/1995    05/26/1995    07/13/1996    10/28/1996

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education approves the Waiver of CAHSEE Passage Requirement for Students with a Disability.

Requester: Assistant Director, Assessment and Accountability Department  
Approver: Chief Academic Officer, Educational Services Division

8.18 Woodward Leadership Academy Notice of Violation  
(Prepared by Educational Services Division)

The Educational Services Division requests the Governing Board to consider making findings of material violations by the Woodward Leadership Academy and delegate authority to the Superintendent or Superintendent's designee to prepare and send a formal written Notice of Violations including all of the requirements for such notices, including, but not limited to, specification of the violations and a reasonable opportunity for Woodward Leadership Academy to correct the violations, and to take all further steps as necessary to effectuate the Notice of Violations.

Board of Education Meeting  
May 7, 2013

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Governing Board considers making findings of material violations by the Woodward Leadership Academy and delegates authority to the Superintendent or Superintendent's designee to prepare and send a formal written Notice of Violations including all of the requirements for such notices, including, but not limited to, specification of the violations and a reasonable opportunity for Woodward Leadership Academy to correct the violations, and to take all further steps as necessary to effectuate the Notice of Violations.

Requester: Director of Charter School Operations  
Approver: Chief Academic Officer, Educational Services

### **STUDENT SERVICES**

#### **Health Services**

- 8.19 Physical Education Exemptions  
(Prepared by Student Services Division)

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the following students whose birth dates are listed below be exempt from physical education requirements and placed in alternative periods of instruction for the 2012-2013 school year:

6/5/95 1/10/97

Requester: Coordinator, Health Services  
Approver: Assistant Superintendent, Student Services

#### **Special Education**

- 8.20 Amendment No. 1 of the Agreement with The Cosca Group, Hemet, California, to Provide an In-Depth Study of the Special Education Program  
(Prepared by Business Services Division)

The Special Education Department requests Board of Education approval to amend the agreement with The Cosca Group, Hemet, California, approved by the Board on January 22, 2013, Agenda Item 9.23. The amendment is necessary to extend the term of the agreement to May 17, 2013, to continue the in-depth study of the Special Education Program. There is no cost to amend this agreement. All other terms and conditions remain the same.

It is recommended that the following resolution be adopted:

Board of Education Meeting  
May 7, 2013

BE IT RESOLVED that the Board of Education approves amending the agreement with The Cosca Group, Hemet, California, approved by the Board on January 22, 2013, Agenda Item 9.23. The amendment is necessary to extend the term of the agreement to May 17, 2013, to continue the in-depth study of the Special Education Program. There is no cost to amend this agreement. All other terms and conditions remain the same.

BE IT FURTHER RESOLVED that the Board of Education authorizes Debra Love, Director, Purchasing Department, to sign all related documents.

Requester/Approver: Assistant Superintendent, Student Services

**Youth Services**

8.21 Expulsion of Student(s)  
(Prepared by Youth Services Department)

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education accepts and adopts the recommendation and findings of the Hearing Panel, based on a review of the Panel's finding of facts and recommendations, and orders the expulsion of the following student(s) with the birth date(s) as listed below in accordance with the Board rules and regulations and in compliance with Education Code Section 48900:

\*(S)4/8/1998    \*(S)1/28/1996    \*(S)8/16/2000    \*(S)9/21/1998    \*(S)2/3/1998    \*(S)8/3/1997  
\*(S)3/3/2002    \*(S)9/2/1998    \*(S)2/13/1999

\*The Board does hereby order the enforcement of the expulsion suspended for a period of not more than one calendar year. The suspension of the enforcement of the expulsion order is deemed appropriate for the rehabilitation of the pupil, per Education Code section 48917.

\*\*The Board does hereby expel the pupil for a period of one semester, and does hereby order the enforcement of the expulsion suspended for the following semester, allowing him/her to be considered for re-enrollment in the district under suspended expulsion as deemed appropriate for the rehabilitation of the pupil, per Education Code section 48917.

(S) A stipulated expulsion is a process whereby the pupil and his/her family acknowledge responsibility for the behavior leading to the recommendation for expulsion by the school administration, and waive their right to a hearing by admitting to the facts in support of an expulsion recommendation. The pupil and his/her family stipulate the facts of the case as presented by the school, accepting one of the following consequences: \*(S) suspended expulsion, \*(S) expulsion one semester, suspended expulsion one semester, (S) expulsion two semesters.



Board of Education Meeting  
May 7, 2013

Requester: Director, Youth Services  
Approver: Assistant Superintendent, Student Services

- 8.22 Student(s) Recommended for Expulsion, but Remanded Back to the School Sites Due to Errors of Due Process, Lack of Evidence and/or Availability of Other Means of Correction  
(Prepared by Youth Services Department)

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the following student(s) were recommended for expulsion, but expulsion is deemed inappropriate based on due process errors, insufficient evidence, and/or the availability of other means of correction in compliance with the Education Code section 48900. Therefore, although they were recommended for expulsion, the expulsion is not granted:

12/15/1997    4/9/1998    5/24/2000    8/12/1996    2/7/1998

Requester: Director, Youth Services  
Approver: Assistant Superintendent, Student Services

- 8.23 Student(s) Not Recommended for Expulsion as Specified Under Education Code Section 48915 (a)  
(Prepared by Youth Services Department)

Education Code Section 48915 (a) states, "Principal or the Superintendent of the schools shall recommend a pupil's expulsion...., unless the principal or superintendent finds and so reports in writing to the governing board that expulsion is inappropriate, due to the particular circumstance, which should be set out in the report of the incident."

The student(s) identified below were found to have committed a violation of Education Code Section 48900 for which a referral for expulsion is mandated; however, the principal found that due to particular circumstances, expulsion is inappropriate:

1/29/1995    4/1/2001    9/10/2003

Requester: Director, Youth Services  
Approver: Assistant Superintendent, Student Services

- 8.24 Revocation of Suspension of Expulsion  
(Prepared by Youth Services Department)

FURTHER, in accordance with Education Code Section 48917, the Board does hereby order the expulsion of the student(s) with birth date(s) as listed:

Board of Education Meeting  
May 7, 2013

4/27/1996

This order revokes a previously suspended expulsion order and is recommended at this time because the student(s) violated the conditions of the suspension of the expulsion order.

Requester: Director, Youth Services  
Approver: Assistant Superintendent, Student Services

8.25 Petition to Expunge, Rescind, or Modify Expulsion  
(Prepared by Youth Services Department)

5/15/1995    7/12/1999    9/25/1996    8/5/1998    3/15/1998

Education Code 48917, Section (e) states: upon satisfactory completion of the rehabilitation assignment of a pupil, the governing board shall reinstate the pupil in a school of the district and may also order the expungement of any or all records of the expulsion proceedings.

Education Code 48213 states: that a student can be excluded from attendance pursuant to Section 120230 of the Health and Safety Code or Section 49451 of this code if a principal or his designee determines that the continued presence of the child would constitute a clear and present danger to the life, safety, and health of a pupil or school personnel. The governing board is not required to send prior notice of the exclusion to the parent or guardian of the pupil. The governing board shall send a notice of the exclusion as soon as is reasonably possible after the exclusion.

Requester: Director, Youth Services  
Approver: Assistant Superintendent, Student Services

## **FACILITIES/OPERATIONS DIVISION**

### **Facilities Management**

8.26 Amendment No. 1 to the Contract with Energy Education, Inc., to Provide Energy Management and Conservation Services  
(Prepared by Business Services Division)

On February 21, 2012, the Board of Education approved entering into an Agreement with Energy Education, Inc., to provide energy management and conservation services to the District. In December 2012, Energy Education, Inc. changed its name to Cenergistics.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education ratifies Contract Amendment No. 1 changing the name of Energy Education, Inc., to Cenergistics. All other terms remain the same.

Board of Education Meeting  
May 7, 2013

BE IT FURTHER RESOLVED that the Board of Education authorizes Debra Love, Director, Purchasing Department, to sign all related documents.

Requester/Approver: Assistant Superintendent, Facilities/Operations Division

8.27 Amendment No. 1 to the Professional Service Agreement with ATI Architects and Engineers for Architectural and Engineering Services for DSA Approved One Story Kindergarten-type Classroom Buildings  
(Prepared by Facilities/Operations Division)

The Facilities Management Department requests Board of Education approval to amend the professional services agreement with ATI Architects and Engineers, Redlands, California, originally approved by the Board on September 15, 2009, and effective through September 15, 2014, for architectural and engineering services for DSA approved one story kindergarten-type classroom buildings as part of the Overcrowding Relief Grant Program. This amendment is for additional services at Lytle Creek Elementary School due to programmatic updates for electrical, hardware, plumbing, and other upgrades as required and to meet current technology, maintenance and operations, and educational requirements. The cost, not to exceed \$4,500.00, plus approved reimbursables will be paid from Funds 21, 25, 35, and 40. All other terms and conditions remain the same.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education approves amending the professional services agreement with ATI Architects and Engineers, for architectural and engineering services for DSA approved one story kindergarten-type classroom buildings as part of the Overcrowding Relief Grant Program, effective through September 15, 2014. This amendment is for additional services at Lytle Creek Elementary School due to programmatic updates for electrical, hardware, plumbing, and other upgrades as required and to meet current technology, maintenance and operations, and educational requirements. The cost, not to exceed \$4,500.00, plus approved reimbursables, will be paid from Funds 21, 25, 35, and 40. All other terms and conditions remain the same.

BE IT FURTHER RESOLVED that the Board of Education authorizes Debra Love, Director Purchasing Department, to sign said Amendment No. 1.

Requester: Director, Facilities Planning and Development Department

Approver: Assistant Superintendent, Facilities/Operations Division

Board of Education Meeting  
May 7, 2013

8.28 Amendment No. 4 to the Professional Services Agreement with PSWC Group Architects for Architectural and Engineering Services for the Dr. Mildred Dalton Henry Elementary School Project  
(Prepared by Facilities/Operations Division)

The Facilities Management Department requests Board of Education approval to amend the professional services agreement with PSWC Group Architects, San Bernardino, California, previously renewed by the Board on February 3, 2009, and effective through June 30, 2014, for architectural and engineering services for the Dr. Mildred Dalton Henry Elementary School Project. This amendment is for additional services to prepare and submit “as-built” electronic files of said project drawings at the conclusion of the construction, in both AutoCAD and PDF format. The cost, not to exceed \$8,000.00, plus approved reimbursables, will be paid from Funds 21, 25, 35, 40, and 98. All other terms and conditions remain the same.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education approves amending the professional services agreement with PSWC Group Architects for architectural and engineering services for the Dr. Mildred Dalton Henry Elementary School Project. This amendment is for additional services to prepare and submit “as-built” electronic files of said project drawings at the conclusion of the construction, in both AutoCAD and PDF format. The costs, not to exceed \$8,000.00, plus authorized reimbursables, will be paid from Funds 21, 25, 35, 40, and 98. All other terms and conditions remain the same.

BE IT FURTHER RESOLVED that the Board of Education authorizes Debra Love, Director, Purchasing Department, to sign said Amendment No. 4.

Requester: Director, Facilities Planning and Development Department  
Approver: Assistant Superintendent, Facilities/Operations Division

8.29 Amendment No. 5 to the Professional Services Agreement with PSWC Group Architects for Architectural and Engineering Services for the Graciano Gomez Elementary School Project  
(Prepared by Facilities/Operations Division)

The Facilities Management Department requests Board of Education approval to amend the professional services agreement with PSWC Group, San Bernardino, California, previously renewed by the Board on February 3, 2009, and effective through June 30, 2014, for architectural and engineering services for the Graciano Gomez Elementary School project. This amendment is for additional services to prepare and submit “as-built” electronic files of said project drawings at the conclusion of construction, in both AutoCAD and PDF format. The cost, not to exceed \$8,000.00, plus approved reimbursables, will be paid from Funds 21, 25, 35, 40, and 98. All other terms and conditions remain the same.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education approves amending the professional services agreement with PSWC Group for architectural and engineering services for the Graciano Gomez Elementary School project. This amendment is for additional services to prepare and submit “as-built” electronic files of said project drawings at the conclusion of construction, in both AutoCAD and PDF format. The cost, not to exceed \$8,000.00, plus approved reimbursables, will be paid from Funds 21, 25, 35, 40, and 98. All other terms and conditions remain the same.

BE IT FURTHER RESOLVED that the Board of Education authorizes Debra Love, Director, Purchasing Department, to sign said Amendment No. 5.

Requester: Director, Facilities Planning and Development Department

Approver: Assistant Superintendent, Facilities/Operations Division

- 8.30 Amendment No. 29 to the Professional Services Agreement with HMC Architects for Architectural and Engineering Services for Various Modernization Projects – Group 7  
(Prepared by Facilities/Operations Division)

The Facilities Management Department requests Board of Education approval to amend the agreement with HMC Architects, Ontario, California, previously renewed by the Board on June 15, 2010, and effective through June 30, 2015. This amendment is needed to provide extended construction administration and project closeout support beyond the original construction period at Bradley, Marshall, and Ramona-Alessandro Elementary Schools Modernization Project (Group 7). The cost, not to exceed \$21,312.00, plus approved reimbursables, will be paid from Funds 21 and 35. All other terms and conditions remain the same.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education approves amending the agreement with HMC Architects, Ontario, California to provided extended construction administration and project closeout support beyond the original construction period at Bradley, Marshall, and Ramona-Alessandro Elementary Schools Modernization Project (Group 7). The cost, not to exceed \$21,312.00, plus approved reimbursables, will be paid from Funds 21 and 35. All other terms and conditions remain the same.

School Sites	Amount
Bradley Elementary	\$4,230.00
Marshall Elementary	\$5,298.00
Ramona-Alessandro Elementary	\$11,784.00
<b>Total</b>	<b>\$21,312.00</b>

Board of Education Meeting  
May 7, 2013

BE IT FURTHER RESOLVED that the Board of Education authorizes Debra Love, Director, Purchasing Department, to sign said Amendment No. 29.

Requester: Director, Facilities Management Department  
Approver: Assistant Superintendent, Facilities/Operations Division

- 8.31 Amendment No. 30 to the Professional Services Agreement with HMC Architects to Provide Architectural and Engineering Services for Hunt Elementary School Phase II Project  
(Prepared by Facilities/Operations Division)

The Facilities Management Department requests Board of Education approval to amend the agreement with HMC Architects, Ontario, California, previously renewed by the Board on November 17, 2009, and effective through June 30, 2015. This amendment is needed due to extended construction administration and project closeout support beyond the original construction period at Hunt Elementary School Phase II Project. The cost, not to exceed \$12,243.00, plus approved reimbursables, will be paid from Funds 21, 35, and 40. All other terms and conditions remain the same.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education approves amending the agreement with HMC Architects, Ontario, California, due to extended construction administration and project closeout support beyond the original construction period at Hunt Elementary School Phase II Modernization Project. The cost, not to exceed \$12,243.00, plus approved reimbursables, will be paid from Funds 21, 35, and 40. All other terms and conditions remain the same.

BE IT FURTHER RESOLVED that the Board of Education authorizes Debra Love, Director, Purchasing Department, to sign said Amendment No. 30.

Requester: Director, Facilities Management Department  
Approver: Assistant Superintendent, Facilities/Operations Division

- 8.32 Approval to Process Payments for Pending Change Orders for the Lease/Lease-Back Delivery Method for the Little Mountain Elementary School Project  
(Prepared by Facilities/Operations Division)

The Facilities Management Department requests Board of Education approval to process payments for change orders pending Division of State Architect (DSA) approval for the following contractor for the Lease/Lease-Back Delivery Method for the Little Mountain Elementary School Project, per Board approval on April 20, 2010, of the new change order approval procedures.

Board of Education Meeting  
May 7, 2013

- Suffolk Construction Co., Inc., Irvine, California - Lease/Lease-Back Delivery Method

Due to state-mandated furlough days and increased workloads at the DSA, the District has experienced significant delays with approval of the change orders and the County District Financial Services will not pay change orders until all DSA approvals have been received, which has taken as long as a year and is resulting in financial penalties to the District. County Counsel has reviewed and advised Board approval is needed in order to avoid payment of penalties for completed construction projects. Certain controls are in place to ensure the compliance to code for these pending change orders.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education approves processing of payments for change orders pending Division of State Architect (DSA) approval for the following contractor for the Lease/Lease-Back Delivery Method for the Little Mountain Elementary School Project: Suffolk Construction Co., Inc., Irvine, California, per Board approval on April 20, 2010, as follows:

- The Architect, DSA Inspector of Record (IOR) and Contractor shall provide certification that all work pertaining to the pending change orders has been completed in compliance with all of the plans and specifications and applicable codes.
- The District will validate that the work pertaining to the pending change orders is satisfactorily completed.
- The Contractor will provide, with the application for payment, the above certification signed by all parties.
- If the DSA does not approve the change orders that were submitted and the payments have been released using this procedure, any potential fixes arising from DSA corrections to these change orders would have to be paid by the District which would, in turn, seek remedies through the Architect, IOR or Contractor.

Requester: Director, Facilities Planning and Development Department

Approver: Assistant Superintendent, Facilities/Operations Division

8.33 Bid No. F11-02A Re-Bid, HVAC Upgrades at Dr. Martin Luther King Jr., Del Vallejo, Shandin Hills and Serrano Middle Schools  
(Prepared by Facilities/Operations Division)

Bid No. F11-02A Re-Bid, HVAC Upgrades at Dr. Martin Luther King Jr., Del Vallejo, Shandin Hills and Serrano Middle Schools was advertised on February 28, and March 3, 2013, in The Sun, the El Chicano and the Precinct Reporter. Bids were opened on March 25, 2013, at 2:00 p.m. and four (4) bids were received:

Board of Education Meeting  
 May 7, 2013

<b>Contractors</b>	<b>Base Bid Including Allowances</b>	<b>Alt. 1</b>	<b>Alt. 2</b>	<b>Alt. 3</b>	<b>Alt. 4</b>
Sea Pac Engineering, Inc. Los Angeles, California*	\$3,625,000.00	\$245,000.00	\$240,000.00	\$30,000.00	\$25,000.00
Horizons Construction Co. Anaheim, California	\$4,352,000.00	\$340,000.00	\$500,000.00	\$8,000.00	\$8,000.00
Angeles Contractor, Inc. Buena Park, California	\$4,769,000.00	\$358,000.00	\$389,000.00	\$27,000.00	\$27,000.00
MS Construction Mgmt. Group Dana Point, California	\$5,046,847.00	\$1,750,000.00	\$1,980,000.00	\$35,000.00	\$35,000.00

\*Sea Pac Engineering, Inc. withdrew their bid due to clerical error.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that Bid No. F11-02A Re-Bid, HVAC Upgrades at Dr. Martin Luther King Jr., Del Vallejo, Shandin Hills, and Serrano Middle Schools, be awarded to the lowest responsible bidder meeting the specifications based on the Base Bid and Alternate Nos. 1, 2, 3, and 4. The cost will be paid from Funds 21, 25, 35, 40, and 98.

<b>Contractor</b>	<b>Base Bid Including Allowances</b>
Horizons Construction Co. 1173 N. Patt Street, Anaheim, California, 92801	\$4,352,000.00
Alt. No. 1 (Ceiling Insulation at Shandin Hills MS)	340,000.00
Alt. No. 2 (Ceiling Insulation at Serrano MS)	500,000.00
Alt. No. 3 (HVAC Mechanical Screen at Del Vallejo MS)	8,000.00
Alt. No. 4 (HVAC Mechanical Screen at M.L. King MS)	8,000.00
<b>Award Total</b>	<b>\$5,208,000.00</b>

BE IT FURTHER RESOLVED that the Board of Education authorizes Debra Love, Director, Purchasing Department, to sign said agreement for bid awarded.

Requester: Director, Facilities Planning and Development Department

Approver: Assistant Superintendent, Facilities/Operations Division

8.34 Bid No. F11-02B Re-Bid, HVAC Upgrades at Arrowview, Golden Valley and Richardson PREP HI Middle Schools  
 (Prepared by Facilities/Operations Division)

Bid No. F11-02B Re-Bid, HVAC Upgrades at Arrowview, Golden Valley and Richardson PREP HI Middle Schools was advertised on February 28, and March 3, 2013, in The Sun, the El



Board of Education Meeting  
 May 7, 2013

Chicano and the Precinct Reporter. Bids were opened on March 25, 2013, at 3:00 p.m. and seven (7) bids were received:

<b>Contractors</b>	<b>Base Bid Including Allowances</b>	<b>Alternate 1</b>	<b>Alternate 2</b>
RAN Enterprises, Inc. Huntington Beach, California*	\$2,095,000.00	\$32,500.00	\$19,000.00
NKS Mechanical Contracting, Inc. Anaheim, California	\$2,492,309.00	\$75,000.00	\$9,500.00
Horizons Construction Co. Int'l., Inc. Anaheim, California	\$2,498,000.00	\$48,000.00	\$28,000.00
MS Construction Mgmt. Group Dana Point, California	\$2,524,000.00	\$143,399.00	\$31,000.00
Rosetti Construction, Inc. Ontario, California	\$2,574,003.00	\$32,656.00	\$6,630.00
Angeles Contractor, Inc. Buena Park, California	\$2,633,000.00	\$73,000.00	\$27,000.00
Woodcliff Corp. Los Angeles, California	\$2,960,000.00	\$155,000.00	\$45,000.00

\*RAN Enterprises, Inc. withdrew their bid due to clerical error.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that Bid No. F11-02B Re-Bid, HVAC Upgrades at Arrowview, Golden Valley and Richardson PREP HI Middle Schools, be awarded to the lowest responsible bidder meeting the specifications based on the Base Bid and Alternate Nos. 1 and 2. The cost will be paid from Funds 21, 25, 35, 40, and 98.

<b>Contractor</b>	<b>Base Bid Including Allowances</b>
NKS Mechanical Contracting, Inc. 5753 Santa Ana Canyon Rd., Suite G559 Anaheim, California, 92807 Alternate No. 1 (Snack Bar at Richardson PREP MS) 75,000.00	\$2,492,309.00
Alternate No. 2 (HVAC Mechanical Screen at GVMS)	9,500.00
<b>Award Total</b>	<b>\$2,576,809.00</b>

BE IT FURTHER RESOLVED that the Board of Education authorizes Debra Love, Director, Purchasing Department, to sign said agreement for the bid awarded.

Requester: Director, Facilities Planning and Development Department

Board of Education Meeting  
May 7, 2013

Approver: Assistant Superintendent, Facilities/Operations Division

8.35 Notice of Completion, Bid No. 03-12, Cooling Tower Replacement Board of Education  
(Prepared by Business Services Division)

Bid No. 03-12, Cooling Tower Replacement Board of Education is complete. It is requested that the Board of Education formally accept the completed project.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education authorizes filing a Notice of Completion for the Bid No. 03-12, Cooling Tower Replacement Board of Education, Purchase Order No. 300796, awarded to:

Franklin Mechanical Systems Inc.  
185 W. 4<sup>th</sup> Street  
Beaumont, California 92223

BE IT FURTHER RESOLVED that Barbara Flores, President, Board of Education, be authorized to execute the Notice of Completion.

Requester/Approver: Director, Maintenance & Operations Department

8.36 Notice of Completion, Bid No. F08-09, Arrowhead, Carmack, Harmon, and Kendall Elementary Schools Modernization Project  
(Prepared by Facilities/Operations Division)

Bid No. F08-09, Arrowhead, Carmack, Harmon, and Kendall Elementary Schools Modernization Project, was previously awarded to a General Contractor. The work assigned to the Contractor has now been completed. It is requested that the Board of Education formally accept the completed work of this Contractor.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education authorizes filing a Notice of Completion for Bid No. F08-09, Arrowhead, Carmack, Harmon, and Kendall Elementary Schools Modernization Project (Group 4), for the work awarded to the General Contractor listed below:

General Contractor  
Cyrcon Builders LP  
Los Angeles, California

Board of Education Meeting  
May 7, 2013

BE IT FURTHER RESOLVED that Barbara Flores, President, Board of Education, be authorized to execute the Notice of Completion.

Requester: Director, Facilities Planning and Development Department  
Approver: Assistant Superintendent, Facilities/Operations Division

8.37 Notice of Completion, Bid No. F08-10, Bradley, Marshall, Ramona-Alessandro and Warm Springs Elementary Schools Modernization Project  
(Prepared by Facilities/Operations Division)

Bid No. F08-10, Bradley, Marshall, Ramona-Alessandro and Warm Springs Elementary Schools Modernization Project, was previously awarded to a General Contractor. The work assigned to the Contractor listed below has now been completed. It is requested that the Board of Education formally accept the completed work of this Contractor.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education authorizes filing a Notice of Completion for Bid No. F08-10, Bradley, Marshall, Ramona-Alessandro and Warm Springs Elementary Schools Modernization Project (Group 7), for the work awarded to the Contractor listed below:

General Contractor  
Cyrcon Builders LP  
Los Angeles, California

BE IT FURTHER RESOLVED that Barbara Flores, President, Board of Education, be authorized to execute the Notice of Completion.

Requester: Director, Facilities Planning and Development Department  
Approver: Assistant Superintendent, Facilities/Operations Division

8.38 Notices of Completion, Bid No. F08-18, Category Nos. 06, 07 and 17 - New Construction for the Captain Leland F. Norton Elementary School  
(Prepared by Facilities/Operations Division)

Bid No. F08-18, New Construction for the Captain Leland F. Norton Elementary School, was previously awarded to multiple Prime Contractors. The work assigned to the Contractors listed below has now been completed. It is requested that the Board of Education formally accept the completed work of these Contractors.

It is recommended that the following resolution be adopted:

Board of Education Meeting  
May 7, 2013

BE IT RESOLVED that the Board of Education authorizes filing Notices of Completion for Bid No. F08-18, New Construction for the Captain Leland F. Norton Elementary School, for the work awarded to the Prime Contractors listed below:

Category No. 06 - Structural Steel & Metal Decking  
KCB Towers, Inc.  
Highland, California

Category No. 07 - Rough Carpentry  
Infinity Structures, Inc.  
Perris, California

Category No. 17 - Painting and Wallcovering  
C.T. Georgiou Painting Company  
Wilmington, California

BE IT FURTHER RESOLVED that Barbara Flores, President, Board of Education, be authorized to execute the Notices of Completion.

Requester: Director, Facilities Planning and Development Department  
Approver: Assistant Superintendent, Facilities/Operations Division

8.39 Notice of Completion, Bid No. F08-29, Category Nos. 02 and 28 - Indian Springs High School New Construction/Old Curtis Middle School Modernization Project  
(Prepared by Facilities/Operations Division)

Bid No. F08-29, Indian Springs High School New Construction/Old Curtis Middle School Modernization Project, was previously awarded to multiple Prime Contractors. The work assigned to the Contractors listed below has now been completed. It is requested that the Board of Education formally accept the completed work of these Contractors.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education authorizes filing Notices of Completion for Bid No. F08-29, Indian Springs High School New Construction/Old Curtis Middle School Modernization Project, for the work awarded to the Prime Contractors listed below:

Category No. 02 - Landscaping  
ASR Constructors, Inc.  
Riverside, California

Board of Education Meeting  
May 7, 2013

Category No. 28 - Offsite Street Improvements  
Bogh Engineering, Inc.  
Beaumont, California

BE IT FURTHER RESOLVED that Barbara Flores, President, Board of Education, be authorized to execute the Notices of Completion.

Requester: Director, Facilities Planning and Development Department  
Approver: Assistant Superintendent, Facilities/Operations Division

8.40 Notice of Completion, Bid No. F09-12, Hunt Elementary School - Phase II Project  
(Prepared by Facilities/Operations Division)

Bid No. F09-12, Hunt Elementary School - Phase II Project, was previously awarded to a General Contractor. The work assigned to the Contractor has now been completed. It is requested that the Board of Education formally accept the completed work of this Contractor.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education authorizes filing a Notice of Completion for Bid No. F09-12, Hunt Elementary School - Phase II Project, for the work awarded to the Contractor listed below:

General Contractor  
Fata Construction and Development  
Riverside, California

BE IT FURTHER RESOLVED that Barbara Flores, President, Board of Education, be authorized to execute the Notice of Completion.

Requester: Director, Facilities Planning and Development Department  
Approver: Assistant Superintendent, Facilities/Operations Division

8.41 Request for Retention Reduction, Bid No. F08-18, Category No. 13 - Captain Leland F. Norton Elementary School Project  
(Prepared by Facilities/Operations Division)

The Facilities Management Department requests Board of Education approval to reduce the retention from 10% to 5% with Caston, Inc., San Bernardino, California, Bid No. F08-18, Category No. 13, Lath, Plaster, and Drywall contractor for the Captain Leland F. Norton Elementary School Project, originally approved by the Board on April 19, 2011.

Board of Education Meeting  
May 7, 2013

Public Contract Code, Section 9203 requires that the Owner retain 10% of each contractor's requested payment application until the work is at least 50% complete. The new Public Contract Code, Section 7201 is not applicable to this contract as the contract was entered prior to January 1, 2012. At this time, Caston, Inc. has successfully completed 99% of the work under their contract and is requesting the District reduce the retention amount to 5%. This amount of retention is considered sufficient to protect the District in the event of any unforeseen conditions or infractions. All other terms and conditions remain the same.

It is recommended that the following resolution be adopted:

**BE IT RESOLVED** that the Board of Education approves reducing the retention amount for Caston, Inc., Bid No. F08-18, Category No. 13, Lath, Plaster, and Drywall contractor for the Captain Leland F. Norton Elementary School Project, to 5%. All other terms and conditions remain the same.

**BE IT FURTHER RESOLVED** that the Board of Education authorizes Debra Love, Director, Purchasing Department, to sign said document.

Requester: Director, Facilities Planning and Development Department  
Approver: Assistant Superintendent, Facilities/Operations Division

8.42 Takeover Agreement with The Ohio Casualty Insurance Company for Pacwest Corp. for Bid No. F11-02D, Pacific High School Modernization, Sierra and San Andreas High Schools Modernization/HVAC Upgrades  
(Prepared by Facilities/Operations Division)

The Facilities Management Department requests Board of Education approval to enter into a takeover agreement with The Ohio Casualty Insurance Company (Bond Company), surety for Pacwest Corp., contractor for Bid No. F11-02D, Pacific High School Modernization, Sierra and San Andreas High School Schools Modernization/HVAC Upgrades Project. Pacwest failed to make progress to complete the Project per contract documents and the contract was terminated for cause on February 26, 2013. Demand was made on the Bond Company to complete Pacwest's scope of work under the terms of Performance Bond No. 02404456. Bond Company has stated that it will take over Pacwest Corp.'s contract by using a completion contractor to complete the work.

It is recommended that the following resolution be adopted:

**BE IT RESOLVED** that the Board of Education makes the following findings which exist:

**WHEREAS**, the Board of Education of the San Bernardino City Unified School District (District) originally awarded a contract for construction work for Bid No. F11-02D, Pacific High School Modernization, Sierra and San Andreas High School Schools Project to Pacwest Corp.;

**WHEREAS**, the District and Pacwest Corp. entered into a contract for the Project on or about March 21, 2012, and the Project is still not complete;

**WHEREAS**, due to Pacwest Corp.'s apparent failure to make progress to complete the Project per contract documents, on February 26, 2013, Pacwest Corp. was terminated for cause and demand was made, under Performance Bond No. 02404456, on its surety, The Ohio Casualty Insurance Company, to complete the Project;

**WHEREAS**, The Ohio Casualty Insurance Company has agreed to takeover Pacwest Corp.'s contract and complete the Project through the use of a completion contractor for the contract balance;

**WHEREAS**, District and The Ohio Casualty Insurance Company are still negotiating the District's extended costs for its consultants on the Project, but given the current state of the work and the uncertainty of the issues left unresolved by Pacwest Corp. at the Project, there is a need to complete all remaining work and any remedial and repair work as soon as possible;

**WHEREAS**, competitive bidding for the completion and repair work on the Project would cause unnecessary and further delays;

**WHEREAS**, Shore v. Central Contra Costa Sanitary District (1962) 208 Cal.App. 2d 465 and Garvey School District v. Paul (1920) 50 Cal.App. 75 holds that a contract for takeover work may be exempted from competitive bidding upon termination for cause of the original contractor; and

**WHEREAS**, the Board of Education approves by a majority of the vote, and pursuant to Education Code Section 17604 and similar statutes,

1. That the above recitals are true and correct.
2. That immediate completion and repair work on the Project is necessary to provide safe and adequate facilities.
3. That its work can be completed through a Takeover Agreement with The Ohio Casualty Insurance Company. When the District's extended costs are negotiated and finalized, the Takeover Agreement will be brought back to the Board for ratification.
4. That this Resolution shall be effective as of the date of its adoption.

**BE IT FURTHER RESOLVED** that the Board of Education authorizes Debra Love, Director, Purchasing Department, to execute any and all agreements and to complete all necessary documents to complete the Project, or to otherwise carry out the intent of this Resolution.

Board of Education Meeting  
May 7, 2013

Requester: Director, Facilities Planning and Development Department  
Approver: Assistant Superintendent, Facilities/Operations Division

8.43 Tender Agreement with Great American Insurance Company for Bid No. F08-17, Group 11 - Barton, Burbank, Emmerton, and Lankershim Elementary Schools Modernization Project, Category No. 03 - General Construction  
(Prepared by Facilities/Operations Division)

The Facilities Management Department requests Board of Education approval to enter into a tender agreement with Great American Insurance Company, surety for Delmac Construction & Development, Inc., Los Angeles, California, contractor for Bid No. F08-17, Group 11, Barton, Burbank, Emmerton, and Lankershim Elementary Schools Modernization Project - Category No. 03, General Construction. Delmac failed to make progress to complete the Project per contract documents and the contract was terminated for cause on August 2, 2012. Demand was made on the surety to complete Delmac's scope of work under the terms of Performance Bond No. 3321752. The Surety has stated that it will tender a completion contractor and pay the difference in the amount of \$198,520.57 to the District rather than take over the contract and complete the work.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education makes the following findings which exist:

WHEREAS, on September 7, 2010, the Board of Education of the San Bernardino City Unified School District (District) awarded a contract for construction work for Bid No. F08-17, Group 11, Barton, Burbank, Emmerton, and Lankershim Elementary Schools Modernization Project, Category No. 03 - General Construction to Delmac Construction & Development, Inc.;

WHEREAS, due to Delmac Construction & Development, Inc.'s apparent failure to make progress to complete the Project per contract documents, on August 2, 2012, Delmac Construction & Development, Inc. was terminated for cause and demand was made, under Performance Bond No. 3321752, on its surety, Great American Insurance Company, to complete the Project;

WHEREAS, Great American Insurance Company has agreed to tender a completion contractor, HP Construction & Management, and pay the difference in price between HP's proposed price of \$678,799.58 and the contract balance of \$480,279.01, which is \$198,520.57;

WHEREAS, District and Great American Insurance Company are still negotiating the District's extended costs for its consultants on the Project, but given the current state of the work and the uncertainty of the issues left unresolved by Delmac Construction & Development, Inc. at the Project, there is a need to complete all remaining work and any remedial and repair work as soon as possible;



Board of Education Meeting  
May 7, 2013

WHEREAS, competitive bidding for the completion and repair work on the Project would cause unnecessary and further delays;

WHEREAS, Shore v. Central Contra Costa Sanitary District (1962) 208 Cal.App. 2d 465 and Garvey School District v. Paul (1920) 50 Cal.App. 75 holds that a contract for takeover work may be exempted from competitive bidding upon termination for cause of the original contractor; and

WHEREAS, the Board of Education approves by a majority of the vote, and pursuant to Education Code Section 17604 and similar statutes:

1. That the above recitals are true and correct.
2. That immediate completion and repair work on the Project is necessary to provide safe and adequate facilities.
3. That its work can be completed through a Tender Agreement with Great American Insurance Company. When the District's extended costs are negotiated and finalized, the Tender Agreement will be brought back to the Board for ratification.
4. That a contract with the completion contract, HP Construction & Management, in the amount of \$678,799.58 is approved.
5. That this Resolution shall be effective as of the date of its adoption.

BE IT FURTHER RESOLVED that the Board of Education authorizes Debra Love, Director, Purchasing Department, to execute any and all agreements and to complete all necessary documents to complete the Project, or to otherwise carry out the intent of this Resolution.

Requester: Director, Facilities Planning and Development Department

Approver: Assistant Superintendent, Facilities/Operations Division

### *Nutrition Services*

- 8.44 Amendment No. 8 to Service Agreements with Temporary Labor Companies to Provide Nutrition Services Personnel  
(Prepared by Facilities/Operations Division)

The Nutrition Services Department requests Board of Education approval to amend the service agreements with Arrow Staffing, Redlands, California, and Manpower, San Bernardino, California, originally approved by the Board on October 5, 2010, and effective through June 30, 2013, to provide temporary Nutrition Services personnel as needed for the preparation, service, and clean up at District sites, as well as other nutrition services' duties as required. This amendment is to extend the ending date through December 31, 2013, unless critical vacant positions are filled first.

It is recommended that the following resolution be adopted:

Board of Education Meeting  
May 7, 2013

BE IT RESOLVED that the Board of Education approves amending the service agreements with Arrow Staffing and Manpower to provide temporary Nutrition Services personnel as needed for the preparation, service, and clean up at District sites, as well as other nutrition services' duties as required. This amendment is to extend the ending date through December 31, 2013, unless critical vacant positions are filled first.

BE IT FURTHER RESOLVED that the Board of Education authorizes Debra Love, Director, Purchasing Department, to sign said Amendment No. 8.

Requester: Director, Nutrition Services Department  
Approver: Assistant Superintendent, Facilities/Operations Division

### **HUMAN RESOURCES DIVISION**

8.45 Amendment No. 1 of the Agreement with the University of Redlands Liberal Studies Program, Redlands, California, for Educational Field Experience  
(Prepared by Business Services Division)

The Human Resources Certificated Department requests Board of Education approval to amend the agreement with the University of Redlands Liberal Studies Program, Redlands, California, approved by the Board on April 7, 2009, Agenda Item 10.39. The amendment is necessary to extend the term of the agreement to June 30, 2015, to provide educational field practice experience to students enrolled in the Professional Educational curriculum and/or Communicative Disorders curriculum of the University. There is no cost to amend this agreement. All other terms and conditions remain the same.

It is recommended that the following resolution be adopted:

BE IT RESOLVED that the Board of Education approves amending the agreement with the University of Redlands Liberal Studies Program, Redlands, California, approved by the Board on April 7, 2009, Agenda Item 10.39. The amendment is necessary to extend the term of the agreement to June 30, 2015, to provide educational field practice experience to students enrolled in the Professional Educational curriculum and/or Communicative Disorders curriculum of the University. There is no cost to amend this agreement. All other terms and conditions remain the same.

BE IT FURTHER RESOLVED that the Board of Education authorizes Debra Love, Director, Purchasing Department, to sign all related documents.

Requester: Director, Human Resources-Certificated Department  
Approver: Assistant Superintendent, Human Resources Division

## SESSION NINE - Action

### 9.0 *Action Items*

#### 9.1 7-11 Convenience Store/Gas Station Project (Prepared by Facilities/Operations)

A 7-11 convenience store/gas station project is being proposed at the southeast corner of Baseline and Medical Center Drive across from Arroyo Valley High School. In the past, the Board of Education has normally opposed any construction which would permit the sale of alcohol within 500 feet of school grounds; however, in 2009, the Board voted to remain neutral on the construction of an Arco-AM/PM convenience store in close proximity to the Urbita Elementary School, with the proviso that several voluntary restrictions to their Alcoholic Control Board's license as put forth in a Memorandum of Understanding were agreed to. Those same restrictions would also be in place for the 7-11 convenience store/gas station. The project would bring a much-needed gas station to the west side of San Bernardino, as well as a new quality development that could potentially serve as a catalyst for future development in the area.

In addition, they have agreed to a one-time cash donation of \$30,000.00 to the Community and School Alliance Foundation (CaSA), a non-profit community-based organization committed to improving the quality of education in our district.

It is recommended that one of the two resolutions be adopted:

BE IT RESOLVED that the Board of Education opposes the construction of a 7-11 convenience store/gas station on the southeast corner of Baseline and Medical Center Drive.

OR

BE IT RESOLVED that the Board of Education remains neutral on the construction of a 7-11 convenience store/gas station on the southeast corner of Baseline and Medical Center Drive.

#### 9.2 Resolution of the Board of Education of the San Bernardino City Unified School District Authorizing the Refinancing of General Obligation Bonds, Election of 2004, Series A, Series B and Series C (Prepared by Business Services Division)

An Election was held in the San Bernardino City Unified School District on March 2, 2004 for the issuance and sale of general obligation bonds of the District for various purposes in the maximum amount of \$140,000,000 (the "Authorization"). Pursuant to the Authorization, on September 29, 2004, the District issued the first series of bonds pursuant to the Authorization, the General Obligation Bonds, 2004 Election, Series A, in the principal amount of \$44,999,497.70 (the "Series A Bonds"). On May 18, 2006, the District issued the second series

of bonds pursuant to the Authorization, the General Obligation Bonds, 2004 Election, Series B, in the principal amount of \$67,999,497.70 (the "Series B Bonds"). Additionally, on September 29, 2004 the District issued \$37,055,000 of General Obligation Refunding Bonds to refund portions of Election of 1999 General Obligation Bonds, Series A and Series C (the "2004 Refunding Bonds," together with the Series A Bonds and the Series B Bonds, the "Prior Bonds"). The District now desires to issue general obligation refunding bonds (the "Refunding Bonds") to refund portions of the outstanding Prior Bonds (the "Refunded Bonds") under the Authorization in an amount not-to-exceed \$140,000,000.

In refunding the Prior Bonds, the District is subject to two critical legal requirements: (i) the maturity date of the Refunding Bonds cannot be later than the Prior Bonds and (ii) there must be savings to the taxpayers.

- (a) Bond Resolution. This Resolution authorizes the issuance of the Refunding Bonds. The Resolution specifies the basic terms, parameters and forms of the Bonds, and approves the form of Purchase Contract and form of Preliminary Official Statement described below. In particular, Section 1 of the Resolution establishes the maximum aggregate principal amount of the Refunding Bonds issued (\$140,000,000). Section 3 of the Resolution states the maximum underwriters' discount (0.25%) with respect to the Refunding Bonds, and authorizes the Refunding Bonds to be sold at a negotiated sale.
- (b) Form of Purchase Contract. Pursuant to the Purchase Contract, Piper Jaffray & Co., as representative (the "Representative") of itself, and De La Rosa & Co., Cabrera Capital Markets, LLC, and Siebert Brandford Shank & Co., LLC (collectively, the Underwriters) will agree to buy the Refunding Bonds from the District. All the conditions of closing the transaction are set forth in this document, including the documentation to be provided at the closing by various parties. Upon the pricing of the Refunding Bonds, the final execution copy of the Purchase Contract will be prepared following this form.
- (c) Form of Preliminary Official Statement. The Preliminary Official Statement ("POS") is the offering document describing the Refunding Bonds which may be distributed to prospective purchasers of the Refunding Bonds. The POS discloses information with respect to among other things (i) the proposed uses of proceeds of the Refunding Bonds, (ii) the terms of the Refunding Bonds (interest rate, redemption terms, etc.), (iii) the bond insurance policy for the Refunding Bonds, if any, (iv) the security for repayment of the Refunding Bonds (the tax levy), (v) information with respect to the District's tax base (upon which such *ad valorem* taxes may be levied), (vi) District financial and operating data, (vii) continuing disclosure with respect to the Refunding Bonds and the District, and (viii) absence of litigation and other miscellaneous matters expected to be of interest to prospective purchasers of the Refunding Bonds. Following the pricing of the Refunding Bonds, a final Official Statement for the Refunding Bonds

will be prepared, substantially in the form of the POS.

(d) Escrow Agreement. Pursuant to the Escrow Agreement, proceeds from the sale of the Refunding Bonds in an amount sufficient to redeem the outstanding Prior Bonds will be deposited in an escrow fund (the “Escrow Fund”) held by U.S. Bank National Association, (acting as “Escrow Agent”). The monies in the Escrow Fund will be used by the Escrow Agent to refund the Series A Bonds and the 2004 Refunding Bonds on or about August 1, 2014, and the Series B Bonds on or about August 1, 2015. As a result of the deposit and application of funds so provided in the Escrow Agreement, the Prior Bonds will be defeased and the obligation of San Bernardino County to levy *ad valorem* taxes for payment of the Prior Bonds will cease.

#### FISCAL IMPACT

There is no fiscal impact to the General Fund resulting from the issuance of the Bonds.

#### RECOMMENDATION

Staff recommends approval of a Resolution of the Board of Education of the San Bernardino City Unified School District Authorizing the Issuance of San Bernardino City Unified School District (San Bernardino County, California) 2013 General Obligation Refunding Bonds.

#### **A RESOLUTION OF THE BOARD OF EDUCATION OF THE SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING THE ISSUANCE OF SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT (SAN BERNARDINO COUNTY, CALIFORNIA) ELECTION OF 2012 GENERAL OBLIGATION BONDS, SERIES A, AND AUTHORIZING ACTIONS RELATED THERETO**

**WHEREAS**, a duly called municipal bond election was held in the San Bernardino City Unified School District (the “District”), San Bernardino County (the “County”), State of California, on November 6, 2012 (the “Election”) and thereafter canvassed pursuant to law, at which the following proposition (the “Bond Measure”) was submitted to the qualified electors of the District:

To make schools clean and safe and provide educational opportunities by repairing and replacing leaky roofs, deteriorating classrooms, fire alarms, security/electrical systems, removing asbestos, providing educational opportunities by updating classroom technology, science labs, and vocational education programs, and acquiring, constructing, repairing classrooms, sites, facilities and equipment, shall San Bernardino City Unified School District issue \$250,000,000 bonds at legal rates, requiring annual audits, citizen oversight, no

money for administrators' salaries/pensions or Sacramento, keeping all funds local?

**WHEREAS**, at the Election, the Bond Measure received the affirmative vote of the requisite fifty-five percent or more of the voters of the District voting on the proposition, as certified by the Registrar of Voters of the County in the official canvassing of votes (the "Authorization");

**WHEREAS**, at this time this Board of Education (the "Board") has determined that it is necessary and desirable to issue the first series of bonds under the Authorization in an aggregate principal amount not-to-exceed \$43,000,000, and to be styled as "San Bernardino City Unified School District (San Bernardino County, California) Election of 2012 General Obligation Bonds, Series A" (the "Bonds");

**WHEREAS**, pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Government Code"), the Bonds are authorized to be issued by the District for purposes set forth in the ballot submitted to the voters at the Election;

**WHEREAS**, this Board desires to authorize the issuance of the Bonds in one or more series of current interest taxable or tax-exempt bonds;

**WHEREAS**, On March 3, 2011, the District executed and delivered \$53,080,000 Taxable Certificates of Participation, 2011 Series A (Direct Subsidy Qualified School Construction Bonds) (the "Certificates");

**WHEREAS**, the Board designated the lease payments (the "Lease Payments") to be made by the District in connection with the Certificates, pursuant to Section 54F of the Internal Revenue Code of 1986, as "qualified school construction bonds";

**WHEREAS**, proceeds from the sale of the Certificates has been used to construct and improve various school facilities of the District;

**WHEREAS**, since payment of the Certificates was a project included in the Authorization, the Board desires to apply a portion of the Bonds to make the regularly scheduled Lease Payments on the Certificates through and including August 1, 2018;

**WHEREAS**, this Board expects that future Bonds sold under the Authorization will be applied to make Lease Payments on the Certificates starting in February 2019 and thereafter;

**WHEREAS**, the District has not filed with nor received from the County office of education having jurisdiction over the District a qualified or negative certification in its most recent interim financial report pursuant to Section 42131 of the California Education Code;

**WHEREAS**, this Board desires to appoint certain professionals to provide services related to the issuance of the Bonds; and

**WHEREAS**, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including this proposed issue of Bonds, is within all limits prescribed by law;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT, SAN BERNARDINO COUNTY, CALIFORNIA, AS FOLLOWS:**

**SECTION 1 Authorization for Issuance of the Bonds.** To raise money for the purposes authorized by the voters of the District at the Election, including providing for the payment of certain lease payments owed by the District in connection with the District's Lease Payments with respect to the Certificates, and to pay all necessary legal, financial, engineering and contingent costs in connection therewith, the Board hereby authorizes the issuance of the Bonds pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code in one or more series of taxable or tax-exempt current interest bonds, with appropriate designation if more than one series is issued, as set forth in the fully executed Purchase Contract (as defined herein). The Board further orders such Bonds sold such that the Bonds shall be dated as of a date to be determined by an Authorized Officer (defined herein), shall be payable upon such terms and provisions as shall be set forth in the Bonds, and shall be in an aggregate principal amount not-to-exceed \$43,000,000.

**SECTION 2 Paying Agent.** This Board hereby appoints the Paying Agent, as defined herein, to serve as the paying agent, bond registrar, transfer agent and authentication agent for the Bonds on behalf of the District. This Board hereby approves the payment of the reasonable fees and expenses of the Paying Agent as they shall become due and payable. The fees and expenses of the Paying Agent which are not paid as a cost of issuance of the Bonds are authorized to be paid in each year from *ad valorem* taxes levied and collected for the payment thereof, insofar as permitted by law, including specifically by Section 15232 of the Education Code.

**SECTION 3 Terms and Conditions of Sale.** To best access the capital markets, the Bonds shall be sold upon direction of the Superintendent of the District (the "Superintendent") or the Chief Business and Financial Officer of the District, the Assistant Superintendent, Facilities/Operations (the "Assistant Superintendent, Facilities/Operations"), or such other officers or employees of the District as the Superintendent, the Chief Business and Financial Officer, or the Assistant Superintendent, Facilities/Operations may designate (collectively, the "Authorized Officers"). The Board hereby authorizes the sale of the Bonds at a negotiated sale, which is determined to provide more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Bonds to fit the needs of

particular purchasers, and a greater opportunity for the Underwriters (as defined herein) to pre-market the Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds. The Bonds shall be sold pursuant to the terms and conditions set forth in the Purchase Contract, as described below.

**SECTION 4 Approval of Purchase Contract.** The form of contract for purchase of the Bonds (the "Purchase Contract") by and between the District and Piper Jaffray & Co., as representative (the "Representative") of itself, and De La Rosa & Co., Cabrera Capital Markets, LLC, and Siebert Brandford Shank & Co., LLC (collectively, the "Underwriters"), for the purchase and sale of the Bonds, substantially in the form on file with the Board, is hereby approved and the Authorized Officers, each alone, are hereby authorized and requested to execute such Purchase Contract; provided, however, that the maximum interest rate on the Bonds shall not exceed the maximum rate permitted by law and the underwriting discount thereon, excluding original issue discount, shall not exceed 0.25% of the aggregate principal amount of Bonds issued. The Authorized Officers, each alone, are further authorized to determine the principal amount of the Bonds to be specified in the Purchase Contract for sale by the District up to \$43,000,000 and to enter into and execute the Purchase Contract with the Underwriters, if the conditions set forth in this Resolution are satisfied. The Board estimates that the costs associated with the issuance of the Bonds, including compensation to the Underwriters (but excluding fees of the Bond Insurer, if any), will equal approximately 2.0% of the principal amount of the Bonds.

**SECTION 5 Certain Definitions.** As used in this Resolution, the terms set forth below shall have the meanings ascribed to them (unless otherwise set forth in the Purchase Contract):

(a) **"Authorization"** means the authorization received by the District to issue the Bonds.

(b) **"Beneficial Owner"** means, when used with reference to book-entry Bonds registered pursuant to Section 6 hereof, the person who is considered the beneficial owner of such Bonds pursuant to the arrangements for book entry determination of ownership applicable to the Depository.

(c) **"Bond Insurer"** means any insurance company which issues a municipal bond insurance policy insuring the payment of principal of and interest on the Bonds.

(d) **"Bond Payment Date"** means, unless otherwise provided by the Purchase Contract, February 1 and August 1 of each year commencing August 1, 2013 with respect to interest thereon, and with respect to principal payments on the Bonds, the stated maturity dates thereof.

(e) **"Bond Register"** means the records maintained by the Paying Agent for the registry of ownership of the Bonds.



(f) **“Certificates”** means the \$53,080,000 Taxable Certificates of Participation, 2011 Series A (Direct Subsidy Qualified School Construction Bonds) that the District executed and delivered on March 3, 2011.

(g) **“Code”** means the Internal Revenue Code of 1986, as the same may be amended from time to time. Reference to a particular section of the Code shall be deemed to be a reference to any successor to any such section.

(h) **“Continuing Disclosure Certificate”** means that certain Continuing Disclosure Certificate executed by the District pursuant to paragraph (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, dated as of the date of issuance of the Bonds, as amended from time to time in accordance with the provisions thereof.

(i) **“Dated Date”** means the date of initial issuance and delivery of the Bonds, or such other date as shall appear in the Purchase Contract or Official Statement.

(j) **“Depository”** means the entity acting as securities depository for the Bonds pursuant to Section 6(c) hereof.

(k) **“DTC”** means The Depository Trust Company, New York, New York, 55 Water Street, New York, New York 10041, Tel: (212) 855-1000 or Fax: (212) 855-7320, a limited purpose trust company organized under the laws of the State of New York, in its capacity as Depository for the Refunding Bonds.

(l) **“Fair Market Value”** means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security—State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the District and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

(m) **“Federal Securities”** means securities as permitted, in accordance with the respective resolutions of the Board of Supervisors of San Bernardino County or the Board of Education of the District pursuant to which the Prior Bonds were issued, to be deposited for the purpose of defeasing the Prior Bonds.

(n) **“Information Services”** means Financial Information, Inc.’s Financial Daily Called Bond Service; Mergent, Inc.’s Called Bond Department; or Standard & Poor’s J.J. Kenny Information Services’ Called Bond Department.

(o) **“Nominee”** means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 6(c) hereof.

(p) **“Non-AMT Bonds”** means obligations the interest on which is excludable from gross income for federal income tax purposes under Section 103(a) of the Code and not treated as an item of tax preference under Section 57(a)(5)(C) of the Code, that are legal investments pursuant to Section 53601 of the Government Code of the State of California.

(q) **“Official Statement”** means the Official Statement for the Bonds, as described in Section 17 hereof.

(r) **“Outstanding”** means, when used with reference to the Bonds, as of any date, Bonds theretofore issued or thereupon being issued under this Resolution except:

(i) Bonds canceled at or prior to such date;

(ii) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Section 8 hereof; or

(iii) Bonds for the payment or redemption of which funds or Government Obligations in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Bonds), in accordance with Section 19 of this Resolution

(s) **“Owners” or “Registered Owner”** means the registered owner of a Refunding Bond as set forth on the registration books maintained by the Paying Agent pursuant to Section 6 hereof.

(t) **“Participants”** means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as securities depository.

(u) **“Paying Agent”** means, initially U.S. Bank National Association, or such other Paying Agent as shall be named in the Purchase Contract or Official Statement, and afterwards any successor financial institution.

(v) **“Permitted Investments”** means (i) any lawful investments permitted by Section 16429.1 and Section 53601 of the Government Code, including Non-AMT Bonds and Qualified Non-AMT Mutual Funds, (ii) shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code which invests exclusively in investments permitted by Section 53635 of the Government Code, but without regard to any limitations in such Section concerning the percentage of moneys available for investment being invested in a particular type of security, (iii) a guaranteed investment contract with a provider rated in at least the second highest category by each Rating Agency then rating the Bonds (without regard to gradation) and approved by the Bond Insurer, if any, (iv) the Local Agency Investments Fund of the California State Treasurer, (v) the County investment pool maintained by the Treasurer of the County, and (vi) State and Local Government Series Securities.

(w) **“Qualified Non-AMT Mutual Fund”** means stock in a regulated investment company to the extent that at least 95% of the income of such regulated investment company is interest that is excludable from gross income under Section 103 of the Code and not an item of tax preference under Section 57(a)(5)(C) of the Code.

(x) **“Qualified Permitted Investments”** means (i) Non-AMT Bonds, (ii) Qualified Non-AMT Mutual Funds, (iii) other Permitted Investments authorized by an opinion of Bond Counsel to the effect that such investment would not adversely affect the tax-exempt status of the Bonds, and (iv) Permitted Investments of proceeds of the Bonds, and interest earned on such proceeds, held not more than thirty days pending reinvestment or Bond redemption. A guaranteed investment contract or similar investment agreement (e.g. a forward supply contract, GIC, repo, etc.) does not constitute a Qualified Permitted Investment.

(y) **“Rating Agencies”** means (i) Standard & Poor’s Rating Service, a Standard & Poor’s Financial Services LLC business, (ii) Fitch Ratings and (iii) Moody’s Investors Service.

(z) **“Record Date”** means the close of business on the 15th day of the month preceding each Bond Payment Date.

(aa) **“Securities Depository”** means The Depository Trust Company, 55 Water Street, New York, New York 10041, Tel: (212) 855-1000 or Fax: (212) 855-7320 with Cede & Co. as its nominee.

(bb) **“Taxable Bonds”** means any Bonds not issued as Tax-Exempt Bonds.

(cc) **“Tax-Exempt Bonds”** means any Bonds the interest in which is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax, as

further described in an opinion of Bond Counsel supplied to the original purchasers of such Bonds.

(dd) **“Term Bonds”** means those Bonds for which mandatory redemption dates have been established in the Purchase Contract.

(ee) **“Transfer Amount”** means, with respect to any Outstanding Bond, the initial principal amount.

(ff) **“Treasurer”** means the Auditor-Controller/Treasurer/Tax Collector of the County, or other comparable officer of the County.

(gg) **“Underwriters”** means Piper Jaffray & Co., as representative (the “Representative”) of itself, and De La Rosa & Co., Cabrera Capital Markets, LLC, and Siebert Brandford Shank & Co., LLC (collectively, the “Underwriters”).

#### **SECTION 6 Terms of the Bonds.**

(a) Denomination, Interest, Dated Dates. The Bonds shall be issued as fully registered bonds registered as to both principal and interest, in denominations of \$5,000 principal amount or any integral multiple thereof. The Bonds shall bear interest at a rate or rates such that the interest rate shall not exceed that authorized at the Election. The Bonds will initially be registered to “Cede & Co.”, the Nominee of the Depository Trust Company, New York, New York.

Each Bond shall be dated the date of delivery of the Bonds, or such other date as shall appear in the Purchase Contract or the Official Statement (the “Date of Delivery”), and shall bear interest from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated during the period from the 16<sup>th</sup> day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record Date, in which event it shall bear interest from its Dated Date. Interest with respect to the Bonds shall be payable on the respective Bond Payment Dates and shall be calculated on the basis of a 360-day year of 12, 30-day months.

(b) Redemption.

(i) Terms of Redemption. The Bonds shall be subject to optional or mandatory sinking fund redemption prior to maturity as provided in the Purchase Contract or the Official Statement.

(ii) Optional Redemption. The Bonds shall be subject to optional redemption prior to maturity as provided in the Purchase Contract or the Official Statement.

(iii) Mandatory Redemption. Any Bonds issued as Term Bonds shall be subject to mandatory sinking fund redemption as provided in the Purchase Contract or the Official Statement.

In the event that a portion of any Term Bond is optionally redeemed pursuant to Section 6(b)(i) hereof, the remaining sinking fund payments shall be reduced proportionately, in integral multiples of \$5,000, in respect to the portion of such Term Bond optionally redeemed.

(iv) Selection of Bonds for Redemption. Whenever provision is made in this Resolution for the optional redemption of Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Bonds for redemption as so directed and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent shall select Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple thereof.

The Purchase Contract may provide that (i) in the event that any portion of Bonds subject to mandatory sinking fund redemption are optionally redeemed prior to maturity, the remaining mandatory sinking fund payments with respect to such Bonds shall be reduced proportionately, in integral multiples of \$5,000 principal amount, in respect of the portion of such Bonds optionally redeemed, and (ii) within a maturity, Bonds shall be selected for redemption on a “Pro Rata Pass-Through Distribution of Principal” basis in accordance with DTC procedures, provided further that, such redemption is made in accordance with the operational arrangements of DTC then in effect.

(v) Notice of Redemption. When redemption is authorized or required pursuant to Section 6(b) hereof, the Paying Agent, upon written instruction from the District, shall give notice (a “Redemption Notice”) of the redemption of the Bonds. Such Redemption Notice shall specify: the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, the date of redemption, the place or places where the redemption will be made, including the name and address of the Paying Agent, the redemption price, the CUSIP numbers (if any) assigned to the Bonds to be redeemed, the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the principal amount, of such Bond to be redeemed, and the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed at the redemption price thereof, together with the interest accrued to the redemption date, and that from and after such date, interest with respect thereto shall cease to accrue.

The Paying Agent shall take the following actions with respect to each such Redemption Notice:

(a) At least 20 but not more than 60 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Bonds designated for redemption by registered or certified mail, postage prepaid, at their addresses appearing on the Bond Register.

(b) At least 20 but not more than 60 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to the Securities Depository.

(c) At least 20 but not more than 60 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, or (ii) overnight delivery service, to one of the Information Services.

A certificate of the Paying Agent or the District that a notice of redemption has been given as provided herein shall be conclusive as against all parties. Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear or include the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer. Such redemption notices may state that no representation is made as to the accuracy or correctness of the CUSIP numbers printed therein or on the Bonds.

With respect to any notice of optional redemption of Bonds (or portions thereof) pursuant to Section 6(b)(i) hereof, unless upon the giving of such notice such Bonds or portions thereof shall be deemed to have been defeased pursuant to Section 19 hereof, such notice shall state that such redemption shall be conditional upon the receipt by an independent escrow agent selected by the District on or prior to the date fixed for such redemption of the moneys necessary and sufficient to pay the principal of, and premium, if any, and interest on, such Bonds (or portions thereof) to be redeemed, and that if such moneys shall not have been so received said notice shall be of no force and effect, no portion of the Bonds shall be subject to redemption on such date and such Bonds shall not be required to be redeemed on such date. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made and the Paying Agent shall within a reasonable time thereafter (but in no event later than the date originally set for redemption) give notice to the persons to whom and in the manner in which the notice of redemption was given that such moneys were not so received.

(v) Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall authenticate and deliver to the Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in Transfer Amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(vi) Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside as provided in Section 19 hereof, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided in Section 6(b) hereof, together with interest accrued to such redemption date, shall be held in trust so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Bonds to be redeemed shall cease to accrue and become payable. All money held for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.

(vii) Bonds No Longer Outstanding. When any Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held irrevocably in trust for the payment of the redemption price of such Bonds or portions thereof, and accrued interest with respect thereto to the date fixed for redemption, all as provided in this Resolution, then such Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 6 shall be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be cancelled by the Paying Agent.

(c) Book-Entry System.

(i) Election of Book-Entry System. The Bonds shall initially be delivered in the form of a separate single fully-registered bond (which may be typewritten) for each maturity date of such Bonds in an authorized denomination. The ownership of each such Bond shall be registered in the Bond Register (as defined below) maintained by the Paying Agent in the name of the Nominee, as nominee of the Depository and ownership of the Bonds, or any portion thereof may not thereafter be transferred except as provided in Section 6(c)(i)(4).

With respect to book-entry Bonds, the District and the Paying Agent shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such book-entry Bonds. Without limiting the immediately preceding sentence, the District and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in book-entry Bonds, (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Bond Register, of any notice with respect to book-entry Bonds, including any notice of redemption, (iii) the selection by the Depository

and its Participants of the beneficial interests in book-entry Bonds to be prepaid in the event the District redeems the Bonds in part, or (iv) the payment by the Depository or any Participant or any other person, of any amount with respect to principal, premium, if any, or interest on the book-entry Bonds. The District and the Paying Agent may treat and consider the person in whose name each book-entry Bond is registered in the Bond Register as the absolute Owner of such book-entry Bond for the purpose of payment of principal, premium and interest on and to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal, premium, if any, and interest on the Bonds only to or upon the order of the respective Owner, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a certificate evidencing the obligation to make payments of principal, premium, if any, and interest on the Bonds. Upon delivery by the Depository to the Owner and the Paying Agent, of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to the Record Date, the word Nominee in this Resolution shall refer to such nominee of the Depository.

1. Delivery of Letter of Representations. In order to qualify the book-entry Bonds for the Depository's book-entry system, the District and the Paying Agent shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the District or the Paying Agent any obligation whatsoever with respect to persons having interests in such Bonds other than the Owners, as shown on the Bond Register. By executing a Letter of Representations, the Paying Agent shall agree to take all action necessary at all times so that the District will be in compliance with all representations of the District in such Letter of Representations. In addition to the execution and delivery of a Letter of Representations, the District and the Paying Agent shall take such other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify book-entry Bonds for the Depository's book-entry program.

2. Selection of Depository. In the event (i) the Depository determines not to continue to act as securities depository for book-entry Bonds, or (ii) the District determines that continuation of the book-entry system is not in the best interest of the Beneficial Owners of the Bonds or the District, then the District will discontinue the book-entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered bond for each maturity date of such Outstanding book-entry Bond, registered in the name of such successor or substitute qualified securities depository or its Nominee as provided in subsection (4) hereof. If the District fails to identify another qualified securities depository to replace the Depository,



then the Bonds shall no longer be restricted to being registered in such Bond Register in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging such Bonds shall designate, in accordance with the provisions of this Section 6(c).

3. Payments and Notices to Depository. Notwithstanding any other provision of this Resolution to the contrary, so long as all Outstanding Bonds are held in book-entry form and registered in the name of the Nominee, all payments by the District or the Paying Agent with respect to principal, premium, if any, or interest on the Bonds and all notices with respect to such Bonds, including notices of redemption, shall be made and given, respectively to the Nominee, as provided in the Letter of Representations or as otherwise required or instructed by the Depository and agreed to by the Paying Agent notwithstanding any inconsistent provisions herein.

4. Transfer of Bonds to Substitute Depository.

(A) The Bonds shall be initially issued as described in the Official Statement described herein. Registered ownership of such Bonds, or any portions thereof, may not thereafter be transferred except:

(1) to any successor of DTC or its Nominee, or of any substitute depository designated pursuant to Section 6(c)(i)(4)(A)(2) (“Substitute Depository”); provided that any successor of DTC or Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(2) to any Substitute Depository, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC (or its successor) is no longer able to carry out its functions as depository; provided that any such Substitute Depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(3) to any person as provided below, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC or its successor (or Substitute Depository or its successor) is no longer able to carry out its functions as depository.

(B) In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(1) or (2), upon receipt of all Outstanding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent designating the Substitute Depository, a single new Bond, which the District shall prepare or cause to be prepared, shall be executed and delivered for each maturity of Bonds then Outstanding, registered in the name of such

successor or such Substitute Depository or their Nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(3), upon receipt of all Outstanding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, new Bonds, which the District shall prepare or cause to be prepared, shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such written request of the District, provided that the Paying Agent shall not be required to deliver such new Bonds within a period of less than sixty (60) days from the date of receipt of such written request from the District.

(C) In the case of a partial redemption or an advance refunding of any Bonds evidencing a portion of the principal maturing in a particular year, DTC or its successor (or any Substitute Depository or its successor) shall make an appropriate notation on such Bonds indicating the date and amounts of such reduction in principal, in form acceptable to the Paying Agent, all in accordance with the Letter of Representations. The Paying Agent shall not be liable for such Depository's failure to make such notations or errors in making such notations.

(D) The District and the Paying Agent shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof for all purposes of this Resolution and any applicable laws, notwithstanding any notice to the contrary received by the Paying Agent or the District; and the District and the Paying Agent shall not have responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any Beneficial Owners of the Bonds. Neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to any such Beneficial Owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of any Bonds, and the Paying Agent may rely conclusively on its records as to the identity of the Owners of the Bonds.

**SECTION 7 Execution of the Bonds.** The Bonds shall be signed by the President of the Board of Education, by his or her manual or facsimile signature and countersigned by the manual or facsimile signature of the Secretary of the Board, all in their official capacities. No Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Bond is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution. There shall be attached to each Bond the legal opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, and, immediately preceding such legal opinion, a certificate executed with the facsimile signature of the Secretary to the Board of Education, said certificate to be in substantially the following form:

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation in connection with the issuance of, and dated as of the date of the original delivery of, the bonds. A signed copy is on file in my office.

\_\_\_\_\_  
(Facsimile Signature)  
Secretary to Board of Education

**SECTION 8 Paying Agent; Transfer and Exchange.** So long as any of the Bonds remains outstanding, the District will cause the Paying Agent to maintain and keep at its principal office all books and records necessary for the registration, exchange and transfer of the Bonds as provided in this Section. Subject to the provisions of Section 9 below, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute Owner of that Bond for all purposes of this Resolution. Payment of or on account of the principal, premium, if any, and interest on any Bond shall be made only to or upon the order of that person; neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Bonds, including interest, to the extent of the amount or amounts so paid.

Any Bond may be exchanged for Bonds of like series, tenor, maturity and Transfer Amount upon presentation and surrender at the designated office of the Paying Agent, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Bond may be transferred on the Bond Register only upon presentation and surrender of the Bond at the designated office of the Paying Agent together with an assignment executed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new bond or bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the Transfer Amount of the Bond surrendered and bearing or accruing interest at the same rate and maturing on the same date.

If manual signatures on behalf of the District are required in connection with an exchange or transfer, the Paying Agent shall undertake the exchange or transfer of Bonds only after the new Bonds are signed by the authorized officers of the District. In all cases of exchanged or transferred Bonds, the District shall sign and the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the Bonds surrendered upon that exchange or transfer.

Any Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be cancelled by the Paying Agent. The District may at any time

deliver to the Paying Agent for cancellation any previously authenticated and delivered Bonds that the District may have acquired in any manner whatsoever, and those Bonds shall be promptly cancelled by the Paying Agent. Written reports of the surrender and cancellation of Bonds shall be made to the District by the Paying Agent as requested by the District. The cancelled Bonds shall be retained for three years, then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 16th business day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or any day on which the applicable notice of redemption is given or (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

**SECTION 9 Payment.** Payment of interest on any Bond shall be made on any Bond Payment Date to the person appearing on the registration books of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by wire transfer or check mailed to such Owner on the Bond Payment Date at his or her address as it appears on such registration books or at such other address as he or she may have filed with the Paying Agent for that purpose on or before the Record Date. The Owner in an aggregate principal amount of One Million Dollars (\$1,000,000) or more may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The principal and redemption price, if any, shall be payable upon maturity or redemption upon surrender at the designated office of the Paying Agent. The interest, principal, and, premiums, if any, on the Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the Bonds when duly presented for payment at maturity, and to cancel all Bonds upon payment thereof. The Bonds are general obligations of the District and do not constitute an obligation of the County except as provided in this Resolution. No part of any fund of the County is pledged or obligated to the payment of the Bonds.

**SECTION 10 Form of Bonds.** The Bonds shall be in substantially the following forms, allowing those officials executing the Bonds to make the insertions and deletions necessary to conform the Bonds to this Resolution, the Purchase Contract and the Official Statement:

(Form of Bonds)

Board of Education Meeting  
May 7, 2013

REGISTERED  
NO.

REGISTERED  
\$

SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT  
(SAN BERNARDINO COUNTY, CALIFORNIA)  
ELECTION OF 2012 GENERAL OBLIGATION BONDS, SERIES [A] [B]

INTEREST RATE:      MATURITY DATE:      DATED AS OF:      CUSIP  
\_\_\_\_% per annum      August 1, \_\_\_\_      \_\_\_\_\_, 2013

REGISTERED OWNER:      CEDE & CO.

PRINCIPAL AMOUNT:

The San Bernardino City Unified School District (the "District") in San Bernardino County, California (the "County"), for value received, promises to pay to the Registered Owner named above, or registered assigns, the principal amount on the Maturity Date, each as stated above, and interest thereon until the principal amount is paid or provided for at the Interest Rate stated above, on February 1 and August 1 of each year (the "Bond Payment Dates"), commencing August 1, 2013. This bond will bear interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before July 15, 2013, in which event it shall bear interest from the Date of Delivery. Interest shall be computed on the basis of a 360-day year of 12, 30-day months. Principal and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered, such owner being the Registered Owner, on the Register maintained by the Paying Agent, initially U.S. Bank National Association. Principal is payable upon presentation and surrender of this bond at the principal office of the Paying Agent. Interest is payable by check or draft mailed by the Paying Agent on each Bond Payment Date to the Registered Owner of this bond (or one or more predecessor bonds) as shown and at the address appearing on the Register at the close of business on the 15th day of the calendar month next preceding that Bond Payment Date (the "Record Date"). The Owner of Current Interest Bonds in the aggregate principal amount of \$1,000,000 or more may request in writing to the Paying Agent that the Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

This bond is one of an authorization of bonds approved to raise money for the purposes authorized by voters of the District at the Election (defined herein) and to pay all necessary legal, financial, engineering and contingent costs in connection therewith under authority of and

Board of Education Meeting  
May 7, 2013

pursuant to the laws of the State of California, and the requisite vote of the electors of the District cast at a general election held on November 6, 2012 (the "Election"), upon the question of issuing bonds in the amount of \$250,000,000 and the resolution of the Board of Education of the District adopted on May 7, 2013 (the "Bond Resolution"). This bond is being issued under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code. This bond and the issue of which this bond is one are payable as to both principal and interest solely from the proceeds of the levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount in accordance with California Education Code Sections 15250 and 15252.

The bonds of this issue (collectively, the "Bonds") comprise \$ \_\_\_\_\_ principal amount of Current Interest Bonds, of which this bond is a part.

This bond is exchangeable and transferable for bonds of like tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the designated office of the Paying Agent in Los Angeles, California by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. All fees and costs of transfer shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any bond during a period beginning with the opening of business on the 16th business day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given or (b) to transfer any Bond which has been selected or called for redemption in whole or in part.

The Bonds maturing on or before August 1, 20\_\_ are not subject to redemption prior to their fixed maturity dates. The Bonds maturing on or after August 1, 20\_\_ are subject to redemption at the option of the District, as a whole or in part, on any date on or after August 1, 20\_\_ at a redemption price equal to the principal amount of the Bonds to be redeemed, plus interest thereon to the date fixed for redemption, without premium.

The Bonds maturing on August 1, 20\_\_, are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20\_\_, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amount represented by such Bonds to be so redeemed and the dates therefor and the final principal payment date is as indicated in the following table:

Redemption Dates

Principal Amounts

TOTAL

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot by the Paying Agent in such manner as the Paying Agent in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof. If less than all of the Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called by the Paying Agent in any order directed by the District and, if not so directed, in the inverse order of maturity.

Reference is made to the Bond Resolution for a more complete description of certain defined terms used herein, as well as the provisions, among others, with respect to the nature and extent of the security for the Bonds of this series, the rights, duties and obligations of the District, the Paying Agent and the Registered Owners, and the terms and conditions upon which the Bonds are issued and secured. The Registered Owner of this bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Bonds; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the San Bernardino City Unified School District in San Bernardino County, California, has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signature of the President of the Board of Education of the District, and to be countersigned by the manual or facsimile signature of the Secretary of the Board of Education of the District, all as of the date stated above.

Board of Education Meeting  
May 7, 2013

SAN BERNARDINO CITY UNIFIED SCHOOL  
DISTRICT

By: \_\_\_\_\_ (Facsimile Signature)  
President of the Board of Education

COUNTERSIGNED:

\_\_\_\_\_  
(Facsimile Signature)  
Secretary of the Board of Education

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds described in the Bond Resolution referred to herein which has been authenticated and registered on \_\_\_\_\_, 2013.

By: U.S. BANK NATIONAL ASSOCIATION, as  
Paying Agent

\_\_\_\_\_  
Authorized Officer

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and zip code of Transferee):

\_\_\_\_\_ this bond and irrevocably  
constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_



Board of Education Meeting  
May 7, 2013

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the within bond in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: \_\_\_\_\_

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

#### LEGAL OPINION

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation in connection with the issuance of, and dated as of the date of the original delivery of, the Bonds. A signed copy is on file in my office.

\_\_\_\_\_  
(Facsimile Signature)

\_\_\_\_\_  
Secretary of the Board of Education

(Form of Legal Opinion)

**SECTION 11 Delivery of Bonds.** The proper officials of the District shall cause the Bonds to be prepared and, following their sale, shall have the Bonds signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Bonds, to the Underwriters upon payment of the purchase price therefor.

**SECTION 12 Deposit of Proceeds of Bonds.** (a) The purchase price received from the Underwriters pursuant to the Purchase Contract, to the extent of the principal amount thereof, shall be paid to the County to the credit of the fund hereby authorized to be created to be known as the "San Bernardino City Unified School District, Election of 2012 General Obligation Bonds, Series A Building Fund" (the "Building Fund") of the District, shall be kept separate and distinct from all other District and County funds, and those proceeds shall be used solely for the purpose for which the Bonds are being issued and provided further that such proceeds shall be applied solely to the purposes authorized by the voters of the District at the Election. Within the Building Fund there shall be established two accounts named "Measure N Projects Account" and

“Certificates Payments Account.” The District shall deposit into the “Certificates Payments Account” of the Building Fund an amount sufficient to make Lease Payments on the Certificates. Amounts in the Certificates Payments Account shall only be applied for the payment of Lease Payments, as described. The County shall have no responsibility for assuring the proper use of the Bond proceeds by the District. The Building Fund may contain subaccounts if the Bonds are issued in more than one series. The purchase price received from the Underwriters pursuant to the Purchase Contract, to the extent of any accrued interest and any net original issue premium, shall be kept separate and apart in the fund hereby authorized to be created and designated as the “San Bernardino City Unified School District, Election of 2012 General Obligation Bonds,, Series A Debt Service Fund” (the “Debt Service Fund”) for the Bonds and used for payment of principal of and interest on the Bonds, and for no other purpose. The Debt Service Fund may contain subaccounts if the Bonds are issued in more than one series. Interest earnings on monies held in the Building Fund shall be retained in the Building Fund. Interest earnings on monies held in the Debt Service Fund shall be retained in the Debt Service Fund. Any excess proceeds of the Bonds not needed for the authorized purposes set forth herein for which the Bonds are being issued upon written notice from the District shall be transferred to the Debt Service Fund and applied to the payment of the principal of and interest on the Bonds. If, after payment in full of the Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District.

The costs of issuance of the Bonds are hereby authorized to be paid either from premium withheld by the Underwriters upon the sale of the Bonds, or from the principal amount of the Bonds received from the Underwriters. To the extent costs of issuance are paid from such principal amount, the District may direct that a portion thereof, in an amount not-to-exceed 2.0% of such principal amount, in lieu of being deposited into the Building Fund, be deposited in a costs of issuance account to be held by a fiscal agent of the District appointed for such purpose.

(b) Moneys in the Debt Service Fund and the Building Fund shall be invested at the written direction of the District, and after consultation with the County, in Permitted Investments. If at the time of issuance the District determines to issue the Bonds as Tax-Exempt Bonds without regard to the Internal Revenue Code “temporary period” restrictions, all investment of Bond proceeds shall be subject to paragraph (1) below; and the District, in consultation with the County, may provide for an agent to assist the County in investing funds pursuant to paragraph (1) below. If the District fails to direct the County or its agent, as the case may be, the County or its agent shall invest or cause the funds in the Building Fund to be invested in Qualified Permitted Investments, subject to the provisions of paragraph (1) below, until such time as the District provides written direction to invest such funds otherwise. Neither the County nor its officers and agents, as the case may be, shall have any responsibility or obligation to determine the tax consequences of any investment. The interest earned on the moneys deposited to the Building Fund shall be applied as set forth in subparagraph (1)(C) below:

(1) Covenant Regarding Investment of Proceeds.

(A) Permitted Investments. Beginning on the delivery date, and at all times until expenditure for authorized purposes, not less than 95% of the proceeds of the Bonds deposited in the Building Fund, including investment earnings thereon, will be invested in Qualified Permitted Investments. Notwithstanding the preceding provisions of this Section, for purposes of this paragraph, amounts derived from the disposition or redemption of Qualified Permitted Investments and held pending reinvestment or redemption for a period of not more than 30 days may be invested in Permitted Investments. The District hereby authorizes investments made pursuant to this Resolution with maturities exceeding five years.

(B) Recordkeeping and Monitoring Relating to Building Fund.

i. Information Regarding Permitted Investments. The District hereby covenants that it will record or cause to be recorded with respect to each Permitted Investment in the Building Fund the following information: purchase date; purchase price; information establishing the Fair Market Value of such Permitted Investment; face amount; coupon rate; periodicity of interest payments; disposition price; disposition date; and any accrued interest received upon disposition.

ii. Information in Qualified Non-AMT Mutual Funds. The District hereby covenants that, with respect to each investment of proceeds of the Bonds in a Qualified Non-AMT Mutual Fund pursuant to paragraph (1)(A) above, in addition to recording, or causing to be recorded, the information set forth in paragraph (1)(B)(i) above, it will retain a copy of each IRS information reporting form and account statement provided by such Qualified Non-AMT Mutual Fund.

iii. Monthly Investment Fund Statements. The District covenants that it will obtain, at the beginning of each month following the delivery date, a statement of the investments in the Building Fund detailing the nature, amount and value of each investment as of such statement date.

iv. Retention of Records. The District hereby covenants that it will retain the records referred to in paragraph (1)(B)(i) and each IRS information reporting form referred to in paragraph (1)(B)(ii) with its books and records with respect to the Bonds until three years following the last date that any obligation comprising the Bonds is retired.

(C) Interest Earned on Permitted Investments. The interest earned on the moneys deposited in the Building Fund shall be deposited in the Building Fund and used for the purposes of that fund.

Except as required to satisfy the requirements of Section 148(f) of the Code, interest earned on the investment of moneys held in the Debt Service Fund shall be retained in the Debt Service Fund and used by the County to pay the principal of and interest on the Bonds when due.

**SECTION 13 Rebate Fund.** The following provisions shall apply to any Bonds issued as Tax-Exempt Bonds.

(a) The District shall create and establish a special fund designated the “San Bernardino City Unified School District, Election of 2012 General Obligation Bonds, Series A Rebate Fund” (the “Rebate Fund”). All amounts at any time on deposit in the Rebate Fund shall be held in trust, to the extent required to satisfy the requirement to make rebate payments to the United States (the “Rebate Requirement”) pursuant to Section 148 of the Code, and the Treasury Regulations promulgated thereunder (the “Treasury Regulations”). Such amounts shall be free and clear of any lien hereunder and shall be governed by this Section and by the Tax Certificate to be executed by the District in connection with the Tax-Exempt Bonds (the “Tax Certificate”).

(b) Within 45 days of the end of each fifth Bond Year (as such term is defined in the Tax Certificate), (1) the District shall calculate or cause to be calculated with respect to the Bonds the amount that would be considered the “rebate amount” within the meaning of Section 1.148-3 of the Treasury Regulations, using as the “computation date” for this purpose the end of such Bond Year, and (2) the District shall deposit to the Rebate Fund from amounts on deposit in the other funds established hereunder or from other District funds, if and to the extent required, amounts sufficient to cause the balance in the Rebate Fund to be equal to the “rebate amount” so calculated. The District shall not be required to deposit any amount to the Rebate Fund in accordance with the preceding sentence, if the amount on deposit in the Rebate Fund prior to the deposit required to be made under this subsection (b) equals or exceeds the “rebate amount” calculated in accordance with the preceding sentence. Such excess may be withdrawn from the Rebate Fund to the extent permitted under subsection (g) of this Section. The District shall not be required to calculate the “rebate amount” and shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b), with respect to all or a portion of the proceeds of the Bonds (including amounts treated as proceeds of the Bonds) (1) to the extent such proceeds satisfy the expenditure requirements of Section 148(f)(4)(B) or Section 148(f)(4)(C) of the Code or Section 1.148-7(d) of the Treasury Regulations, whichever is applicable, and otherwise qualify for the exception to the Rebate Requirement pursuant to whichever of said sections is applicable, (2) to the extent such proceeds are subject to an election by the District under Section 148(f)(4)(C)(vii) of the Code to pay a one and one-half percent (1½%) penalty in lieu of arbitrage rebate in the event any of the percentage expenditure requirements of Section 148(f)(4)(C) are not satisfied, or (3) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a “bona fide debt service fund.” In such event, and with respect to such amounts, the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b).

(c) Any funds remaining in the Rebate Fund after redemption of all the Bonds and any amounts described in paragraph (2) of subsection (d) of this Section, or provision made

therefor satisfactory to the District, including accrued interest, shall be remitted to the District.

(d) Subject to the exceptions contained in subsection (b) of this Section to the requirement to calculate the “rebate amount” and make deposits to the Rebate Fund, the District shall pay to the United States, from amounts on deposit in the Rebate Fund,

(1) not later than 60 days after the end of (i) the fifth Bond Year, and (ii) each fifth Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the “rebate amount” calculated as of the end of such Bond Year in accordance with Section 1.148-3 of the Treasury Regulations; and

(2) not later than 60 days after the payment of all Bonds, an amount equal to 100% of the “rebate amount” calculated as of the date of such payment (and any income attributable to the “rebate amount” determined to be due and payable) in accordance with Section 1.148-3 of the Treasury Regulations.

(e) In the event that, prior to the time any payment is required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the District shall calculate (or have calculated) the amount of such deficiency and deposit an amount equal to such deficiency into the Rebate Fund prior to the time such payment is due.

(f) Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service, on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, such form to be prepared or caused to be prepared by the District.

(g) In the event that immediately following the calculation required by subsection (b) of this Section, but prior to any deposit made under said subsection, the amount on deposit in the Rebate Fund exceeds the “rebate amount” calculated in accordance with said subsection, the District may withdraw the excess from the Rebate Fund and credit such excess to the Debt Service Fund.

(h) The District shall retain records of all determinations made hereunder until three years after the complete retirement of the Bonds.

(i) Notwithstanding anything in this Resolution to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the Bonds.

**SECTION 14 Security for the Bonds.** There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* tax annually during the period the Bonds are Outstanding in an amount sufficient to pay the principal of and interest on the Bonds when due, which moneys when collected will be placed in the Debt Service

Fund of the District, which fund is hereby designated for the payment of the principal of and interest on the Bonds when and as the same fall due, and for no other purpose.

The moneys in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Bonds as the same become due and payable, shall be transferred by the Treasurer to the Paying Agent which, in turn, shall pay such moneys to DTC to pay such principal and interest. DTC will thereupon make payments of principal of and interest on the Bonds to the DTC Participants who will thereupon make payments of such principal and interest to the Beneficial Owners of the Bonds. Any moneys remaining in the Debt Service Fund after the Bonds and the interest thereon have been paid in full, or provision for such payment has been made, shall be transferred to the general fund of the District, pursuant to the Education Code Section 15234.

**SECTION 15 Arbitrage Covenant.** The District will restrict the use of the proceeds of the Refunding Bonds in such manner and to such extent, if any, as may be necessary, so that the Refunding Bonds will not constitute arbitrage bonds under Section 148 of the Code and the applicable regulations prescribed under that Section or any predecessor section.

**SECTION 16 Conditions Precedent.** The Board determines that all acts and conditions necessary to be performed by the Board or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

**SECTION 17 Official Statement.** The Preliminary Official Statement relating to the Bonds, substantially in the form on file with the Secretary to the Board is hereby approved and the Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deliver such Preliminary Official Statement to the Underwriters to be used in connection with the offering and sale of the Bonds. The Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deem the Preliminary Official Statement “final” pursuant to 15c2-12 of the Securities Exchange Act of 1934, prior to its distribution and to execute and deliver to the Underwriters a final Official Statement, substantially in the form of the Preliminary Official Statement, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve. The Underwriters are hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Bonds and are directed to deliver copies of any final Official Statement to the purchasers of the Bonds. Execution of the Official Statement shall conclusively evidence the District’s approval of the Official Statement.

**SECTION 18 Insurance.** In the event the District purchases bond insurance for the Bonds, and to the extent that the Bond Insurer makes payment of the principal of or interest on

the Bonds, it shall become the Owner of such Bonds with the right to payment of such principal or interest, and shall be fully subrogated to all of the Owners' rights, including the Owners' rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that were past due interest components, the Paying Agent shall note the Bond Insurer's rights as subrogee on the registration books for the Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer for the payment of such interest to the Owners of the Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Paying Agent shall note the Bond Insurer as subrogee on the registration books for the Bonds maintained by the Paying Agent upon surrender of the Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond Insurer.

**SECTION 19 Defeasance.** All or any portion of the Outstanding maturities of the Bonds may be defeased prior to maturity in the following ways:

(a) Cash: by irrevocably depositing with an independent escrow agent selected by the District an amount of cash which together with amounts transferred from the Debt Service Fund is sufficient to pay all Bonds Outstanding and designated for defeasance (including all principal thereof, accrued interest thereon and redemption premiums, if any) at or before their maturity date; or

(b) Government Obligations: by irrevocably depositing with an independent escrow agent selected by the District noncallable Government Obligations together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and moneys transferred from the Debt Service Fund, be fully sufficient to pay and discharge all Bonds Outstanding and designated for defeasance (including all principal thereof, accrued interest thereon and redemption premiums, if any) at or before their maturity date;

then, notwithstanding that any of such Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such designated Outstanding Bonds shall cease and terminate, except only the obligation of the independent escrow agent selected by the District to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) of this Section, to the Owners of such designated Bonds not so surrendered and paid all sums due with respect thereto.

For purposes of this Section, Government Obligations shall mean:

Direct and general obligations of the United States of America or obligations that are unconditionally guaranteed as to principal and interest by the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute strips), or "prerefunded" municipal obligations rated in the highest rating category by Moody's Investors Service or Standard & Poor's. In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal

payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed at least as high as direct and general obligations of the United States of America by either Standard & Poor's or by Moody's Investors Service.

**SECTION 20 Nonliability of County.** Notwithstanding anything to the contrary contained herein, in the Bonds or in any other document mentioned herein, neither the County, nor its officials, officers, employees or agents shall have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby, the Bonds are not a debt of the County or a pledge of the County's full faith and credit, and the Bonds and any liability in connection therewith shall be paid solely from *ad valorem* taxes lawfully levied to pay the principal of or interest on the Bonds.

**SECTION 21 Indemnification of County.** The District shall defend, indemnify and hold harmless the County, its officials, officers, agents and employees ("Indemnified Parties") against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject based in whole or in part upon any acts or omission related to the Bonds, except with regard to the County's responsibilities under Section 23 hereof. The District shall also reimburse the Indemnified Parties for any legal or other costs and expenses incurred in connection with investigating or defending any such claims or liabilities, except with regard to the County's responsibilities under Section 23 hereof.

**SECTION 22 Reimbursement of County Costs.** The District shall reimburse the County for all costs and expenses incurred by the County, its officials, officers, agents and employees in issuing or otherwise in connection with the issuance of the Bonds.

**SECTION 23 Request to County to Levy Tax.** The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of *ad valorem* property taxes in each year sufficient to pay all principal of and interest coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds. The District hereby requests the Board of Supervisors to annually levy a tax upon all taxable property in the District sufficient to pay all such principal and interest coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds.

**SECTION 24 Other Actions.** (a) Officers of the Board and District officials and staff are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds and otherwise carry out, give effect to and comply with



the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The Board hereby appoints Piper Jaffray & Co., as representative (the “Representative”) of itself, and De La Rosa & Co., Cabrera Capital Markets, LLC, and Siebert Brandford Shank & Co., LLC (collectively, the “Underwriters”) and Stradling Yocca Carlson & Rauth, a Professional Corporation, as Bond Counsel and Disclosure Counsel, all with respect to the issuance of the Bonds.

(c) Notwithstanding any other provisions contained herein, the provisions of this Resolution as they relate to the Bonds may be amended by the Purchase Contract and the Official Statement.

**SECTION 25 Resolution to Auditor-Controller/Treasurer/Tax Collector.** The Secretary to this Board is hereby directed to provide a certified copy of this Resolution to the Treasurer immediately following its adoption.

**SECTION 26 Continuing Disclosure.** The District hereby covenants and agrees that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate executed by the District and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof. Any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section. Noncompliance with this Section shall not result in acceleration of the Bonds.

**SECTION 27 Effective Date.** This Resolution shall take effect immediately upon its passage.

**SECTION 28 Further Actions Authorized.** It is hereby covenanted that the District, and its appropriate officials, have duly taken all actions necessary to be taken by them, and will take any additional actions necessary to be taken by them, for carrying out the provisions of this Resolution.

**SECTION 29 Recitals.** All the recitals in this Resolution above are true and correct and this Board so finds, determines and represents.

PASSED, ADOPTED AND APPROVED this 7th day of May, 2013, by the following vote:

AYES: MEMBERS \_\_\_\_\_

Board of Education Meeting  
May 7, 2013

NOES: MEMBERS \_\_\_\_\_  
ABSTAIN: MEMBERS \_\_\_\_\_  
ABSENT: MEMBERS \_\_\_\_\_

\_\_\_\_\_  
President of the Board of Education

ATTEST:

\_\_\_\_\_  
Secretary to the Board of Education

SECRETARY'S CERTIFICATE

I, Dr. Dale Marsden, Secretary to the Board of Education of the San Bernardino City Unified School District in San Bernardino County, California, hereby certify as follows:

The foregoing is a full, true and correct copy of a Resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly and legally held at the regular meeting place thereof on May 7, 2013, of which meeting all of the members of the Board of said District had due notice and at which a quorum was present.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office and the foregoing is a full, true and correct copy of the original Resolution adopted at said meeting and entered in said minutes.

Said Resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: May 7, 2013

\_\_\_\_\_  
Secretary to the Board of Education of the San Bernardino City Unified School District

9.3 Resolution of the Board of Education of the San Bernardino City Unified School District Authorizing the Issuance and Sale of General Obligation Bonds, Election of 2012, Series A and Series B, Under Measure N  
(Prepared by Business Services Division)

An Election was held in the San Bernardino City Unified School District on November 6, 2012 for the issuance and sale of general obligation bonds of the District for various purposes in the maximum amount of \$250,000,000 (the “Measure N”). The District now desires to issue its first and second series of bonds, styled as Election of 2012 General Obligation Bonds, Series A (the “Series A Bonds”) and Election of 2012 General Obligation Bonds, Series B (the “Series B Bonds,” together with the Series A Bonds, the “Bonds”) under Measure N in an aggregate amount not-to-exceed \$43,000,000.

(a) Bond Resolution. This Resolution authorizes the issuance of the “Bonds.” The resolution specifies the basic terms, parameters and forms of the Bonds, and approves the form of Purchase Contract and form of Preliminary Official Statement described below. In particular, Section 1 of the Resolution establishes the maximum aggregate principal amount of the Bonds to be issued (\$43,000,000). Section 4 of the Resolution states the maximum underwriter’s discount (0.5%) with respect to the Bonds, and authorizes the Bonds to be sold at a negotiated sale to Piper Jaffray & Co., as representative (the “Representative”) of itself, and De La Rosa & Co., Cabrera Capital Markets, LLC, and Siebert Brandford Shank & Co., LLC (collectively, the “Underwriters”). The Resolution authorizes the issuance of only current interest bonds. The Series B Bonds are being issued as taxable bonds which will permit them to be used to make certain scheduled lease payments on the District’s Taxable Certificates of Participation, 2011 Series A (Direct Subsidy Qualified School Construction Bonds) (the “Certificates”).

(b) Form of Purchase Contract. Pursuant to the Purchase Contract, the Underwriters will agree to buy the Bonds from the District. All the conditions of closing the transaction are set forth in this document, including the documentation to be provided at the closing by various parties. Upon the pricing of the Bonds, the final execution copy of the Purchase Contract will be prepared following this form.

(c) Form of Preliminary Official Statement. The Preliminary Official Statement (“POS”) is the offering document describing the Bonds which may be distributed to prospective purchasers of the Bonds. The POS discloses information with respect to among other things (i) the proposed uses of proceeds of the Bonds, (ii) the terms of the Bonds (interest rate, redemption terms, etc.), (iii) the bond insurance policy for the Bonds, if any, (iv) the security for repayment of the Bonds (the tax levy), (v) information with respect to the District’s tax base (upon which such ad valorem taxes may be levied), (vi) District financial and operating data, (vii) continuing disclosure with respect to the Bonds and the District, and (viii) absence of litigation and other miscellaneous matters expected to be of interest to prospective purchasers of the Bonds. Following the pricing of the Bonds, a final Official Statement for the Bonds will be prepared, substantially in the form of the POS.

Board of Education Meeting  
May 7, 2013

FISCAL IMPACT

There is no fiscal impact to the General Fund resulting from the issuance of the Bonds.

RECOMMENDATION

Staff recommends approval of a Resolution of the Board of Education of the San Bernardino City Unified School District, San Bernardino County, California, Authorizing the Issuance of San Bernardino City Unified School District (San Bernardino County, California) General Obligation Bonds, Election of 2012, Series A and Series B, and Actions Related Thereto.

**RESOLUTION AUTHORIZING THE ISSUANCE OF THE SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT (SAN BERNARDINO COUNTY, CALIFORNIA) 2013 GENERAL OBLIGATION REFUNDING BONDS**

WHEREAS, a duly called election was held in the San Bernardino City Unified School District, San Bernardino County, State of California (hereinafter referred to as the "District"), on March 2, 2004 (the "Authorization") and thereafter canvassed pursuant to law;

WHEREAS, at such election there was submitted to and approved by a vote of more than 55% of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of \$140,000,000 payable from the levy of an *ad valorem* tax against the taxable property in the District;

WHEREAS, on September 29, 2004 the District issued the first series of bonds pursuant to the Authorization, styled as the San Bernardino City Unified School District (San Bernardino County, California) General Obligation Bonds, 2004 Election, Series A, in the principal amount of \$44,999,497.70 (the "Prior Series A Bonds");

WHEREAS, on September 29, 2004, the District issued \$37,055,000 of its San Bernardino City Unified School District (San Bernardino County, California) General Obligation Refunding Bonds (the "2004 Refunding Bonds");

WHEREAS, on May 18, 2006, the District issued the second series of bonds pursuant to the Authorization, styled as the San Bernardino City Unified School District (San Bernardino County, California) General Obligation Bonds, 2004 Election, Series B, in the principal amount of \$67,999,967.45 (the "Prior Series B Bonds," and together with the Prior Series A Bonds and the 2004 Refunding Bonds, the "Prior Bonds");

WHEREAS, pursuant to Section 53550 of the Government Code, the District is authorized to issue general obligation refunding bonds (the "Refunding Bonds") to refund all or a portion of the outstanding Prior Bonds (so refunded, the "Refunded Bonds");

WHEREAS, this Board of Education (the “Board”) desires to authorize the issuance of the Refunding Bonds in one or more series of current interest taxable or tax-exempt bonds;

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation refunding bonds of the District, and whereas the indebtedness of the District, including this proposed issue of Refunding Bonds, is within all limits prescribed by law; and

WHEREAS, this Board desires to appoint professionals related to the issuance of the Refunding Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT, SAN BERNARDINO COUNTY, CALIFORNIA, AS FOLLOWS:

SECTION 1. Purpose. To refund all or a portion of the outstanding principal amount of the Prior Bonds and to pay all necessary legal, financial, and contingent costs in connection therewith, the District authorizes the issuance of the Refunding Bonds in one or more series, to be styled as the “San Bernardino City Unified School District (San Bernardino County, California) 2013 General Obligation Refunding Bonds” (or such other name as set forth in the Purchase Contract, as defined herein) and in an aggregate principal amount not-to-exceed \$140,000,000 and with appropriate series designations if more than one series is issued. Additional costs authorized to be paid from the proceeds of the Refunding Bonds are all of the authorized costs of issuance set forth in Sections 53550(e) and (f) and Section 53587 of the Government Code.

SECTION 2. Paying Agent. The Board does hereby authorize the appointment of the U.S. Bank National Association as Paying Agent (defined herein) to act as the authenticating agent, bond registrar, transfer agent and paying agent for the Refunding Bonds on behalf of the District. The fees and expenses of the Paying Agent which are not paid as a cost of issuance of the Bonds are authorized to be paid in each year from ad valorem taxes levied and collected for the payment thereof, insofar as permitted by law, including specifically by Section 15232 of the Education Code.

SECTION 3. Terms and Conditions of Sale. To best access the capital markets, the Refunding Bonds shall be sold upon the direction of the Superintendent of the District (the “Superintendent”) or the Chief Business and Financial Officer of the District, the Assistant Superintendent, Facilities/Operations (the “Assistant Superintendent, Facilities/Operations”), or such other officers or employees of the District as the Superintendent, the Chief Business and Financial Officer, or Assistant Superintendent, Facilities/Operations may designate (collectively, the “Authorized Officers”). The Board hereby authorizes the sale of the Refunding Bonds at a negotiated sale, which is determined to provide more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the

Refunding Bonds to fit the needs of particular purchasers, and a greater opportunity for the Underwriters (as defined herein) to pre-market the Refunding Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds. The Refunding Bonds shall be sold pursuant to the terms and conditions set forth in the Purchase Contract, as described below.

SECTION 4. Approval of Purchase Contract. The form of contract for purchase of the Refunding Bonds (the "Purchase Contract") by and between the District and Piper Jaffray & Co., as representative (the "Representative") of itself, and De La Rosa & Co., Cabrera Capital Markets, LLC, and Siebert Brandford Shank & Co., LLC (collectively, the "Underwriters"), for the purchase and sale of the Refunding Bonds, substantially in the form on file with the Board, is hereby approved and the Authorized Officers, each alone, are hereby authorized and requested to execute such Purchase Contract; provided, however, that the maximum interest rate on the Refunding Bonds shall not exceed the maximum rate permitted by law and the underwriting discount thereon, excluding original issue discount, shall not exceed 0.5% of the aggregate principal amount of Refunding Bonds issued. The Authorized Officers, each alone, are further authorized to determine the principal amount of the Refunding Bonds to be specified in the Purchase Contract for sale by the District up to \$140,000,000 and to enter into and execute the Purchase Contract with the Underwriters, if the conditions set forth in this Resolution are satisfied. The Board estimates that the costs associated with the issuance of the Refunding Bonds, including compensation to the Underwriters (but excluding fees of the Bond Insurer, if any), will equal approximately 2.0% of the principal amount of the Refunding Bonds.

SECTION 5. Certain Definitions. As used in this Resolution, the terms set forth below shall have the meanings ascribed to them (unless otherwise set forth in the Purchase Contract):

(a) "Authorization" means the authorization received by the District to issue the Prior Series A Bonds and Prior Series B Bonds at an election held on March 2, 2004.

(b) "Act" means Sections 53550 *et seq.* of the California Government Code.

(c) "Bond Insurer" means any insurance company which issues a municipal bond insurance policy insuring the payment of principal of and interest on the Bonds.

(d) "Bond Payment Date" means, unless otherwise provided by the Purchase Contract, February 1 and August 1 of each year commencing August 1, 2013 with respect to interest thereon, and with respect to principal payments on the Bonds, the stated maturity dates thereof.

(e) "Bond Register" means the records maintained by the Paying Agent for the registry of ownership of the Bonds.

(f) “Code” means the Internal Revenue Code of 1986, as the same may be amended from time to time. Reference to a particular section of the Code shall be deemed to be a reference to any successor to any such section.

(g) “Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate executed by the District pursuant to paragraph (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, dated as of the date of issuance of the Bonds, as amended from time to time in accordance with the provisions thereof.

(h) “Dated Date” means the date of initial issuance and delivery of the Refunding Bonds, or such other date as shall appear in the Purchase Contract or Official Statement.

(i) “Depository” means the securities depository acting as Depository pursuant to Section 6(c) hereof.

(j) “DTC” means The Depository Trust Company, New York, New York, 55 Water Street, New York, New York 10041, Tel: (212) 855-1000 or Fax: (212) 855-7320, a limited purpose trust company organized under the laws of the State of New York, in its capacity as Depository for the Refunding Bonds.

(k) “Escrow Agent” means U.S. Bank National Association or any other successor thereto, in its capacity as escrow agent for the Refunded Bonds.

(l) “Escrow Agreement” means the Escrow Agreement relating to the Refunded Bonds, by and between the District and the Escrow Agent.

(m) “Fair Market Value” means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security—State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the District and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

(n) “Federal Securities” means securities as permitted, in accordance with the respective resolutions of the Board of Supervisors of San Bernardino County or the Board of Education of the District pursuant to which the Prior Bonds were issued, to be deposited for the purpose of defeasing the Prior Bonds.

(o) “Information Services” means Financial Information, Inc.’s “Financial Daily Called Bond Service; Standard & Poor’s J.J. Kenny Information Services’ Called Bond Service; or Mergent Inc.’s Called Bond Department.

(p) “Nominee” means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 6(c) hereof.

(q) “Official Statement” means the Official Statement for the Refunding Bonds, as described in Section 17 hereof.

(r) “Outstanding” means, when used with reference to the Refunding Bonds, as of any date, Bonds theretofore issued or thereupon being issued under this resolution except:

(i) Refunding Bonds canceled at or prior to such date;

(ii) Refunding Bonds in lieu of or in substitution for which other Refunding Bonds shall have been delivered pursuant to Section 8 hereof; or

(iii) Refunding Bonds for the payment or redemption of which funds or Government Obligations in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Refunding Bonds), in accordance with Section 19 of this Resolution.

(s) “Owners” or “Registered Owner” means the registered owner of a Bond as set forth on the registration books maintained by the Paying Agent pursuant to Section 6 hereof.

(t) “Participants” means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as securities depository.

(u) “Paying Agent” means U.S. Bank National Association, or any successor financial institution, acting as paying agent, verification agent, transfer agent, bond registrar for the Refunding Bonds.

(v) “Rating Agencies” means (i) Standard & Poor’s Rating Service, a Standard & Poor’s Financial Services LLC business, (ii) Fitch Ratings and (iii) Moody’s Investors Service.

(w) “Record Date” means the close of business on the 15th day of the month preceding each Bond Payment Date.



(x) “Securities Depository” means The Depository Trust Company, 55 Water Street, New York, New York 10041, Tel: (212) 855-1000 or Fax: (212) 855-7320 with Cede & Co. as its nominee.

(y) “Taxable Refunding Bonds” means any Refunding Bonds not issued as Tax-Exempt Bonds.

(z) “Tax-Exempt Refunding Bonds” means any Refunding Bonds the interest in which is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax, as further described in an opinion of Bond Counsel supplied to the original purchasers of such Refunding Bonds.

(aa) “Term Bonds” means those Refunding Bonds for which mandatory redemption dates have been established in the Purchase Contract.

(bb) “Treasurer” means the Auditor-Controller/Treasurer/Tax Collector of the County, or other comparable officer of the County.

(cc) “Underwriters” means Piper Jaffray & Co., as representative (the “Representative”) of itself, and De La Rosa & Co., Cabrera Capital Markets, LLC, and Siebert Brandford Shank & Co., LLC (collectively, the “Underwriters”).

#### SECTION 6. Terms of the Refunding Bonds.

(a) Denomination, Interest, Dated Dates. The Refunding Bonds shall be issued as bonds registered as to both principal and interest, in the denominations of \$5,000 principal amount or any integral multiple thereof. The Refunding Bonds will be initially registered to “Cede & Co.,” the nominee of the Depository Trust Company, New York, New York.

Each Refunding Bond shall be dated the date of delivery of the Refunding Bonds or such other date as shall appear in the Purchase Contract or the Official Statement (the “Date of Delivery”), and shall bear interest at the rates set forth in the Purchase Contract from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record Date, in which event it shall bear interest from the Date of Delivery. Interest with respect to the Refunding Bonds shall be payable on the respective Bond Payment Dates and shall be computed on the basis of a 360-day year of twelve 30-day months.

No Refunding Bond of any series shall mature later than the final maturity date of the Refunded Bonds to be refunded from proceeds of such Refunding Bond.

(b) Redemption.

(i) Terms of Redemption. The Bonds shall be subject to optional or mandatory sinking fund redemption prior to maturity as provided in the purchase Contract or the Official Statement.

(ii) Optional Redemption. The Refunding Bonds shall be subject to optional redemption prior to maturity as provided in the Purchase Contract or the Official Statement.

(iii) Mandatory Redemption. Any Refunding Bonds issued as Term Bonds shall be subject to mandatory sinking fund redemption as provided in the Purchase Contract or the Official Statement.

In the event that a portion of any Term Bond is optionally redeemed pursuant to Section 6(b)(i) hereof, the remaining sinking fund payments shall be reduced proportionately, in integral multiples of \$5,000, in respect to the portion of such Term Bond optionally redeemed.

(iv) Selection of Refunding Bonds for Redemption. Whenever provision is made in this Resolution for the redemption of Refunding Bonds and less than all outstanding Refunding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Refunding Bonds for redemption as so directed and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent shall select Refunding Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Refunding Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple thereof.

The Purchase Contract may provide that (i) in the event that any portion of Refunding Bonds subject to mandatory sinking fund redemption are optionally redeemed prior to maturity, the remaining mandatory sinking fund payments with respect to such Refunding Bonds shall be reduced proportionately, in integral multiples of \$5,000 principal amount, in respect of the portion of such Refunding Bonds optionally redeemed, and (ii) within a maturity, Refunding Bonds shall be selected for redemption on a "Pro Rata Pass-Through Distribution of Principal" basis in accordance with DTC procedures, provided further that, such redemption is made in accordance with the operational arrangements of DTC then in effect.

(v) Notice of Redemption. When redemption is authorized or required pursuant to Section 6(b)(i) hereof, the Paying Agent, upon written instruction from the District, shall give notice (a "Redemption Notice") of the redemption of the Refunding Bonds. Such Redemption Notice shall specify: the Refunding Bonds or designated portions thereof (in the case of redemption of the Refunding Bonds in part but not in

whole) which are to be redeemed; the date of redemption; the place or places where the redemption will be made, including the name and address of the Paying Agent; the redemption price; the CUSIP numbers (if any) assigned to the Refunding Bonds to be redeemed, the Refunding Bond numbers of the Refunding Bonds to be redeemed in whole or in part and, in the case of any Refunding Bond to be redeemed in part only, the principal amount of such Refunding Bond to be redeemed; and the original issue date, interest rate and stated maturity date of each Refunding Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Refunding Bond or portion thereof being redeemed at the redemption price thereof, together with the interest accrued to the redemption date thereon, and that from and after such date, interest with respect thereto shall cease to accrue.

The Paying Agent shall take the following actions with respect to such Redemption Notice:

(A) At least 20 but not more than 60 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Refunding Bonds designated for redemption by registered or certified mail, postage prepaid, at their addresses appearing on the Bond Register.

(B) At least 20 but not more than 60 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service to the Securities Depository.

(C) At least 20 but not more than 60 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, or (ii) overnight delivery service to one of the Information Services.

A certificate of the Paying Agent or the District that a notice of redemption has been given as provided herein shall be conclusive as against all parties. Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Refunding Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Refunding Bonds shall bear or include the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer. Such redemption notices may state that no representation is made as to the accuracy or correctness of the CUSIP numbers printed therein or on the Refunding Bonds.

With respect to any notice of redemption of Bonds pursuant to Section 6(b)(i) hereof, unless upon the giving of such notice such Bonds shall be deemed to have been defeased pursuant to Section 19 hereof, such notice shall state that such redemption shall be conditional upon the receipt by the Paying Agent (or an independent escrow agent selected by the District) on or prior to the date fixed for such redemption of the moneys necessary and sufficient to pay the principal of, and premium, if any, and interest on, such Bonds to be redeemed, and that if such moneys shall not

have been so received said notice shall be of no force and effect, the Bonds shall not be subject to redemption on such date and the Bonds shall not be required to be redeemed on such date. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made and the Paying Agent shall within a reasonable time thereafter give notice, to the persons to whom and in the manner in which the notice of redemption was given, that such moneys were not so received. In addition, the District shall have the right to rescind any notice of redemption, by written notice to the Paying Agent on or prior to the date fixed for redemption. The Paying Agent shall distribute notice of rescission of such notice in the same manner that the notice was originally provided.

(vi) Partial Redemption of Refunding Bonds. Upon the surrender of any Refunding Bond redeemed in part only, the Paying Agent shall authenticate and deliver to the Owner thereof a new Refunding Bond or Refunding Bonds of like tenor and maturity and of authorized denominations equal in Principal Amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(vii) Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest accrued to the applicable date of redemption) having been set aside in the District's Debt Service Fund, the Refunding Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Refunding Bonds to be redeemed as provided in Section 6(b) hereof, together with interest accrued to such redemption date, shall be held by the Paying Agent so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Refunding Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Refunding Bonds shall be held in trust for the account of the Owners of the Refunding Bonds so to be redeemed.

All Refunding Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 6 shall be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Refunding Bond purchased by the District shall be cancelled by the Paying Agent.

(viii) Refunding Bonds No Longer Outstanding. When any Refunding Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held by the Paying Agent irrevocably in trust for the payment of the redemption price of such Refunding Bonds or portions thereof, and, accrued interest with respect thereto to the date fixed for

redemption, all as provided in this Resolution, then such Refunding Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 6 shall be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be cancelled by the Paying Agent.

(c) Book-Entry System.

(i) Election of Book-Entry System. The Refunding Bonds shall initially be delivered in the form of a separate single fully-registered bond (which may be typewritten) for each maturity date of such Refunding Bonds in an authorized denomination. The ownership of each such Bond shall be registered in the Bond Register (as defined below) maintained by the Paying Agent in the name of the Nominee, as nominee of the Depository and ownership of the Refunding Bonds, or any portion thereof may not thereafter be transferred except as provided in Section 6(c)(i)(4).

The District and the Paying Agent shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such the Refunding Bonds. Without limiting the immediately preceding sentence, the District and the Paying Agent shall have no responsibility or obligation with respect to: (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in the Refunding Bonds; (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Bond Register, of any notice with respect to the Refunding Bonds, including any notice of redemption; (iii) the selection by the Depository and its Participants of the beneficial interests in the Refunding Bonds to be prepaid in the event the District redeems the Refunding Bonds in part; (iv) or the payment by the Depository or any Participant or any other person, of any amount with respect to principal, premium, if any, or interest on the Refunding Bonds. The District and the Paying Agent may treat and consider the person in whose name each the Refunding Bond is registered in the Bond Register as the absolute owner (the "Registered Owner" or "Owner") of such the Refunding Bond for the purpose of payment of principal of and premium and interest on and to such Refunding Bond, for the purpose of giving notices of redemption and other matters with respect to such Refunding Bond, for the purpose of registering transfers with respect to such Refunding Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of and premium, if any, and interest on the Refunding Bonds only to or upon the order of the respective Owner, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, and premium, if any, and interest on the Refunding Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a

certificate evidencing the obligation to make payments of principal of, and premium, if any, and interest on the Refunding Bonds. Upon delivery by the Depository to the Owner and the Paying Agent, of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to the Record Date, the word "Nominee" in this Resolution shall refer to such nominee of the Depository.

(1) Delivery of Letter of Representations. In order to qualify the Refunding Bonds for the Depository's book-entry system, the District and the Paying Agent shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the District or the Paying Agent any obligation whatsoever with respect to persons having interests in the Refunding Bonds other than the Owners, as shown on the Bond Register. By executing a Letter of Representations, the Paying Agent shall agree to take all action necessary at all times so that the District will be in compliance with all representations of the District in such Letter of Representations. In addition to the execution and delivery of a Letter of Representations, the District and the Paying Agent shall take such other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify the Refunding Bonds for the Depository's book-entry program.

(2) Selection of Depository. In the event (i) the Depository determines not to continue to act as securities depository for the Refunding Bonds, or (ii) the District determines that continuation of the book-entry system is not in the best interest of the beneficial owners of the Refunding Bonds or the District, then the District will discontinue the book-entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered bond for each maturity date of such the Refunding Bond, registered in the name of such successor or substitute qualified securities depository or its Nominee as provided in subsection (4) hereof. If the District fails to identify another qualified securities depository to replace the Depository, then the Refunding Bonds shall no longer be restricted to being registered in such Bond Register in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging such Refunding Bonds shall designate, in accordance with the provisions of this Section 6(c).

(3) Payments and Notices to Depository. Notwithstanding any other provision of this Resolution to the contrary, so long as all outstanding Refunding Bonds are held in book-entry and registered in the name of the Nominee, all payments by the District or Paying Agent with respect to principal of and premium, if any, or interest on the Refunding Bonds and all notices with respect to such Refunding Bonds, including notices of redemption, shall be made and given, respectively to the Nominee, as provided in the Letter of Representations or as otherwise instructed by the Depository and agreed to by the Paying Agent notwithstanding any inconsistent provisions herein.

(4) Transfer of Refunding Bonds to Substitute Depository.

(A) The Refunding Bonds shall be initially issued as described in the Official Statement. Registered ownership of such Refunding Bonds, or any portions thereof, may not thereafter be transferred except:

(1) to any successor of DTC or its Nominee, or of any substitute depository designated pursuant to Section 6(c)(i)(4)(A)(2) (“Substitute Depository”); provided that any successor of DTC or Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(2) to any Substitute Depository, upon (a) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (b) a determination by the District that DTC (or its successor) is no longer able to carry out its functions as depository; provided that any such Substitute Depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(3) to any person as provided below, upon (a) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (b) a determination by the District that DTC or its successor (or Substitute Depository or its successor) is no longer able to carry out its functions as depository.

(B) In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(1) or (2), upon receipt of all outstanding Refunding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent designating the Substitute Depository, a single new Bond, which the District shall prepare or cause to be prepared, shall be executed and delivered for each maturity of Refunding Bonds then outstanding, registered in the name of such successor or such Substitute Depository or their Nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(3), upon receipt of all outstanding Refunding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, new Refunding Bonds, which the District shall prepare or cause to be prepared, shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such written request of the District, provided that the Paying Agent shall not be required to deliver such new Refunding Bonds within a period of less than sixty (60) days from the date of receipt of such written request from the District.

(C) In the case of a partial redemption of any Refunding Bonds evidencing a portion of the principal maturing in a particular year, DTC or its successor (or any Substitute Depository or its successor) shall make an appropriate notation on such Refunding Bonds indicating the date and amounts of such reduction in principal, in form acceptable to the Paying Agent, all in accordance with the Letter of Representations. The

Paying Agent shall not be liable for such Depository's failure to make such notations or errors in making such notations.

(D) The District and the Paying Agent shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof for all purposes of this Resolution and any applicable laws, notwithstanding any notice to the contrary received by the Paying Agent or the District; and the District and the Paying Agent shall not have responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Refunding Bonds. Neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to any such beneficial owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of any Refunding Bonds, and the Paying Agent may rely conclusively on its records as to the identity of the Owners of the Refunding Bonds.

SECTION 7. Execution of Refunding Bonds. The Refunding Bonds shall be signed by the President of the Board of Education of the District, by his or her manual or facsimile signature and countersigned by the manual or facsimile signature of the Clerk of or Secretary to the Board, all in their official capacities. No Refunding Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Refunding Bond is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the Refunding Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution. There shall be attached to each Refunding Bond the legal opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, and, immediately preceding such legal opinion, a certificate executed with the facsimile signature of the Secretary to the Board of Education, said certificate to be in substantially the following form:

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation in connection with the issuance of, and dated as of the date of the original delivery of, the bonds. A signed copy is on file in my office.

(Facsimile Signature)  
\_\_\_\_\_  
Secretary to Board of Education

SECTION 8. Paying Agent; Transfer and Exchange. So long as any of the Refunding Bonds remain outstanding, the District will cause the Paying Agent to maintain and keep at its designated office all books and records necessary for the registration, exchange and transfer of the Refunding Bonds as provided in this Section. Subject to the provisions of Section 9 below, the person in whose name a Refunding Bond is registered on the Bond Register shall be regarded as the absolute Owner of that Refunding Bond for all purposes of this Resolution. Payment of or on account of the principal or premium, if any, and interest on any Refunding Bond shall be



made only to or upon the order of that person; neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Refunding Bonds, including interest, to the extent of the amount or amounts so paid.

Any Refunding Bond may be exchanged for Refunding Bonds of like tenor, maturity and Transfer Amount upon presentation and surrender at the designated office of the Paying Agent, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Refunding Bond may be transferred on the Bond Register only upon presentation and surrender of the Refunding Bond at the designated office of the Paying Agent together with an assignment executed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new Refunding Bond or Refunding Bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the Transfer Amount of the Refunding Bond surrendered and bearing or accruing interest at the same rate and maturing on the same date.

If manual signatures on behalf of the District are required in connection with an exchange or transfer, the Paying Agent shall undertake the exchange or transfer of Refunding Bonds only after the new Refunding Bonds are signed by the authorized officers of the District. In all cases of exchanged or transferred Refunding Bonds, the District shall sign and the Paying Agent shall authenticate and deliver Refunding Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Refunding Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the Refunding Bonds surrendered upon that exchange or transfer.

Any Refunding Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be cancelled by the Paying Agent. The District may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Refunding Bonds that the District may have acquired in any manner whatsoever, and those Refunding Bonds shall be promptly cancelled by the Paying Agent. Written reports of the surrender and cancellation of Refunding Bonds shall be made to the District by the Paying Agent as requested by the District. The cancelled Refunding Bonds shall be retained for three years, then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Refunding Bonds during a period beginning with the opening of business on the 16th business day next preceding either any Bond Payment Date or any date of selection of Refunding Bonds to be redeemed and ending with the close of business on the Bond Payment Date or any day on which the applicable notice of redemption is given or (b) to transfer any Refunding Bonds which

have been selected or called for redemption in whole or in part.

SECTION 9. Payment. Payment of interest on any Refunding Bond on any Bond Payment Date shall be made to the person appearing on the registration books of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by check mailed to such Owner on the Bond Payment Date at his address as it appears on such registration books or at such other address as he may have filed with the Paying Agent for that purpose on or before the Record Date. The Owner in an aggregate principal of \$1,000,000 or more may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The principal, and redemption price, if any, shall be payable upon maturity or redemption upon surrender at the designated office of the Paying Agent. The interest, principal and premiums, if any, on the Refunding Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the Refunding Bonds when duly presented for payment at maturity, and to cancel all Refunding Bonds upon payment thereof. The Refunding Bonds are general obligations of the District, payable without limit as to rate or amount solely from the levy of ad valorem property taxes upon all property subject to taxation within the District.

SECTION 10. Form of Refunding Bonds. The Refunding Bonds shall be in substantially the following form, allowing those officials executing the Refunding Bonds to make the insertions and deletions necessary to conform the Refunding Bonds to this Resolution, the Purchase Contract and the Official Statement:

(Form of Refunding Bonds)

REGISTERED  
NO.

REGISTERED  
\$

SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT  
(SAN BERNARDINO COUNTY, CALIFORNIA)  
2013 GENERAL OBLIGATION REFUNDING BONDS

<u>INTEREST RATE:</u> ____% per annum	<u>MATURITY DATE:</u> August 1, ____	<u>DATED AS OF:</u> _____, 2013	<u>CUSIP</u> _____
--	---	------------------------------------	-----------------------

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The San Bernardino City Unified School District (the "District") in San Bernardino County (the "County"), for value received, promises to pay to the Registered Owner named

above, or registered assigns, the Principal Amount on the Maturity Date, each as stated above, and interest thereon until the Principal Amount is paid or provided for at the Interest Rate stated above, on February 1 and August 1 of each year (the "Bond Payment Dates"), commencing August 1, 2013. This bond will bear interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before July 15, 2013, in which event it shall bear interest from the Date of Delivery. Interest on this bond shall be computed on the basis of a 360-day year of twelve 30-day months. Principal and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the Register maintained by the Paying Agent, initially the U.S. Bank National Association. Principal is payable upon presentation and surrender of this bond at the designated office of the Paying Agent. Interest is payable by check mailed by the Paying Agent on each Bond Payment Date to the Registered Owner of this bond (or one or more predecessor bonds) as shown and at the address appearing on the Register at the close of business on the 15th day of the calendar month next preceding that Bond Payment Date (the "Record Date"). The Owner of Refunding Bonds in the aggregate Principal Amount of \$1,000,000 or more may request in writing to the Paying Agent that the Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

This bond is one of an authorization of bonds issued by the District pursuant to Government Code Section 53550 et seq. (the "Act") for the purpose of refunding certain of the District's outstanding General Obligation Bonds, 2004 Election, Series A, dated September 29, 2004, 2004 General Obligation Refunding Bonds, dated September 29, 2004, and General Obligation Bonds, 2004 Election, Series B, dated May 18, 2006; and to pay all necessary legal, financial, and contingent costs in connection therewith. The bonds are being issued under authority of and pursuant to the Act, the laws of the State of California, and the resolution of the Board of Education of the District adopted on May 7, 2013 (the "Bond Resolution"). This bond and the issue of which this bond is one are general obligation bonds of the District payable as to both principal and interest solely from the proceeds of the levy of ad valorem taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount.

The bonds of this issue comprise \$\_\_\_\_\_ principal amount of Current Interest Bonds, of which this bond is a part (each a "Refunding Bond").

This bond is exchangeable and transferable for bonds of like tenor, maturity and principal amount and in authorized denominations at the designated office of the Paying Agent in Los Angeles, California by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in

the Bond Resolution. All fees and costs of transfer shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute Owner of this bond for the purpose of receiving payment of or on account of Principal or interest and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any bond during a period beginning with the opening of business on the 16th business day next preceding either any Bond Payment Date or any date of selection of bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given or (b) to transfer any bond which has been selected or called for redemption in whole or in part.

The Refunding Bonds maturing on or before August 1, 20\_\_ are not subject to redemption prior to their fixed maturity dates. The Refunding Bonds maturing on or after August 1, 20\_\_ are subject to redemption on or after August 1, 20\_\_ or on any date thereafter at the option of the District as a whole or in part at a redemption price equal to the principal amount of the Refunding Bonds called for redemption, plus interest accrued thereon to the date fixed for redemption, without premium.

The Refunding Bonds maturing on August 1, 20\_\_ are subject to mandatory sinking fund redemption from moneys in the Debt Service Fund on August 1 of each year on and after August 1, 20\_\_, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amounts represented by such Refunding Bonds to be so redeemed and the dates therefore and the final payment date is as indicated in the following table:

Redemption Dates	Principal Amounts
TOTAL	\$

The principal amount to be redeemed in each year shown above will be reduced proportionately or as otherwise directed by the District, in integral multiples of \$5,000, by any portion of the Refunding Term Bond optionally redeemed prior to the mandatory sinking fund redemption date.

If less than all of the bonds of any one maturity shall be called for redemption, the particular bonds or portions of bonds of such maturity to be redeemed shall be selected by lot by the District in such manner as the District in its discretion may determine; provided, however,

Board of Education Meeting  
May 7, 2013

that the portion of any bond to be redeemed shall be in the Principal amount of \$5,000 or some multiple thereof. If less than all of the bonds stated to mature on different dates shall be called for redemption, the particular bonds or portions thereof to be redeemed shall be called in any order of maturity selected by the District or, if not so selected, in the inverse order of maturity.

Reference is made to the Bond Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the bonds of this series, the rights, duties and obligations of the District, the Paying Agent and the Registered Owners, and the terms and conditions upon which the bonds are issued and secured. The Registered Owner of this bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the bonds has been received; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the bonds; and that due provision has been made for levying and collecting ad valorem property taxes on all of the taxable property within the District in an amount sufficient to pay Principal and interest when due.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the San Bernardino City Unified School District, San Bernardino County, has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the President of the Board of Education of the District, and to be countersigned by the manual or facsimile signature of the Secretary to or Clerk of the Board of Education, all as of the date stated above.

SAN BERNARDINO CITY UNIFIED SCHOOL  
DISTRICT

By: \_\_\_\_\_ (Facsimile Signature)  
President, Board of Education

COUNTERSIGNED:

\_\_\_\_\_  
(Facsimile Signature)  
Secretary to Board of Education

Board of Education Meeting  
May 7, 2013

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the Bond Resolution referred to herein which has been authenticated and registered on \_\_\_\_\_, 2013.

U.S. BANK NATIONAL ASSOCIATION, as  
Paying Agent

By: \_\_\_\_\_  
Authorized Officer

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and zip code of Transferee): \_\_\_\_\_ this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the within bond in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: \_\_\_\_\_

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to

Board of Education Meeting  
May 7, 2013

Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

#### LEGAL OPINION

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation in connection with the issuance of, and dated as of the date of the original delivery of, the bonds. A signed copy is on file in my office.

By: \_\_\_\_\_ (Facsimile Signature)  
Secretary to Board of Education

(Form of Legal Opinion)

SECTION 11. Delivery of Refunding Bonds. The proper officials of the District shall cause the Refunding Bonds to be prepared and, following their sale, shall have the Refunding Bonds signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Refunding Bonds, to the Underwriters upon payment of the purchase price therefor.

SECTION 12. Deposit of Proceeds of Refunding Bonds; Escrow Agreement. An amount of the proceeds from the sale of the Refunding Bonds necessary to purchase Federal Securities shall be transferred to the Escrow Agent for deposit in the escrow fund (the "Escrow Fund") established under the Escrow Agreement, which amount, together with an amount or amounts of cash held uninvested therein, shall be sufficient to refund the Refunded Bonds all as set forth in a certificate of an Authorized Officer. Proceeds or premium received from the sale of the Refunding Bonds desired to pay all or a portion of the costs of issuing the Refunding Bonds may be deposited in the fund of the District held by the Escrow Agent and known as the "San Bernardino City Unified School District 2013 General Obligation Refunding Bonds Cost of Issuance Fund" (the "Cost of Issuance Fund") and shall be kept separate and distinct from all other District funds, and those proceeds shall be used solely for the purpose of paying costs of issuance of the Refunding Bonds.

Any accrued interest received by the District from the sale of the Refunding Bonds shall be kept separate and apart in the fund hereby created and established and to be designated as the "San Bernardino City Unified School District 2013 General Obligation Refunding Bonds Debt Service Fund" (the "Debt Service Fund") for the Refunding Bonds and used only for payments of Principal of and interest on the Refunding Bonds. The Debt Service Fund shall be held by the County and invested in the County Investment Pool maintained by the Auditor-Controller/ Treasurer/Tax Collector of the County. Money on deposit in the debt service fund established

for the Refunded Bonds collected to make the payments on the Refunded Bonds due on and after August 1, 2013, as applicable (i) may be used to pay the debt service due on and after August 1, 2013, as applicable on any Prior Bonds not to be refunded from proceeds of the Refunding Bonds, (ii) may be transferred to the Escrow Fund and applied as set forth in the Escrow Agreement or (iii) may be used to pay principal of and interest due, if any, on the Refunding Bonds. Any premium received by the District from the sale of the Refunding Bonds may be transferred to the Debt Service Fund or applied to the payment of cost of issuance of the Refunding Bonds, or some combination of deposits. Any excess proceeds of the Refunding Bonds not needed for the authorized purposes set forth herein for which the Refunding Bonds are being issued shall be transferred to the Debt Service Fund and applied to the payment of the Principal of and interest on the Refunding Bonds. If, after payment in full of the Refunding Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District. Notwithstanding any of the foregoing, the provisions of this Section 12 as they relate to the dispersal and allocation of moneys on deposit in the debt service funds established for the Refunded Bonds collected to pay the interest and principal due on and after August 1, 2014, as applicable on the Refunded Bonds and the provisions of this Section 12 as they relate to the application of any premium received by the District from the sale of the Refunding Bonds may be amended by the Purchase Contract or the Official Statement so long as the transactions contemplated by such amendment are in compliance with the provisions of the Act.

The moneys in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Refunding Bonds as the same become due and payable, shall be transferred by the U.S. Bank National Association to the Paying Agent which, in turn, shall pay such moneys to DTC to pay the principal of and interest on the Refunding Bonds. DTC will thereupon make payments of principal and interest on the Refunding Bonds to the DTC Participants who will thereupon make payments of principal and interest to the beneficial owners of the Refunding Bonds. Any moneys remaining in the Debt Service Fund after the Refunding Bonds and the interest thereon have been paid, or provision for such payment has been made, shall be transferred to the general fund of the District.

Except as required below to satisfy the requirements of Section 148(f) of the Internal Revenue Code of 1986, as amended (the "Code"), interest earned on the investment of monies held in the Debt Service Fund shall be retained in the Debt Service Fund and used to pay principal and interest on the Refunding Bonds when due.

**SECTION 13. Rebate Fund.** The following provisions shall apply to any Refunding Bonds issued as Tax-Exempt Refunding Bonds.

(a) The District shall create and establish a special fund designated the "San Bernardino City Unified School District, Election of 2012 General Obligation Refunding Bonds, Series A Rebate Fund" (the "Rebate Fund"). All amounts at any time on deposit in the Rebate Fund shall be held in trust, to the extent required to satisfy the requirement to make rebate



payments to the United States (the “Rebate Requirement”) pursuant to Section 148 of the Code, and the Treasury Regulations promulgated thereunder (the “Treasury Regulations”). Such amounts shall be free and clear of any lien hereunder and shall be governed by this Section and by the Tax Certificate to be executed by the District in connection with the Tax-Exempt Refunding Bonds (the “Tax Certificate”).

(b) Within 45 days of the end of each fifth Bond Year (as such term is defined in the Tax Certificate), (1) the District shall calculate or cause to be calculated with respect to the Refunding Bonds the amount that would be considered the “rebate amount” within the meaning of Section 1.148-3 of the Treasury Regulations, using as the “computation date” for this purpose the end of such Bond Year, and (2) the District shall deposit to the Rebate Fund from amounts on deposit in the other funds established hereunder or from other District funds, if and to the extent required, amounts sufficient to cause the balance in the Rebate Fund to be equal to the “rebate amount” so calculated. The District shall not be required to deposit any amount to the Rebate Fund in accordance with the preceding sentence, if the amount on deposit in the Rebate Fund prior to the deposit required to be made under this subsection (b) equals or exceeds the “rebate amount” calculated in accordance with the preceding sentence. Such excess may be withdrawn from the Rebate Fund to the extent permitted under subsection (g) of this Section. The District shall not be required to calculate the “rebate amount” and shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b), with respect to all or a portion of the proceeds of the Refunding Bonds (including amounts treated as proceeds of the Refunding Bonds) (1) to the extent such proceeds satisfy the expenditure requirements of Section 148(f)(4)(B) or Section 148(f)(4)(C) of the Code or Section 1.148-7(d) of the Treasury Regulations, whichever is applicable, and otherwise qualify for the exception to the Rebate Requirement pursuant to whichever of said sections is applicable, (2) to the extent such proceeds are subject to an election by the District under Section 148(f)(4)(C)(vii) of the Code to pay a one and one-half percent (1½%) penalty in lieu of arbitrage rebate in the event any of the percentage expenditure requirements of Section 148(f)(4)(C) are not satisfied, or (3) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a “bona fide debt service fund.” In such event, and with respect to such amounts, the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b).

(c) Any funds remaining in the Rebate Fund after redemption of all the Refunding Bonds and any amounts described in paragraph (2) of subsection (d) of this Section, or provision made therefor satisfactory to the District, including accrued interest, shall be remitted to the District.

(d) Subject to the exceptions contained in subsection (b) of this Section to the requirement to calculate the “rebate amount” and make deposits to the Rebate Fund, the District shall pay to the United States, from amounts on deposit in the Rebate Fund,

(1) not later than 60 days after the end of (i) the fifth Bond Year, and (ii) each fifth Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the “rebate amount” calculated as of the end of such Bond Year in accordance with Section 1.148-3 of the Treasury Regulations; and

(2) not later than 60 days after the payment of all Refunding Bonds, an amount equal to 100% of the “rebate amount” calculated as of the date of such payment (and any income attributable to the “rebate amount” determined to be due and payable) in accordance with Section 1.148-3 of the Treasury Regulations.

(e) In the event that, prior to the time any payment is required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the District shall calculate (or have calculated) the amount of such deficiency and deposit an amount equal to such deficiency into the Rebate Fund prior to the time such payment is due.

(f) Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service, on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, such form to be prepared or caused to be prepared by the District.

(g) In the event that immediately following the calculation required by subsection (b) of this Section, but prior to any deposit made under said subsection, the amount on deposit in the Rebate Fund exceeds the “rebate amount” calculated in accordance with said subsection, the District may withdraw the excess from the Rebate Fund and credit such excess to the Debt Service Fund.

(h) The District shall retain records of all determinations made hereunder until three years after the complete retirement of the Refunding Bonds.

(i) Notwithstanding anything in this Resolution to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the Refunding Bonds.

**SECTION 14. Security for the Refunding Bonds.** There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct ad valorem tax annually during the period the Refunding Bonds are outstanding in an amount sufficient to pay the principal of and interest on the Refunding Bonds when due, which moneys when collected will be placed in the Debt Service Fund of the District, which fund is irrevocably pledged for the payment of the principal of and interest on the Refunding Bonds when and as the same fall due. The District covenants to cause the County to take all actions necessary to levy such ad valorem tax in accordance with this Section 14 and Section 53559 of the Act.

SECTION 15. Arbitrage Covenant. The District will restrict the use of the proceeds of the Refunding Bonds in such manner and to such extent, if any, as may be necessary, so that the Refunding Bonds will not constitute arbitrage bonds under Section 148 of the Code and the applicable regulations prescribed under that Section or any predecessor section.

SECTION 16. Legislative Determinations. The Board determines that all acts and conditions necessary to be performed by the Board or to have been met precedent to and in the issuing of the Refunding Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Refunding Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Refunding Bonds. Furthermore, the Board finds and determines pursuant to Section 53552 of the Act that the prudent management of the fiscal affairs of the District requires that it issue the Refunding Bonds without submitting the question of the issuance of the Refunding Bonds to a vote of the qualified electors of the District.

SECTION 17. Official Statement. The Preliminary Official Statement relating to the Refunding Bonds, substantially in the form on file with the Secretary to the Board is hereby approved and the Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deliver such Preliminary Official Statement to the Underwriters to be used in connection with the offering and sale of the Refunding Bonds. The Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deem the Preliminary Official Statement “final” pursuant to 15c2-12 of the Securities Exchange Act of 1934, prior to its distribution and to execute and deliver to the Underwriters a final Official Statement, substantially in the form of the Preliminary Official Statement, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve. The Underwriters are hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Refunding Bonds and are directed to deliver copies of any final Official Statement to the purchasers of the Refunding Bonds. Execution of the Official Statement shall conclusively evidence the District’s approval of the Official Statement.

SECTION 18. Insurance. In the event the District purchases bond insurance for the Refunding Bonds, and to the extent that the Bond Insurer makes payment of the principal or interest on the Refunding Bonds, it shall become the Owner of such Refunding Bonds with the right to payment of principal or interest on the Refunding Bonds, and shall be fully subrogated to all of the Owners’ rights, including the Owners’ rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that were past due interest components, the Paying Agent shall note the Bond Insurer’s rights as subrogee on the registration books for the Refunding Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer for the payment of such interest to the Owners of the Refunding Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Paying Agent shall note the Bond Insurer as subrogee on the registration books for the Refunding Bonds

maintained by the Paying Agent upon surrender of the Refunding Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond Insurer.

SECTION 19. Defeasance. All or any portion of the outstanding maturities of the Refunding Bonds may be defeased prior to maturity in the following ways:

(a) Cash: by irrevocably depositing with an independent escrow agent selected by the District an amount of cash which together with amounts transferred from the Debt Service Fund is sufficient to pay and discharge all Refunding Bonds outstanding and designated for defeasance (including all principal and interest thereon and redemption premiums, if any) at or before their maturity date; or

(b) Government Obligations: by irrevocably depositing with an independent escrow agent selected by the District noncallable Government Obligations, together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and moneys transferred from the Debt Service Fund together with the interest to accrue thereon, be fully sufficient to pay and discharge all Refunding Bonds outstanding and designated for defeasance (including all principal and interest represented thereby and prepayment premiums, if any) at or before their maturity date;

then, notwithstanding that any of such Refunding Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such designated outstanding Refunding Bonds shall cease and terminate, except only the obligation of the Paying Agent or an independent escrow agent selected by the District to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) of this Section, to the Owners of such designated Refunding Bonds not so surrendered and paid all sums due with respect thereto.

For purposes of this Section, "Government Obligations" shall mean:

Direct and general obligations of the United States of America or obligations that are unconditionally guaranteed as to principal and interest by the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute strips), or "prerefunded" municipal obligations rated in the highest rating category by Moody's Investors Service or Standard & Poor's. In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations

are rated or assessed at least as high as direct and general obligations of the United States of America by either Standard & Poor's or by Moody's Investors Service.

SECTION 20. Other Actions, Determinations and Approvals.

(a) Officers of the Board, District officials and staff are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Refunding Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The Board hereby finds and determines that both the total net interest cost to maturity on the Refunding Bonds plus the principal amount of the Refunding Bonds will be less than the total net interest cost to maturity on the Refunded Bonds plus the principal amount of the Refunded Bonds.

(c) The Board anticipates that the Refunded Bonds will be redeemed on or about August 1, 2014 which is the first optional redemption date of such series of Refunded Bonds following the issuance of the Refunding Bonds.

(d) The Board hereby appoints U.S. Bank National Association as escrow agent (the "Escrow Agent") for the Refunding Bonds and approves the form of Escrow Agreement, by and between the District and the Escrow Agent on file with the Secretary to the Board. The Authorized Officers, each alone, are hereby authorized to execute the Escrow Agreement with such changes as they shall approve, such approval to be conclusively evidenced by either individual's execution and delivery thereof.

(e) The Board hereby appoints Piper Jaffray & Co., as representative (the "Representative") of itself, and De La Rosa & Co., Cabrera Capital Markets, LLC, and Siebert Brandford Shank & Co., LLC (collectively, the "Underwriters"), and Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, as bond counsel and disclosure counsel with respect to the issuance of the Refunding Bonds.

(f) The provisions of this Resolution may be amended by the Purchase Contract and the Official Statement; if the Purchase Contract so provides, the Refunding Bonds may be issued as crossover refunding bonds pursuant to Section 53558(b) of the Government Code.

SECTION 21. Resolution to Auditor-Controller/Treasurer/Tax Collector. The Secretary to this Board is hereby directed to provide a certified copy of this Resolution to the Auditor-Controller/Treasurer/Tax Collector of San Bernardino County immediately following its adoption.

Board of Education Meeting  
May 7, 2013

SECTION 22. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate executed by the District and dated the date of issuance and delivery of the Refunding Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof. Any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section. Noncompliance with this Section shall not result in acceleration of the Refunding Bonds.

SECTION 23. Effective Date. This Resolution shall take effect immediately upon its passage.

SECTION 24. Recitals. All the recitals in this Resolution above are true and correct and this Board so finds, determines and represents.

SECTION 25. Effective Date. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 7th day of May, 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

---

President, Board of Education  
San Bernardino City Unified School District

Attest:

---

Secretary to Board of Education  
San Bernardino City Unified School District

SECRETARY'S CERTIFICATE

I, Dr. Dale Marsden, Secretary to the Board of Education of the San Bernardino Unified School District, hereby certify as follows:

Board of Education Meeting  
May 7, 2013

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly and legally held at the regular meeting place thereof on May 7, 2013, of which meeting all of the members of the Board of said District had due notice and at which a quorum was present.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes.

Said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: May 7, 2013

---

Secretary

9.4 Personnel Report #21, Dated May 7, 2013  
(Prepared by Human Resources Division)

It is requested that the Board approves the Personnel Report #21, dated May 7, 2013, which contains action such as hiring, retirements, resignations, promotions, and terminations involving certificated, classified, and other employees in the categories of noon duty aides, recreational supervisors, substitute employees, and others. These actions are consistent with policies of the Board of Education, the rules and regulations of the Personnel Commission, and the District's Affirmative Action Plan.

The following resolution is recommended:

BE IT RESOLVED that the Personnel Report #21, dated May 7, 2013, be approved as presented. Personnel actions included in this report are in accordance with policies of the Board of Education, the rules and regulations of the Personnel Commission, and the District's Affirmative Action Plan.

Board of Education Meeting  
May 7, 2013



Board of Education Meeting  
May 7, 2013

## **SESSION TEN - Closed Session**

### ***10.0 Closed Session***

As provided by law, the Board will meet in Closed Session for consideration of the following:

#### **Student Matters/Discipline**

##### **Conference with Labor Negotiator**

District Negotiator: Harold Vollkommer  
Employee Organization: California School Employees Association  
Communications Workers of America  
San Bernardino School Police Officers Association  
San Bernardino Teachers Association

##### **Anticipated Litigation**

(Government Code Section 54956.9(b)(1))  
Number of Cases: Eleven

##### **Public Employee Appointment**

Title: Director, Single District Special Education Local Plan Area (SELPA)  
Elementary School Principal  
Middle School Principal

##### **Public Employee Discipline/Dismissal/Release/Demotion/Reassignment Pursuant to Government Code Section 54957**

##### **Non-Reelection of Certificated Employee(s)**

##### **Consideration of Administrative Law Judge's Proposed Decision in Case #2013030854 Pursuant to Government Code Section 54957 and/or 54956.9(a)**

**SESSION ELEVEN – Open Session**

***11.0 Action Reported from Closed Session***

**11.1 Adoption of Resolution Terminating Services of Certificated Employees as a Result of Reduction or Discontinuation of Particular Kinds of Services (Acting Upon Proposed Decision of the Administrative Law Judge)**  
(Prepared by the Human Resources Division)

WHEREAS, on March 5, 2013, pursuant to the Superintendent's recommendation, this Board adopted a Resolution to reduce or discontinue 166 full time equivalent certificated teaching positions not later than the beginning of the 2013-14 school year, as set forth therein;

WHEREAS, the particular kind of services to be reduced or discontinued as set forth in the Resolution are determined to be particular kinds of services within the meaning of Education Code section 44955;

WHEREAS, the particular kinds of services referenced in the Resolution will be reduced or discontinued within the meaning of Education Code section 44955 not later than the beginning of the 2013-14 school year;

WHEREAS, on or before March 15, 2013, the Superintendent's designee served notice on 168 certificated employees that it has been recommended that their services will not be required for the ensuing 2013-14 school year, pursuant to Education Code sections 44949 and 44955; 161 of those notices were regular layoff notice and seven (7) of those notices were precautionary notices;

WHEREAS, the notices served upon the 168 certificated employees advised them that they may request a hearing to determine if there was cause for not reemploying them for the ensuing 2013-14 school year, and that if they failed to timely request a hearing, that failure shall constitute a waiver of their right to a hearing in accordance with Education Code section 44949;

WHEREAS, fifty (50) certificated employees did not timely request a hearing and consequently waived their rights to a hearing; one hundred eighteen (118) certificated employees timely requested a hearing, and they are Respondents in OAH Case No. 2013030854; accordingly an evidentiary hearing was held on April 18, 2013, pursuant to Education Code sections 44955 and 44949 before an Administrative Law Judge;

WHEREAS, prior to hearing, the District dismissed the accusations against Respondents Vance Bee, Jorge De La Torre, Jeanette Perez, and Ashley Quinn;

WHEREAS, during the April 18, 2013, hearing, the District dismissed the accusations against Dane Bagnell, Angie Garcia, Larry Harris, Jennifer Peau, Enriquetta Pinon, Veronica Ramirez, Dominique Sanchez, and Mary Belle Van Der Noord;

Board of Education Meeting  
May 7, 2013

WHEREAS, on April 26, 2013, the Administrative Law Judge submitted a proposed decision related to those proceedings which was received by the District on April 29, 2013;

WHEREAS, this Board has received and considered the proposed decision of the Administrative Law Judge, a copy of which is attached hereto, and any arguments submitted by or on behalf of the parties regarding that proposed decision;

WHEREAS, within the "Recommendation" at page 15 of the proposed decision, Respondents Ronnie Gueringer and Yadira Guerrero were incorrectly omitted from the Administrative Law Judge's recommended list of employees to receive a final layoff notice;

WHEREAS, the District did not dismiss the accusations served on Respondents Gueringer and Guerrero before, during, or after the layoff hearing;

WHEREAS, the Administrative Law Judge did not make any findings of fact or conclusions of law warranting the dismissal of the accusations served on Respondents Gueringer and Guerrero;

WHEREAS, this Board concludes that the omission of Respondents Gueringer and Guerrero was a clerical error;

WHEREAS, the proposed decision endorsed the layoff with respect to the 156 certificated employees named therein;

WHEREAS, Education Code section 44949, subdivision (c)(3), provides that this Board shall make the final determination as to the sufficiency of the cause and disposition of the layoff;

WHEREAS, Education Code section 44955, subdivision (c), requires final Board action and notifications to affected employees no later than May 14, 2013, unless that date is extended within a hearing pursuant to Education Code section 44949, subdivision (e);

WHEREAS, the services of no permanent or other employee are being terminated while any probationary employee or any other employee with less seniority is being retained to render a service which the permanent or other employee is certificated and competent to render, within the meaning of, and except as permitted by, Education Code section 44955; the individuals whose employment is being terminated are not certificated and competent (within the meaning of, and except as permitted by, Education Code section 44955) to render the service being performed by any employee with less seniority who is being retained;

WHEREAS, the jurisdictional and statutory prerequisites have been satisfied as to the layoff of the 158 certificated employees named in the Final Layoff List including Respondents Gueringer and Guerrero, attached hereto as Exhibit A, to the extent required by law; sufficient cause exists for such employee's termination of employment after consideration of facts including but not limited to the employee's seniority, competency, and scope of credentials; and that cause relates

to the welfare of the schools and the pupils thereof within the meaning of Education Code section 44949, subdivision (c)(3), to the extent that provision applies; and

WHEREAS, reemployment rights pursuant to Education Code section 44956 and/or 44957, shall be provided to the employees whose services are terminated as a result of this layoff.

NOW, THEREFORE, BE IT RESOLVED that this Board accepts the Proposed Decision of the Administrative Law Judge and adopts as its own that Proposed Decision issued in OAH Case No. 2013030854 with the correction of the clerical error noted herein;

BE IT FURTHER RESOLVED that the employment of the 158 certificated employees named in the Final Layoff List attached hereto is hereby terminated effective upon the close of the current school year (i.e., the end of such employee's last working day prior to July 1, 2013);

BE IT FURTHER RESOLVED that this decision is effective immediately and that the affected certificated employees shall be given appropriate final layoff notice by the Superintendent or designee of the termination of their services, with said notice to be given on or before May 14, 2013, in the manner prescribed by law; and finally

BE IT FURTHER RESOLVED that reemployment rights shall be afforded to the affected employees in accordance with and to the extent applicable by the Education Code, if and when reemployment is available.

**SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT**

**2012-2013 FINAL CERTIFICATED LAYOFF LIST**

The Following Certificated Employees Will Receive a Final Layoff Notice:

- |                             |                           |
|-----------------------------|---------------------------|
| 1. Abbott, Melissa          | 16. Bonn, Tamara          |
| 2. Alas-Negri, Marisela     | 17. Bothum, Andrea        |
| 3. Alba, Maribel            | 18. Brito, Liliana        |
| 4. Alcantar, Esmeralda      | 19. Brown, Eboni          |
| 5. Amaya, Clarissa          | 20. Camargo, Veronica C.  |
| 6. Angulo, Elizabeth        | 21. Campbell, Kimberly    |
| 7. Applegate, Valerie       | 22. Carlstrom, Victoria   |
| 8. Arreguin-Fuentes, Sarahi | 23. Carney, Amber         |
| 9. Banchon, Francisco       | 24. Carson, Wendi         |
| 10. Barranco, Jennie        | 25. Cartwright, Heidi     |
| 11. Beltran, Orlando        | 26. Casanova, Belinda     |
| 12. Beuler, Joyella         | 27. Clobes, Rob           |
| 13. Beyer, Sarah            | 28. Corral Cabral, Janett |
| 14. Black, Clinton          | 29. Corse, Michael        |
| 15. Blacksher, Kristina     | 30. Cowley, Sharon        |

Board of Education Meeting  
May 7, 2013

31. Crockett, Joelle
32. Davis Jr, Anthony
33. Dean, Cassandra
34. Dean, Kristen.
35. Doswell III, Quinton
36. Downing, Stephanie
37. Dragna, Desiree
38. Drinkwater, Kent A.
39. D'Souza, Sonia
40. Duag, Elaine
41. DuMoulin, Andrea
42. Duran, Samuel
43. Enciso, Diana
44. Escalante Butterfield, Angelica
45. Escobedo, Francisco
46. Esparza, Robyn
47. Esqueda, Irene A.
48. Esquibel, Malissa
49. Estrada, Stephanie
50. Fabela III, Frank
51. Gadsby, Magda
52. Garcia, Diana
53. Garcia, Helen
54. Glass, Daisy
55. Gonzalez, Erika
56. Gonzalez, Melody
57. Gonzalez, Stephanie
58. Gordon, Laura
59. Gueringer, Ronnie
60. Guerrero, Yadira
61. Guy, David
62. Hailemariam, Yosan
63. Hamilton, Debra
64. Hammer, JoAnn
65. Hernandez-Duarte, Norma
66. Hill Jackson, Talena
67. Hicken, Neil R
68. Hoehn, Brian
69. Holeman, Ashley
70. Hose, Jamie
71. Huerta, Marisela
72. Ighodaro, Precious
73. Jimenez-Garcia, Maria
74. Jones, Jennifer
75. Juarez, Ileana
76. Kane, Sheena
77. Klimenko, Kyle
78. Korzonek, Erica
79. Kuld, Gregory
80. Ladson, Nicole
81. Lieu, Cindy
82. Lingenfelter, Tina
83. Lopez, Yvette
84. Lower, Amanda
85. Ludwig, Kimberly
86. Macias, Julia
87. Makhmudyan, Vergine
88. Mancha, Sandra
89. Marin, Stefanie
90. Marshall, Renita
91. Martin, Marrina
92. Martinez, Olivier
93. Matei, Oana
94. Meaca, Marisol
95. Medina, Cynthia
96. Melendez, Suyapa
97. Mena Lisella, Nancy
98. Moneta, Katie
99. Montejano, Daniel
100. Mora, Viridiana
101. Moreno, Denise
102. Muller, Kimberly
103. Muller, Thomas
104. Nava, Judy
105. Neighbours, Charles
106. Nguyen, Thai Phi
107. Ocasio, Nicole
108. Olivo, Diana
109. Ortega, Paulette
110. Palaszewski, Meghan
111. Parks, Candace
112. Parrish, Janet
113. Parsons, Clynton
114. Perez, Sarah
115. Pinedo, Kristina
116. Plebani, Allison
117. Quintana, Julie
118. Quintero Lopez, Yeraldin
119. Ramirez, Chelsea
120. Ramirez, Melissa

Board of Education Meeting  
May 7, 2013

121. Reyes, Nancy
122. Ries, Cassandra
123. Rios, Erika
124. Robinson, Stephanie
125. Rodriguez, Beatriz
126. Rodriguez, Kimberly
127. Rodriguez, Sonia
128. Ruvalcaba, Ana
129. San Angelo, Phillip
130. Sassaman, Sandra
131. Sauer, Jeremy
132. Scott, Brice
133. Serna, Diana
134. Serrano, Chelse
135. Slowinski, Aimee
136. Smith, Kelsey
137. Smith, Trudy
138. Smith, Vanee
139. Solis, Jessica
140. Soward, Marcus B
141. Spencer, Valerie
142. Stottlemeyer, Sarah
143. Terrazas, Kristin
144. Thompson, NaChe
145. Torres, Oscar
146. Torres, Rachel
147. Torres-Escobedo, Cecilia
148. Tran, Linda
149. Trujillo, Mariana
150. Vega, Laura
151. Veronick, Sara
152. Villalobos, Maria
153. Villegas, Vanessa
154. Walters, Kelly
155. Williams, Nyasha
156. Wilson, Kindra
157. Yates, Jennifer
158. Zavala, Liset

BEFORE  
THE GOVERNING BOARD OF THE  
SAN BERNARDINO CITY SCHOOL DISTRICT  
SAN BERNARDINO COUNTY, STATE OF CALIFORNIA

In the Matter of the Proposed Reduction in  
Force Proceeding Involving:

OAH No. 2013030854

Certificated Employees of the San  
Bernardino City Unified School District  
Who Received Preliminary Layoff Notices  
for the 2013-2014 School Year,

Respondents.

**PROPOSED DECISION**

James Ahler, Administrative Law Judge, Office of Administrative Hearings, State of California, heard this matter in San Bernardino, California, on April 18, 2013.

Todd M. Robbins and David E. Robinette, Atkinson, Andelson, Loya, Rudd & Romo, represented the San Bernardino Unified City School District.

Carlos R. Perez and Angela Serranzana, Reich, Adell & Cvitan, and Joseph Colton, CTA Attorney Emeritus, represented all respondents who appeared.

No respondent represented himself or herself.

The matter was submitted on April 18, 2013.

**FACTUAL FINDINGS**

*The San Bernardino City School District*

1. The San Bernardino City Unified School District (the District) serves the educational needs of the community within the City of San Bernardino and a portion of the City of Highland. The District provides traditional educational services and instruction to students from preschool through 12th grades, along with various alternative and adult education programs. The District operates and maintains six comprehensive high schools, 10

middle schools, 45 elementary schools, three special education schools, one adult school, and three alternative programs. Ten schools within the District offer a Dual Immersion program in which students receive instruction and practice in the core curriculum in English and Spanish. The District provides Career Technical Education and Regional Occupational Program (ROP) courses that prepares students for: (1) entry-level employment, (2) higher-level skills due to new and changing technologies, and/or (3) enrollment in more advanced training programs consistent with local employment demands.

The District currently has an enrollment of approximately 50,000 students, making it the eighth largest school district in California. Enrollment is relatively stable.

The District employs about 2,700 certificated employees. The salaries and benefits of these and other District employees comprise about 85 percent of the District's annual expenditures. The District maintains a balanced budget and does not project a shortfall for the 2013-2014 school year. However, a federal school improvement program that provided \$19 million in annual funding, a great deal of which was used to fund salaries, terminates at the end of this year, which resulted in the need for an elimination or reduction in particular kinds of services being provided by the District.

2. The District is governed by an elected seven member Board of Education. Dale Marsden, Ed.D. is the Board's Chief Executive Officer and the Superintendent of Schools. Harold J. Vollkommer, Ed.D. is the Assistant Superintendent of Human Resources.

#### *The Fiscal Crisis*

3. Public schools rely on financing from the State of California. A school district cannot determine the level of state funding it will receive from the State of California until the state budget is chaptered, an event that is supposed to occur each year in late June. Before then, a school district's governing board, which has the duty to produce and file a balanced budget with the County Office of Education, must take steps to ensure that financial ends meet if the worst-case financial scenario develops.

California's economic problems have had a crippling impact on the San Bernardino City Unified School District and on most other public school districts. If the District cannot meet its financial obligations, the San Bernardino County Office of Education has the authority to intervene and take over the District's operations.

#### *The District's Response*

4. In response to the economic crisis, District administrators reviewed expenditures, programs, services and staffing. The District embarked upon a program to reduce its budget. The District reduced expenditures for supplies, conferences and administrative and staff positions. The District reluctantly concluded that it was also necessary to further trim expenditures by reducing or eliminating particular kinds of services that were being provided by credentialed employees.



Board of Education Meeting  
May 7, 2013

5. On March 5, 2013, following a review of the budgetary situation and financial projections for the 2013-2014 school year, Superintendent Marsden recommended to the Board of Education that preliminary notices be given to a number of certificated employees to advise them that their services would not be required in the 2013-2014 school year and to give the reason for that recommendation.

6. On March 5, 2013, the Board adopted the following resolution:

WHEREAS, the Board of Education of the San Bernardino City Unified School District has determined that it is in the best interests of the District and the welfare of the schools and the pupils thereof that the particular kinds of services set forth herein must be reduced or discontinued due to financial conditions; and

WHEREAS, it is the opinion of the Board that because of the aforementioned reason, the number of certificated employees of the District must be reduced; and

WHEREAS, this reduction of regular certificated employees is not based upon reduction of average daily attendance during the past two years; and

WHEREAS, this Board has determined that due to a significant population of English language learners with specialized educational needs, a specific and compelling need exists to employ and retain certificated employees who have formal (not emergency) authorization to teach English Learner ("EL") students, as determined by the California Commission on Teacher Credentialing, and the special training and experience that comes therewith; and

WHEREAS, State law mandates that each failure to staff a classroom containing one or more EL students with a certificated employee possessing an appropriate EL authorization is "misassignment" subject to sanction by the County Superintendent of Schools; and

WHEREAS, compliance with the provisions of the No Child Left Behind Act ("NCLB"), the Williams Settlement, and Education Code section 44253.1 require that students be served by certificated employees with appropriate EL authorizations; and

Board of Education Meeting  
 May 7, 2013

WHEREAS, the needs of the District and the students thereof should not and cannot be adequately served by concentrating EL students in particular classrooms in such a manner as to lessen the need for certificated employees with EL authorizations; and

WHEREAS, EL authorizations are not required for school counselors, nurses, psychologists; and

WHEREAS, Education Code section 44955(d) authorizes this Board to deviate from terminating a certificated employee in order of seniority for the above reasons, if necessary.

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the San Bernardino City Unified School District as follows:

A. That the particular kinds of services set forth below be reduced or eliminated commencing in the 2013-2014 school year:

Elementary (Trans. Kindergarten – 6) Teaching Services	98	F.T.E.
High School Counselor Services	6	F.T.E.
High School Math Teaching Services	10	F.T.E.
High School English Teaching Services	17	F.T.E.
High School Social Studies Teaching Services	6	F.T.E.
High School Physical Science Teaching Services	1	F.T.E.
High School Biology Teaching Services	4	F.T.E.
High School Chemistry Teaching Services	2	F.T.E.
High School Physical Education Teaching Services	2	F.T.E.
High School Spanish Teaching Services	1	F.T.E.
High School Construction/Trades Building Teaching Services	1	F.T.E.
Secondary Music Teaching Services	1	F.T.E.
Middle School Math Teaching Services	3	F.T.E.
Middle School English Teaching Services	5	F.T.E.
Middle School Social Studies Teaching Services	3	F.T.E.
Middle School Science Teaching Services	2	F.T.E.
Middle School Spanish Teaching Services	1	F.T.E.
Middle School Physical Education Teaching Services	3	F.T.E.
<b>Total Certificated Positions</b>	<b>166</b>	<b>F.T.E.</b>

B. That due to the reduction or elimination of particular kinds of services, the corresponding number of certificated employees of the District shall be terminated pursuant to Education Code section 44955.

C. That the reduction of certificated staff be achieved by the termination of regular employees and not by terminating temporary and substitute employees.

D. That "competency" as described in Education Code section 44955(b) for the purposes of bumping shall necessarily include: (1) possession of a valid credential in the relevant subject matter area; (2) for bumping a holder of a Single Subject credential in a departmentalized course in grades 7-12, an equivalent Single Subject credential authorizing service in all grades 7-12; (3) "highly qualified" status under the No Child Left Behind Act in the area to be assigned (if required by the position); and (4) an appropriate (not emergency) EL authorization (if required by the position).

E. That, as between certificated employees, with the same seniority date, the order of termination shall be determined solely by Board-adopted criteria.

F. That the District Superintendent or designee is directed to initiate layoff procedures and give appropriate notice pursuant to Education Code sections 44955 and 44949.

*The Particular Kinds of Services*

7. The services identified in this resolution were the kinds of services that could be reduced under the Education Code.

The Board's passing of the resolution was neither arbitrary nor capricious. Its enactment was well within the Board's discretion; no particular kind of service was lowered to a level below that mandated by state or federal law and the enactment of the resolution related solely to the economic situation and the Board's duty to balance the budget. It was, to that extent, in the best interest of the District and the students thereof.

*The District's Seniority List*

8. The District maintains a seniority list, a constantly evolving document that is updated as new certificated employees are hired and as other certificated employees retire,

resign or otherwise become separated from District service. The District's seniority list is a spreadsheet that is organized from the District's most senior certificated employee to the most recently hired certificated employee. The list contains each employee's seniority number, name, seniority date, tie-breaking number when appropriate, contract status (tenured, probationary, or intern), position, subject matter taught, type(s) of credential, credential status, and the date of the credential's expiration.

9. In December 2012, the District's staff began a laborious review of the seniority list to make certain it was correct. A copy of the list was sent to the San Bernardino Teachers Association with a request that the list be provided to all members for review. During the course of the review, it was discovered that the seniority list provided an original seniority date for several employees who had resigned from employment with the District and thereafter returned to employment following their resignation, rather than setting forth a new seniority date based on the date of their return to employment. The seniority list was amended to provide these employees with a seniority date consistent with their most recent date of hire, as required under Education Code section 44848. The employment status of those employees whose seniority date were changed as a result of the discovery of this error is not affected in this reduction in force proceeding. Whenever any error was discovered and whenever any new information came to light that affected the seniority list, the seniority list was revised. The updated seniority list was used thereafter to determine who should and should not receive a preliminary layoff notice.

*Tie-Breaking Criteria*

10. On March 5, 2013, the Board also adopted the following tie-breaking resolution:

WHEREAS, Education Code section 44955, subsection (b), related to certificated layoffs, provides in relevant part, "[a]s between employees who first rendered paid service to the district on the same date, the governing board shall determine the order of termination solely on the basis of need of the district and the students thereof;"

NOW, THEREFORE, BE IT RESOLVED that based upon the needs of the District and the students thereof, in the event of a certificated layoff the following criteria shall be applied in order based on information on file as of February 1, one step at a time until the tie is broken, to resolve ties in seniority between certificated employees:

1. Highly Qualified Status under NCLB in area of assignment.

2. Total number of Clear, Preliminary, and Intern credentials.
3. Possession of a Clear Single Subject credential in the following areas, in order of priority:
  - a. Special Education
  - b. Math
  - c. Science
  - d. Social Science
  - e. English
  - f. Other
4. Possession of a Preliminary Single Subject credential in the following areas, in order of priority:
  - a. Special Education
  - b. Math
  - c. Science
  - d. Social Science
  - e. English
  - f. Other
5. Possession of Clear Credentials and EL certification in the following order of priority:
  - A. BCLAD
  - B. CLAD/SB 395 or equivalent
6. Persons with Preliminary Credentials and EL certification in the following order of priority:
  - A. BCLAD
  - B. CLAD/SB 395 or equivalent
7. Possession of Clear Credential and a supplemental authorization to teach in the following areas, in order of priority:
  - a. Math
  - b. Science
  - c. Social Science
  - d. English

- e. Other
8. Possession of a Preliminary Credential and a supplemental authorization to teach in the following areas, in order of priority:
- a. Math
  - b. Science
  - c. Social Science
  - d. English
  - e. Other
9. Credential status in area of assignment, in order of priority:
- a. Clear, Life, Standard Secondary, etc.
  - b. Preliminary
  - c. Intern
  - d. Provisional, STC, other
10. Total number of supplementary authorizations in different subject areas.
11. Number of years of credentialed teaching experience prior to employment with District, as indicated by initial salary schedule placement.
12. Possession of a Masters Degree, earliest date prevails.
13. Total number of post-secondary credits on file with the District by February 1.
14. If ties cannot be broken by using the above criteria then order of seniority shall be determined by a random drawing among employees in the individual tie.

*The Issuance of Preliminary Layoff Notices/Jurisdictional Documents*

11. Using the updated seniority list, the aforementioned resolution related to the termination or reduction of particular kinds of services, the tie-breaking resolution, and considering all positive attrition, the District's administrative staff identified those employees who should receive preliminary layoff notices and those who should not. Whenever an employee providing a particular kind of service that was being eliminated or reduced was identified as being in line to receive a preliminary layoff notice due to a lack of seniority, that

employee's seniority and credentials were carefully examined to determine whether that employee had the seniority and credentials to "bump" a junior employee and assume the position that was being held by the more junior employee.

*Bumping*

12. The District prepared a "bump analysis" and a tie-breaker matrix to confirm that an employee believed to be subject to receipt of a preliminary layoff notice as a result of the elimination or reduction of the particular kind of service that employee was providing could not bump a more junior employee. If the employee held the seniority, credential and competency to bump into a position being held by another, that employee "bumped" the more junior employee. Thereafter, the more junior employee's seniority, credential and competency were evaluated to determine if that employee could, in the same fashion, "bump" into a position that was being held by an employee who was even less senior.

*Service of Preliminary Layoff Notices and Notices of Hearing*

13. The District timely served preliminary layoff notices on 161 certificated employees and precautionary layoff notices on seven other certificated employees, each of whom was served with an Accusation, Statement to Respondent, blank Notice of Defense forms, and relevant sections of the Education Code and Government Code.

Thereafter, the District timely served all respondents with a Notice of Hearing, setting the hearing in the reduction in force proceeding for April 18, 2013, to commence at 9:00 a.m., at the San Bernardino High School auditorium in San Bernardino, California.

*The Administrative Hearing*

14. On April 18, 2013, the record in the reduction in force proceeding was opened.

Jurisdictional documents were introduced; the caption was amended to delete any reference to an accusation; opening comments were waived; a written stipulation concerning jurisdictional and evidentiary matters was received and marked as ALJ 1; a stipulation regarding the receipt of the District's exhibits was received; sworn testimony related to the District's operations and the reduction in force proceeding was given by Assistant Superintendent Vollkommer; and documentary evidence was provided. Among other matters, Dr. Vollkommer testified that the District made an error by failing to serve one probationary employee with a preliminary layoff notice due to District staff's mistaken belief that the employee would receive a notice of non-election, an event that did not occur. To correct this mistake and preserve the right of the most senior employee impacted by this mistake to retain employment, the District rescinded and withdrew the preliminarily layoff notices served upon Mary Bell Van Der Noord and others be dismissed, to which there was no objection. The rescission of these notices was based on each individual's right to employment based upon that employee's seniority, credentials and competence as defined in the resolution. These employees were not included in the final layoff list that is set forth in the recommendation that follows. Following the taking of

evidence, closing comments were given; the record was closed; and the matter was submitted.

*The Reduction in Force Proceeding*

15. The Board of Education's enactment of the resolution related to the termination or reduction of particular kinds of services was the result of a budgetary situation; it was enacted in good faith; the tie-breaking criteria were reasonable and were applied in an evenhanded manner; and enacting the resolution was in the best interest of the District and its students based on all the circumstances. The District used seniority and credentials as the basis for "bumping" and retaining the services of the most senior, appropriately credentialed employees. No junior employee was retained to provide services that a more senior, competent employee could provide. The District complied with all jurisdictional requirements.

LEGAL CONCLUSIONS

*Statutory Authority - Reduction in Force Proceedings*

1. Education Code section 44949 provides in part:

(a) No later than March 15 and before an employee is given notice by the governing board that his or her services will not be required for the ensuing year for the reasons specified in Section 44955, the governing board and the employee shall be given written notice by the superintendent of the district or his or her designee . . . that it has been recommended that the notice be given to the employee, and stating the reasons therefor.

[¶] . . . [¶]

(b) The employee may request a hearing to determine if there is cause for not reemploying him or her for the ensuing year. A request for a hearing shall be in writing and shall be delivered to the person who sent the notice pursuant to subdivision (a), on or before a date specified in that subdivision, which shall not be less than seven days after the date on which the notice is served upon the employee. If an employee fails to request a hearing on or before the date specified, his or her failure to do so shall constitute his or her waiver of his or her right to a hearing . . .

(c) In the event a hearing is requested by the employee, the proceeding shall be conducted and a decision made in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code and the



governing board shall have all the power granted to an agency therein, except that all of the following shall apply:

(1) The respondent shall file his or her notice of defense, if any, within five days after service upon him or her of the accusation and he or she shall be notified of this five-day period for filing in the accusation.

(2) The discovery authorized by Section 11507.6 of the Government Code shall be available only if request is made therefor within 15 days after service of the accusation, and the notice required by Section 11505 of the Government Code shall so indicate.

(3) The hearing shall be conducted by an administrative law judge who shall prepare a proposed decision, containing findings of fact and a determination as to whether the charges sustained by the evidence are related to the welfare of the schools and the pupils thereof. The proposed decision shall be prepared for the governing board and shall contain a determination as to the sufficiency of the cause and a recommendation as to disposition. However, the governing board shall make the final determination as to the sufficiency of the cause and disposition. None of the findings, recommendations, or determinations contained in the proposed decision prepared by the administrative law judge shall be binding on the governing board. Nonsubstantive procedural errors committed by the school district or governing board of the school district shall not constitute cause for dismissing the charges unless the errors are prejudicial errors. Copies of the proposed decision shall be submitted to the governing board and to the employee on or before May 7 of the year in which the proceeding is commenced. All expenses of the hearing, including the cost of the administrative law judge, shall be paid by the governing board from the district funds . . .

(d) Any notice or request shall be deemed sufficient when it is delivered in person to the employee to whom it is directed, or when it is deposited in the United States registered mail, postage prepaid and addressed to the last known address of the employee. . . .

(e) If after request for hearing pursuant to subdivision (b) any continuance is granted pursuant to Section 11524 of the Government Code, the dates prescribed in subdivision (c) which

occur on or after the date of granting the continuance and the date prescribed in subdivision (c) of Section 44955 which occurs after the date of granting the continuance shall be extended for a period of time equal to the continuance.

2. Education Code section 44955 provides in part:

(a) No permanent employee shall be deprived of his or her position for causes other than those specified . . . and no probationary employee shall be deprived of his or her position for cause other than as specified . . .

(b) Whenever . . . a particular kind of service is to be reduced or discontinued not later than the beginning of the following school year . . . and when in the opinion of the governing board of the district it shall have become necessary by reason of any of these conditions to decrease the number of permanent employees in the district, the governing board may terminate the services of not more than a corresponding percentage of the certificated employees of the district, permanent as well as probationary, at the close of the school year. Except as otherwise provided by statute, the services of no permanent employee may be terminated under the provisions of this section while any probationary employee, or any other employee with less seniority, is retained to render a service which said permanent employee is certificated and competent to render . . .

As between employees who first rendered paid service to the district on the same date, the governing board shall determine the order of termination solely on the basis of needs of the district and the students thereof. Upon the request of any employee whose order of termination is so determined, the governing board shall furnish in writing no later than five days prior to the commencement of the hearing held in accordance with Section 44949, a statement of the specific criteria used in determining the order of termination and the application of the criteria in ranking each employee relative to the other employees in the group. This requirement that the governing board provide, on request, a written statement of reasons for determining the order of termination shall not be interpreted to give affected employees any legal right or interest that would not exist without such a requirement.

(c) Notice of such termination of services shall be given before the 15th of May in the manner prescribed in Section 44949, and

services of such employees shall be terminated in the inverse of the order in which they were employed, as determined by the board in accordance with the provisions of Sections 44844 and 44845. In the event that a permanent or probationary employee is not given the notices and a right to a hearing as provided for in Section 44949, he or she shall be deemed reemployed for the ensuing school year.

The governing board shall make assignments and reassignments in such a manner that employees shall be retained to render any service which their seniority and qualifications entitle them to render. However, prior to assigning or reassigning any certificated employee to teach a subject which he or she has not previously taught, and for which he or she does not have a teaching credential or which is not within the employee's major area of postsecondary study or the equivalent thereof, the governing board shall require the employee to pass a subject matter competency test in the appropriate subject.

(d) Notwithstanding subdivision (b), a school district may deviate from terminating a certificated employee in order of seniority for either of the following reasons:

(1) The district demonstrates a specific need for personnel to teach a specific course or course of study, or to provide services authorized by a services credential with a specialization in either pupil personnel services or health for a school nurse, and that the certificated employee has special training and experience necessary to teach that course or course of study or to provide those services, which others with more seniority do not possess.

(2) For purposes of maintaining or achieving compliance with constitutional requirements related to equal protection of the laws.

### *Jurisdiction*

3. Jurisdiction in this matter exists under Education Code sections 44949 and 44955. All notices and jurisdictional requirements contained in those sections were satisfied as to all respondents.

### *The Reduction of Particular Kinds of Services*

4. A school board may determine whether a particular kind of service should be reduced or discontinued, and it cannot be concluded that the governing board acted unfairly

or improperly simply because it made a decision it was empowered to make. (*Rutherford v. Board of Trustees* (1976) 64 Cal.App.3d 167, 174.) A school board's decision to reduce or discontinue a particular kind of service need not be tied in with any statistical computation. It is within the discretion of a school board to determine the amount by which it will reduce or discontinue a particular kind of service as long as the school district does not reduce a service below the level required by law. (*San Jose Teachers Assn. v. Allen* (1983) 144 Cal.App.3d 627, 635-636.)

5. A preliminary notice that provides designations of categories of services that are to be reduced or eliminated but does not identify the specific positions subject to the notice is sufficient if it specifies the statutory grounds. The failure to identify specific positions subject to reduction or elimination is not fatal. Since the March 15 notice is only the initial step in the termination process, it is not required that it specify the precise number of teachers to be terminated or the specific positions to be eliminated. The specific positions to be eliminated need not be identified. (*San Jose Teachers Assn. v. Allen, supra*, at p. 632.)

#### *Seniority, Bumping, Skipping*

6. Seniority: Under Education Code section 44845, seniority is determined by the date a certificated employee "first rendered paid service in a probationary position."

7. Education Code section 44846 provides in part: "The governing board shall have power and it shall be its duty to correct any errors discovered from time to time in its records showing the order of employment."

8. The Statutory Scheme: Education Code section 44955, the economic layoff statute, provides in subdivision (b), in part:

Except as otherwise provided by statute, the services of no permanent employee may be terminated under the provisions of this section while . . . any other employee with less seniority, is retained to render a service which said permanent employee is certificated and competent to render.

Essentially this statutory language provides "bumping" rights for senior certificated and competent employees, and "skipping" authority to retain junior employees who are certificated and competent to render services which more senior employees are not.

9. Bumping: The district has an obligation under Section 44955, subdivision (b), to determine whether any permanent employee whose employment is to be terminated in an economic layoff possesses the seniority and qualifications which would entitle him/her to be assigned to another position. (*Bledsoe v. Biggs Unified School Dist.* (2008) 170 Cal.App.4th 127, 136-137.)

*Cause Exists to Give Notice to Certain Employees*

10. As a result of the Board of Education's lawful elimination and reduction of particular kinds of service, cause exists under the Education Code to authorize the District to give final notice to those respondents who are identified hereafter that their employment will be terminated at the close of the current school year and that their services will not be needed by the District for the 2013-2014 school year.

*Determination*

11. The charges that were alleged in this layoff proceeding were sustained by a preponderance of the evidence. The District's rescission and withdrawal of the preliminary layoff notices served on several employees who were entitled to retain their employment status as a result of their seniority, credentials and competence under the applicable resolutions was ratified. The Board of Education's enactment of the resolutions applicable in this reduction in force proceeding was related to the welfare of the District and its pupils as a result of budgetary circumstances. The District made necessary assignments and reassignments in such a manner that the most senior credentialed employees were retained to render services that their seniority and qualifications entitled them to provide.

RECOMMENDATION

It is recommended that the Board of Trustees of the San Bernardino City Unified School District issue final layoff notices to the following certificated employees:

Melissa Abbot; Marisela Alas-Negri; Maribel Alba; Esmeralda Alcantar; Clarissa Amaya; Elizabeth Angulo; Valerie Applegate; Sarahi Arreguin-Fuentes; Francisco Banchon; Jennie Barranco; Orlando Luis Beltran; Joyella Jane Beuler; Sarah E. Beyer; Clinton Black; Kristina Blacksher; Tamara V. Bonn; Andrea Bothum; Liliana Brito; Eboni Brown; Veronica C. Camargo; Kimberly Leanne Campbell; Victoria Carlstrom; Amber Carney; Wendi Carson; Heidi F. Cartwright; Belinda Casanova; Rob J. Clobes; Janett Corral Cabral; Michael Corse; Sharon M. Cowley; Joelle Imauni Crockett; Anthony Sean Davis, Jr.; Cassandra Dean; Kristen M. Dean; Quinton D. Doswell III; Stephanie Downing; Desiree M. Dagna; Kent A. Drinkwater; Sonia D'Souza; Elaine Duag; Andrea DuMoulin; Samuel Duran; Diana Enciso; Angel Escalante Butterfield; Francisco Escobedo; Robyn Esparza; Irena A. Esqueda; Malissa Esquibel; Stephanie Estrada; Frank Fabela III; Magda A. Gadsby; Diana Garcia; Helen Garcia; Daisy Glass; Erika Gonzalez; Melody Gonzalez; Stephanie Gonzalez; Laura Gordon; David Guy; Yosan Hailemariam; Debra L. Hamilton; JoAnne C. Hammer; Norma Hernandez-Duarte; Neil R. Hicken; Talena Hill Jackson; Brian L. Hoehn; Ashley Holeman; Jamie Hose; Marisela Huerta; Precious Ighodaro; Maria Jimenez-Garcia; Jennifer Jones; Ileana Juarez; Sheena Kane; Kyle Klimenko; Erica Zepeda Korzonek; Gregory Kuld; Nicole D. Ladson; Cindy Lieu; Tina Lingenfelter; Yvette Yamille Lopez; Amanda Lower; Kimberly L. Ludwig; Julia Macias; Vergine Makhmudyan; Sandra Mancha; Stefanie Marin; Renita

Board of Education Meeting  
May 7, 2013

Marshall; Marrina R. Martin; Oliver Martinez; Oana Matei; Marisol Meaca; Cynthia S. Medina; Suyapa Melendez; Nancy Lisella Mena; Katie Moneta; Daniel Montejano; Viridiana Mora; Denise Moreno; Kimberly Muller; Thomas St. Francis Muller; Judy Nava; Charles James Neighbours; Thai Phi Nguyen; Nicole R. Ocasio; Diana V. Olivo; Paulette Ortega; Meghan Palazewski; Candace N. Parks; Janet Parrish; Clynton H. Parsons; Sarah Perez; Kristina Pinedo; Allison Plebani; Julie A. Quintana; Yeraldin Quintero Lopez; Chelsea P. Ramirez; Melissa Yong Ramirez; Nancy V. Reyes; Cassandra Ries; Erika Rios; Stephanie Patrice Robinson; Beatriz Rodriguez; Kimberly Rodriguez; Sonia Rodriguez; Ana Ruvalcaba; Phillip Anthony San Angelo; Sandra Sassaman; Jeremy Sauer; Brice Scott; Diana L. Serna; Chelse Serrano; Aimee Slowinski; Kelsey Smith; Trudy L. Smith; Vanee Smith; Jessica M. Solis; Marcus B. Soward; Valerie A. Spencer; Sarah M. Stottlemeyer; Kristin N. Terrazas; NeChe Thompson; Oscar Torres; Rachel Torres; Cecilia Torres-Escobedo; Linda Tran; Mariana Trujillo; Laura Vega; Sara Veronick; Maria Villalobos; Vanessa Villegas; Kelly Walters; Nyesha Danielle Williams; Kindra Wilson; Jennifer Lynn Yates; and Liset Zavala.

Dated: April 26, 2013

  
\_\_\_\_\_  
JAMES AHLER  
Administrative Law Judge  
Office of Administrative Hearings

Board of Education Meeting  
May 7, 2013

## **SESSION TWELVE - Closing**

### ***12.0 Adjournment***

The next regular meeting of the Board of Education of the San Bernardino City Unified School District will be held on Tuesday, May 21, 2013, at 5:30 p.m. in the Community Room of the Board of Education Building, 777 North F Street, San Bernardino.

The District is committed to provide equal access to individuals with a disability to open and public meetings. For information on the availability of disability-related aids or services to enable any person with a disability to participate in a public meeting and/or to request reasonable accommodations, please contact:

Marie Arakaki, Affirmative Action Director  
777 North F Street  
San Bernardino, CA 92410  
(909) 381-1122  
(909) 381-1121 fax  
email: [marie.arakaki@sbcusd.k12.ca.us](mailto:marie.arakaki@sbcusd.k12.ca.us)

Office Hours: Monday through Friday, 8 a.m.-4:30 p.m.

Requests for reasonable accommodations must be received by the Affirmative Action Office no later than five working days before the public meeting so that an interactive process can be effectuated to determine an effective accommodation that would best serve the needs of the individual with a disability.

Posted: May 3, 2013