

CARDIFF SCHOOL DISTRICT
1888 Montgomery Avenue, Cardiff-by-the-Sea, California

**REGULAR MEETING OF THE GOVERNING BOARD
AGENDA**

**TUESDAY, FEBRUARY 12, 2019 • 5:00 PM • PUBLIC MEETING
CARDIFF SCHOOL AUDITORIUM
1888 MONTGOMERY AVENUE • CARDIFF-BY-THE-SEA, CA 92007**

In compliance with Government Code 54957.5, agenda-related documents that have been distributed to the Board less than 72 hours prior to the board meeting are available for inspection at the Cardiff School District, 1888 Montgomery Avenue, Cardiff.

In compliance with the American with Disabilities Act, if you need special assistance, disability-related modifications, including auxiliary aids or services, in order to participate in the public meeting of the district's governing board, please contact the office of the District Superintendent by sending a written request to the District Office at 1888 Montgomery Avenue, Cardiff-by-the-Sea, California, or by faxing the request to (760) 942-5831. Notification by letter or fax 72 hours prior to the meeting will enable the district to make reasonable arrangements to ensure accommodation and accessibility to this meeting. Upon request, the district shall also make available this agenda and all other public records associated with this meeting in appropriate alternative formats for persons with a disability.

- I. ORGANIZATIONAL ITEMS *Exhibit*
- A. Call to order
 - B. Pledge of allegiance
 - C. Roll call
 - Ms. Siena Randall, President
 - Mr. David Ross, Clerk
 - Ms. Nancy Orr, Member
 - Mr. Dave Clark, Member
 - Mr. Mark Whitehouse, Member
 - Ms. Jill Vinson, Superintendent
 - D. Approval of agenda for February 12, 2019
All items are action unless labeled information
 - E. Approve minutes from regular meeting of January 17, 2019 **A**
- II. HEARING SESSION
- A. Public Comments *(The purpose of the Board meeting is to conduct the School Board's business in public. The Board welcomes and encourages public comments however Board members may not respond to comments during the public comment portion of the agenda. Any member of the public who wishes to address the Board on an item on the agenda or on another topic which lies within the governing board's jurisdiction may do so, but must present a written request. Please hand your form to the secretary before the meeting. Presentations are limited to 3 minutes per person per topic. The total amount of time to be allowed on any item is twenty minutes, unless the time limit is waived by a majority vote of the Board. The Board may 1) acknowledge receipt of the information; 2) refer to staff for further study; or 3) refer the matter to a future agenda).*
 - B. Cardiff Elementary Teachers Association
 - C. ELAC/DELAC
 - D. School Site Council
 - E. Cardiff SEA
 - F. School Reports
 - G. Reports on Workshops/Conference
 - H. Superintendent's Report

III. CONSENT CALENDAR

Items listed in the Consent Calendar are considered to be routine and are acted on by the Board in one motion unless members of the Board request specific items to be discussed or pulled. It is understood that the Superintendent recommends approval on all Consent Items. Each item of the Consent agenda approved by the Board shall be deemed to have been considered in full and adopted as recommended.

- A. Approval of Current Business Items:
 - 1. Purchase Orders
 - 2. Commercial Warrants #14-492726 to #14-503297 \$361,783 **B**
 - 3. Payroll Warrants, January, 2019, \$668,665
- B. Enrollment Report as of 02/07/19 **C**
- C. Approval of Cardiff School District's Uniform Complaint Quarterly Report for October 1, 2018 – December 31, 2018 **D**
- D. Approve Nonpublic Agencies Master Contract between Cardiff School District and New Haven School **E**
- E. Approve Annual Safety Plan Update **F**
- F. Removal of items from Consent Calendar
- G. Approval of Consent Calendar

IV. BUSINESS AND FINANCE

- A. Approve Contracts for Annual Audits of K-12 School Districts Between Cardiff School District and Wilkinson Hadley King & Co., LLP **G**

V. GENERAL FUNCTIONS

- A. Consider ratification of Collective Bargaining Agreement between Cardiff Elementary Teachers' Association (CETA) and Cardiff School District **H**
- B. Consider approval of the AB 1200 Document for Certificated and Classified Employees **I**
- C. Consider approval of an increase in compensation for current Classified, Confidential, and Classified Management Employees
- D. Consider approval of an increase in compensation for the School Psychologist and the following current Certificated Management employees: Principals and Director of Special Education

VI. FACILITIES

- A. Bond Implementation Update (***Information***)

VII. FUTURE AGENDA ITEMS

VIII. ANNOUNCEMENT: ADJOURNING TO CLOSED SESSION

- A. Public Employment Evaluation
Position: Superintendent
- B. Conference with legal counsel regarding anticipated litigation –
Government Code 54956.9

IX. REPORT FROM CLOSED SESSION (If applicable)

X. ADJOURNMENT OF MEETING

CARDIFF SCHOOL DISTRICT
1888 Montgomery Avenue
Cardiff-by-the-Sea, California 92007

MINUTES
REGULAR MINUTES OF JANUARY 17, 2019

The regular/organizational meeting of the Governing Board of the Cardiff School District was held on Thursday, January 17, 2019 at the Cardiff School, 1888 Montgomery Avenue, Cardiff-by-the-Sea, California. President Randall called the meeting to order at 5:02 p.m. Trustees and visitors were led in the pledge of allegiance.

Members present: Clark, Orr, Randall, Ross, Whitehouse

Members absent: None

Administrators
present: Vinson, Parker, Scheftner

Visitors: Cindy Switzler, CETA
Sue Misner, SEA

The agenda for January 17, 2019 was approved as presented.

MOTION: Orr
SECOND: Clark
AYES: Clark, Orr, Randall, Ross, Whitehouse
NOES: 0
ABSENT: 0

The minutes from the regular/organizational meeting of December 13, 2018 were approved as written.

MOTION: Whitehouse
SECOND: Ross
AYES: Clark, Orr, Randall, Ross, Whitehouse
NOES: 0
ABSENT: 0

Hearing Session:

- Cindy Switzler reported CETA and the District are beginning negotiations. She thanked the Board for considering an early retirement incentive.
- The next ELAC/DELAC meeting is scheduled for March 14th.
- Julie Parker reported the School Site Council will be reviewing the Comprehensive Safety Plan.

Exhibit A

Hearing Session continued:

- Sue Misner reported planning for the 13th Annual Gala is in full swing. Invitations will be going out soon. The online merchandising is going very well and items can be previewed and purchased on the website at cardiffsea.com.
- Principal Scheftner reported the Ada Harris band will be the only elementary school band participating in the upcoming Band-a-Rama competitions hosted at La Costa Canyon. She also said Family STEAM Night is taking place soon.
- Principal Parker reported kindergarten started their full day on January 7th and their favorite activity has been Maker Monday.
- Superintendent Vinson reported the District received an AA+ rating from Standard and Poors. The bonds were sold yesterday to the same entity that purchased Series A. Ms. Vinson thanked Cardiff Soccer for the \$2,500 donation to help offset some of District field maintenance costs.

The consent calendar was approved as presented.

MOTION: Orr
SECOND: Clark
AYES: Clark, Orr, Randall, Ross, Whitehouse
NOES: 0
ABSENT: 0

Courtney Jasper, Chief Financial Officer, reported she attended the Governor's Budget Workshop at SDCOE. She provided highlights of Governor Newsom's first budget proposal.

Randy Peterson, Bond Program Manager, reported he and the District's consultants are working on the finalization of the Environmental Impact Report. He shared the summer timeline. Mr. Peterson reported to Trustees that he was informed the coastal development permit has been elevated to the Planning Commission for approval.

The amendment to the contract agreement between Cardiff School District and Land Surveying Consultants, Inc. was approved.

MOTION: Orr
SECOND: Clark
AYES: Clark, Orr, Randall, Ross, Whitehouse
NOES: 0
ABSENT: 0

The amendment to the contract agreement between Cardiff School District and McCarthy Building Companies was approved.

MOTION: Whitehouse
SECOND: Orr
AYES: Clark, Orr, Randall, Ross, Whitehouse
NOES: 0
ABSENT: 0

The amendment to the contract agreement between Cardiff School District and Studio E Architects was approved.

MOTION: Clark
SECOND: Orr
AYES: Clark, Orr, Randall, Ross, Whitehouse
NOES: 0
ABSENT: 0

The Board appointed the following nine individuals to serve on the Independent Citizen's Oversight Committee for the term of January 2019 through December 2020:

Christine Bruington	Jennifer Pieratt
Chris Fowler	David Smiley
Bill Moser	Rhea Stewart
Chuck Nichols	Adam Sweet
	Kenneth Williams

MOTION: Whitehouse
SECOND: Orr
AYES: Clark, Orr, Randall, Ross, Whitehouse
NOES: 0
ABSENT: 0

There being no other regular business to come before the Board, the meeting was adjourned to closed session at 5:15 p.m. The meeting was reconvened at 8:00 p.m. President Randall reported that no action was taken during closed session. There being no other business to come before the Board, the meeting was adjourned at 8:00 p.m.

Respectfully submitted,

David Ross, Clerk

Jill Vinson, Superintendent

JANUARY 2019 PO LISTING

PO	Date	Supplier	Fund	Resource	Goal	Function	Object	Site	Description	Amount
INSTRUCTIONAL SUPPLIES										
2490	1/9/19	APPLE INC.	0100	6500000	5730	1190	4300000	000	SPED Instructional Supplies	249.99
2498	1/9/19	OFFICE DEPOT	0100	0000000	1110	1000	4300000	222	Instructional Supplies	57.64
2496	1/9/19	SOUTHWEST SCHOOL &	0100	0000000	1110	1000	4300000	222	Instructional Supplies	157.75
	1/10/19	JONATHAN KARDOS	0100	0000000	1110	1000	4300013	111	Instructional Supplies	74.35
2502	1/11/19	MAINTEX, INC.	0100	0000000	0000	8200	4300000	000	Maintenance Supplies	1357.61
2500	1/18/19	RASIX COMPUTER CENTER, INC.	0100	0000068	0000	2420	4300005	222	Technology Supplies	407.56
2513	1/18/19	OverDrive Inc	0100	0000000	0000	2420	4300008	111	Library Supplies	659.41
2511	1/23/19	OFFICE DEPOT	0100	0000000	1110	1000	4300000	222	Instructional Supplies	77.14
2495	1/23/19	SYNCB/AMAZON	0100	0000000	1110	1000	4300000	222	Instructional Supplies	95.22
2505	1/23/19	SYNCB/AMAZON	0100	0000000	1110	1000	4300000	111	Instructional Supplies	96.98
	1/23/19	MISSION FEDERAL CREDIT UNION	0100	0000068	0000	2420	4300005	111	Software Subscription	73.30
2512	1/29/19	SOUTHWEST SCHOOL &	0100	0000000	1110	1000	4300000	222	Instructional Supplies	68.58

\$ 3,375.53

NON-INSTRUCTIONAL SUPPLIES										
2174	1/8/19	GRAINGER	0100	8150000	0000	8110	4300000	000	Maintenance Supplies	36.72
2156	1/8/19	HOME DEPOT CREDIT SERVICES	0100	8150000	0000	8110	4300000	000	Maintenance Supplies	496.70
2164	1/9/19	READY REFRESH BY NESTLE	0100	0000000	0000	7200	4300000	000	Services for December	35.55
2164	1/9/19	READY REFRESH BY NESTLE	0100	0000000	0000	2700	4300000	222	Services for December	86.16
2164	1/9/19	READY REFRESH BY NESTLE	0100	0000000	0000	2700	4300000	111	Services for December	35.55
	1/9/19	SHELL	0100	8150000	0000	8110	4300000	000	Automotive Supplies	197.34
2504	1/10/19	RANCHO SANTA FE	0100	0000000	0000	2700	4300000	111	Patrol Services	925.65
	1/23/19	MISSION FEDERAL CREDIT UNION	0100	0000000	0000	7100	4300000	000	Meeting Supplies	98.49
2508	1/29/19	SOUTHWEST SCHOOL &	0100	0000000	0000	7200	4300000	000	Office Supplies	57.05
2525	1/30/19	MAINTEX, INC.	0100	0000000	0000	8200	4300000	000	Maintenance Supplies	198.80

\$ 2,168.01

4000 (SUPPLIES) TOTALS: BALANCE: 244,714 ACCUMULATED BALANCE: 181,402 REMAING BALANCE: 63,312

UTILITIES										
2168	1/9/19	EDCO WASTE & RECYCLING SERVICE	0100	0000000	0000	8200	5500002	111	Services for December	495.58
2168	1/9/19	EDCO WASTE & RECYCLING SERVICE	0100	0000000	0000	8200	5500002	222	Services for December	495.58
2170	1/9/19	SAN DIEGUITO WATER DISTRICT	0100	0000000	0000	8200	5500003	111	Services for December	253.86
2162	1/16/19	SAN DIEGO GAS & ELECTRIC	0100	0000000	0000	8200	5500001	222	Services for December	17.26
2162	1/16/19	SAN DIEGO GAS & ELECTRIC	0100	0000000	0000	8200	5500001	222	Services for December	262.74
2162	1/16/19	SAN DIEGO GAS & ELECTRIC	0100	0000000	0000	8200	5500001	222	Services for December	209.37
2162	1/16/19	SAN DIEGO GAS & ELECTRIC	0100	0000000	0000	8200	5500001	222	Services for December	3229.75
2162	1/16/19	SAN DIEGO GAS & ELECTRIC	0100	0000000	0000	8200	5500001	111	Services for December	4912.61
	1/9/19	AT&T	0100	0000000	0000	7200	5900001	000	Services for December	1223.72

\$ 11,100.47

SERVICES										
2205	1/3/19	CARE-A-VAN TRANSPORT	0100	0000000	5001	3600	5100000	000	Transportation	4096.62
	1/3/19	SIENA RANDALL	0100	0000000	0000	7100	5200000	000	Conference - CSBA	1231.17
	1/8/19	FAGEN FRIEDMAN & FULFROST, LLP	0100	0000000	0000	7100	5800005	000	Services for November	141.00
2326	1/9/19	MISSION LINEN & UNIFORM	0100	8150000	0000	8110	5600000	000	Services for December	211.68
	1/9/19	STANDARD ELECTRONICS	0100	8150000	0000	8110	5600000	000	Maintenance Services	190.00
2154	1/9/19	TOSHIBA FINANCIAL SERVICES	0100	0000000	0000	2700	5600000	222	Lease Payment January	283.38
2155	1/9/19	TOSHIBA FINANCIAL SERVICES	0100	0000000	0000	7200	5600000	000	Lease Payment January	283.39
2154	1/9/19	TOSHIBA FINANCIAL SERVICES	0100	0000000	0000	2700	5600000	111	Lease Payment January	283.39
2490	1/9/19	APPLE INC.	0100	0000000	0000	2420	5800000	000	Technology Supplies	85.12
2167	1/9/19	DEPENDABLE NURSING, LLC	0100	6500000	5770	1190	5800000	000	Services for December	2969.25
2173	1/9/19	LEAPS-N-BOUNDS	0100	6500000	5770	1190	5800000	000	Services for December	3290.00
2453	1/9/19	MEBE	0100	6500000	5770	3120	5800000	000	Services for November	5454.18
2453	1/9/19	MEBE	0100	6500000	5770	3120	5800000	000	Services for December	5206.26
	1/9/19	VERIZON WIRELESS	0100	0000000	0000	7200	5900001	000	December Statement	50.56
2479	1/11/19	SDCUE	0100	0000000	1110	1000	5200000	000	Conference - SDCUE	180.00
	1/18/19	COSTCO MEMBERSHIP	0100	0000000	0000	7200	5300000	000	Annual Subscription	60.00
2475	1/18/19	J.M.D. LANDSCAPE INC.	0100	0000000	0000	8200	5800000	000	Maintenance Services	2930.00
2150	1/18/19	J.M.D. LANDSCAPE INC.	0100	0000000	0000	8200	5800000	000	Maintenance Services	4084.08
2516	1/18/19	J.M.D. LANDSCAPE INC.	0100	0000000	0000	8200	5800000	000	Maintenance Services	120.00
255	1/18/19	J.M.D. LANDSCAPE INC.	0100	0000000	0000	8200	5800000	000	Maintenance Services	55.51
2471	1/18/19	J.M.D. LANDSCAPE INC.	0100	0000000	0000	8200	5800000	000	Maintenance Services	133.26
	1/18/19	JPW COMMUNICATIONS	0100	0000000	0000	7100	5800000	000	Professional Services	841.75
	1/18/19	TOSHIBA BUSINESS SOLUTIONS	0100	0000000	0000	7200	5800000	000	Maintenance Services	474.01
2314	1/23/19	AMERICAN PEST CONTROL	0100	0000000	0000	8200	5500004	111	Maintenance Services	60.00
2314	1/23/19	AMERICAN PEST CONTROL	0100	0000000	0000	8200	5500004	222	Maintenance Services	96.00
	1/23/19	MISSION FEDERAL CREDIT UNION	0100	0000000	0000	2420	5800000	000	Technology Support	25.00
	1/29/19	ISABELLE ZAPATA	0100	0000000	1110	1000	5200000	222	Music Workshop	569.00
	1/29/19	SAN DIEGUITO UNION HIGH SCHOOL DISTRICT	0100	0000000	0000	7100	5200000	000	Conference Reimbursement-CSBA	359.28
2155	1/29/19	TOSHIBA FINANCIAL SERVICES	0100	0000000	0000	7200	5600000	000	Lease Payment February	318.22
2154	1/29/19	TOSHIBA FINANCIAL SERVICES	0100	0000000	0000	2700	5600000	222	Lease Payment February	318.23
2154	1/29/19	TOSHIBA FINANCIAL SERVICES	0100	0000000	0000	2700	5600000	111	Lease Payment February	318.23
2514	1/29/19	MICHAEL FITCHETT	0100	0000000	1110	1000	5800000	000	Instructional Services	3600.00

5000	(SERVICES)	TOTALS:	BALANCE: 880,986	ACCUMULATED BALANCE: 783,639	REMAING BALANCE: 97,347
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BOND EXPENSES

	\$ 286,226.00
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CARDIFF SCHOOL DISTRICT
Enrollment Form
February 7, 2019

**CARDIFF
BOYS GIRLS**

K Bjorstad	<u>10</u>	<u>10</u>	20
K Glass	<u>9</u>	<u>10</u>	19
K McNamara	<u>11</u>	<u>9</u>	20
K Paccione	<u>12</u>	<u>8</u>	20
K Stone	<u>10</u>	<u>10</u>	20
			TOT K <u>99</u>
1 Easson	<u>11</u>	<u>11</u>	22
1 Kavan	<u>11</u>	<u>11</u>	22
1 Miller	<u>10</u>	<u>12</u>	22
1 Rector	<u>11</u>	<u>11</u>	22
1 Sallans	<u>10</u>	<u>12</u>	22
			TOT 1 <u>110</u>
2 Boyesen	<u>12</u>	<u>12</u>	24
2 Payte	<u>12</u>	<u>11</u>	23
2 Redding	<u>14</u>	<u>9</u>	23
2 Pacetti/Paz	<u>13</u>	<u>10</u>	23
			TOT 2 <u>93</u>
3 Hamilton	<u>12</u>	<u>9</u>	21
3 Doui/Stuart	<u>10</u>	<u>9</u>	19
			TOT 3 <u>40</u>
Wilson	<u>0</u>	<u>0</u>	TOT <u>0</u>

Subtotal 178 164

SCHOOL TOTAL 342

DISTRICT TOTAL 699

**ADA HARRIS
BOYS GIRLS**

3 Herrman	<u>10</u>	<u>11</u>	21
3 Murray	<u>11</u>	<u>10</u>	21
3 Switzler	<u>10</u>	<u>9</u>	19
			TOT 3 <u>61</u>
4 Green	<u>12</u>	<u>9</u>	21
4 Mihaly	<u>10</u>	<u>11</u>	21
4 Price	<u>11</u>	<u>10</u>	21
4 Trees	<u>12</u>	<u>8</u>	20
			TOT 4 <u>83</u>
5 Cataldo	<u>7</u>	<u>13</u>	20
5 d'Entremont	<u>9</u>	<u>11</u>	20
5 Ensberg	<u>10</u>	<u>13</u>	23
5 Yant	<u>9</u>	<u>13</u>	22
			TOT 5 <u>85</u>
6 Brice	<u>10</u>	<u>12</u>	22
6 Jewell	<u>14</u>	<u>11</u>	25
6 Nguyen	<u>13</u>	<u>12</u>	25
6 Therriault	<u>13</u>	<u>11</u>	24
6 Tiersma	<u>13</u>	<u>12</u>	25
			TOT 6 <u>121</u>
Carruthers	<u>1</u>	<u>6</u>	TOT <u>7</u>

Subtotal 175 182

SCHOOL TOTAL 357

Cardiff School District
Cardiff-by-the-Sea, California 92007

February 12, 2019

ITEM: **APPROVAL OF CARDIFF SCHOOL DISTRICT'S UNIFORM COMPLAINT
QUARTERLY REPORT FOR OCTOBER 1, 2018 – DECEMBER 31, 2018**

BACKGROUND

Governing boards of school districts in California are required to review and approve the district's quarterly report of complaints regarding instructional materials, facilities and teacher staffing. This is the 2nd quarterly report, prepared for the period of October 1, 2018 – December 31, 2018. No complaints have been received for this period.

CURRENT CONSIDERATION

The San Diego County Office of Education has created a link on their website for school districts to electronically report the required information and the Cardiff School District has completed the reporting process for the quarter specified above.

FINANCIAL IMPLICATION

There are no current financial implications at this time.

RECOMMENDATION

It is respectfully recommended that the Board acknowledge the Uniform Complaint Quarterly Report for October 1, 2018 – December 31, 2018.

Cardiff School District
Cardiff-By-The-Sea, California 92007

February 12, 2019

ITEM: **APPROVE NONPUBLIC AGENCIES MASTER CONTRACT
BETWEEN CARDIFF SCHOOL DISTRICT AND NEW HAVEN
SCHOOL**

BACKGROUND

California Government Code Section 53060 authorizes school districts “to contract with...any persons or agencies for the furnishing of special services... if such persons or agencies are specially trained and experienced and competent to perform the special services required...”

Part of the process of paying a nonpublic school requires an agreement signed between the school district and the school.

CURRENT CONSIDERATION

Specialized services per student’s IEP which are not able to be performed by district personnel; therefore, we are contracting with a nonpublic school for these services.

FINANCIAL IMPLICATIONS

The cost is not to exceed \$11,709.68.

RECOMMENDATION

It is respectfully recommended that the Board approve the Nonpublic Agency Services Master Contract between Cardiff School District and New Haven School.

Exhibit E

Comprehensive School Safety Plan 2018-19

Cardiff School District

Jill Vinson, Superintendent
jillvinson@cardiffschools.com
760-632-5890

This document is available for public inspection during regular business hours at
1888 Montgomery Ave., Cardiff, CA 92007

NOTE: Tactical information is excluded from the public inspection document. A "Public Inspection Log" will be used to record the name, address, phone number and method used for verifying the identity of all individuals requesting to inspect this plan. This document is not available for inspection on the internet.

Cardiff School District
Cardiff-By-The-Sea, California 92007

February 12, 2019

ITEM: APPROVE CONTRACTS FOR ANNUAL AUDITS OF K-12 DISTRICTS BETWEEN CARDIFF SCHOOL DISTRICT AND WILKINSON HADLEY KING & CO, LLP

BACKGROUND

California Education Code Section 41020 requires school districts to contract for audit of their books and accounts by April 1.

CURRENT CONSIDERATIONS

The contracts for Annual Audits for all funds including the Bond Fund are attached for your review.

FINANCIAL IMPLICATIONS

The maximum fees are:

<u>Cardiff School District</u>	<u>Proposition 39 Bond Fund</u>
2018-2019: \$9,950	2018-2019: \$3,500
2019-2020: \$9,950	2019-2020: \$3,500
2020-2021: \$9,950	2020-2021: \$3,500

RECOMMENDATION

It is respectfully recommended that the Board approve the Contracts for Annual Audits between Cardiff School District and the Proposition 39 Bond Fund with Wilkinson Hadley King & Co., LLP for a period commencing July 1, 2018 through June 30, 2021

Exhibit G

January 24, 2019

To Board of Directors
Cardiff School District
1888 Montgomery Ave
Cardiff by the Sea, California 92007

We are pleased to confirm our understanding of the services we are to provide Cardiff School District for the years ended June 30, 2019, 2020, and 2021. We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Cardiff School District as of and for the years ended June 30, 2019, 2020, and 2021. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Cardiff School District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budget Comparison Schedule – General Fund & Any Major Special Revenue Funds
- 3) Schedule of Changes in the District's Net OPEB Liability and Related Ratios
- 4) Schedule of District's Contributions – OPEB
- 5) Schedule of District's Proportionate Share of Net Pension Liability – CalSTRS
- 6) Schedule of District's Contributions – CalSTRS
- 7) Schedule of District's Proportionate Share of Net Pension Liability – CalPERS
- 8) Schedule of District's Contributions – CalPERS

We have also been engaged to report on supplementary information other than RSI that accompanies Cardiff School District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a separate written report accompanying our auditor's report on the financial statements:

- 1) Combining financial statements
- 2) Local Education Agency Organization Structure
- 3) Schedule of Average Daily Attendance
- 4) Schedule of Instructional Time
- 5) Schedule of Financial Trends and Analysis
- 6) Reconciliation of Annual Financial & Budget Report with Audited Financial Statements
- 7) Schedule of Charter Schools

El Cajon Office

218 W. Douglas Avenue ♦ El Cajon, CA 92020
Tel. (619) 447-6700 ♦ Fax (619) 447-6707

Emeryville Office

1900 Powell Street, Suite 600 ♦ Emeryville, CA 94608
Tel. (510) 588-8729 ♦ Fax (510) 588-8701

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Cardiff School District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Cardiff School District's financial statements. Our report will be addressed to the governing board of Cardiff School District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that Cardiff School District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We will also provide a report on State Compliance which will include an opinion (or disclaimer of opinion) on compliance with state statutes, regulations, and the terms and conditions of state awards that could have a direct and material effect on each identified program in accordance with the *2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* prescribed in *Title 5, California Code of Regulations, Section 19810*.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the school district or to acts by management or employees acting on behalf of the school district. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the school district and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Cardiff School District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Education Code 41020 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with state statutes, regulations, and the terms and conditions of state awards applicable to programs identified in the Guide. Our procedures will consist of tests of transactions and other applicable procedures described in the *2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* for programs applicable to Cardiff School District.

Other Services

We will also assist in preparing the financial statements and related notes of Cardiff School District in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective internal controls, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the school district from whom we determine it necessary to obtain audit evidence.

The audit documentation for this engagement is the property of Wilkinson Hadley King & Co. LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the California State Controller's Office or its designee, the California Department of Education or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Wilkinson Hadley King & Co. LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by oversight agencies. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately April 1, 2019 and to issue our reports no later than December 15, of each year. P. Robert Wilkinson, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will not exceed \$9,950 for each year. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Cardiff School District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Wilkinson Hadley King & Co. LLP

Wilkinson Hadley King & Co. LLP

RESPONSE:

This letter correctly sets forth the understanding of Cardiff School District.

Management signature:

Title:

Date:

Governance signature:

Title:

Date:

January 31, 2019

To Bond Oversight Committee & Management
Cardiff School District
Cardiff California

We are pleased to confirm our understanding of the services we are to provide Cardiff School District Proposition 39 Bond Fund for the years ended June 30, 2018, 2019, and 2020. We will audit the financial statements of the Proposition 39 Bond Fund including the related notes to the financial statements, which collectively comprise the basic financial statements of Cardiff School District Proposition 39 Bonds as of and for the years then ended. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Cardiff School District Proposition 39 Bond Fund's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Cardiff School District Proposition 39 Bond Fund's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Cardiff School District Proposition 39 Bond Fund and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Cardiff School District Proposition 39 Bond Fund's financial statements. Our report will be addressed to the Bond Oversight Committee of Cardiff School District Proposition 39 Bond Fund. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose.

If during our audit we become aware that Cardiff School District Proposition 39 Bond Fund is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We will also provide an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of the Proposition 39 Bond Indenture, approved by the voters, in accordance with the *Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting Appendix* published by the Education Audit Appeals Panel.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Brawley Elementary School District Proposition 39 Bond Fund's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The *Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting Appendix* (the Guide) published by the Education Audit Appeals Panel, requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with state statutes, regulations, and the terms and conditions of the Proposition 39 Bond Indenture, approved by the voters. Our procedures will consist of tests of transactions and other applicable procedures described in the Guide for the types of compliance requirements that could have a direct and material effect on the Proposition 39 Bond Funds. The purpose of these procedures will be to express an opinion on the Organization's compliance with requirements applicable to the Proposition 39 Bonds, as approved by the voters.

Other Services

We will also assist in preparing the financial statements and related notes of Cardiff School District Proposition 39 Bond Fund in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the school district; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Wilkinson Hadley King & Co. LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to oversight agencies or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Wilkinson Hadley King & Co. LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by oversight agencies. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately January 15th and to issue our reports no later than March 31st. P. Robert Wilkinson, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$3,500 for each year. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Cardiff School District Proposition 39 Bond Fund and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Wilkinson Hadley King & Co. LLP

RESPONSE:

This letter correctly sets forth the understanding of Cardiff School District Proposition 39 Bond Fund.

Management signature: _____

Title: _____

Date: _____

Date Approved by Governance: _____

Cardiff School District
Cardiff-by-the-Sea, California 92007

February 12, 2019

ITEM: **PROPOSED SETTLEMENT OF COLLECTIVE BARGAINING WITH
THE CARDIFF ELEMENTARY TEACHERS' ASSOCIATION**

BACKGROUND

The District and the Cardiff Elementary Teachers' Association (CETA) are in the second year of a three-year contract. As allowed by the contract, the District and CETA reopened negotiations in fall 2018. The District and CETA have concluded negotiations and have a tentative settlement.

CURRENT CONSIDERATIONS

The proposed settlement of collective bargaining with CETA includes the following terms:

- Increase the salary schedule for all current eligible bargaining unit members by 3% retroactive to July 1, 2018.
- The Agreement between the Cardiff Elementary Teachers' Association and the Cardiff School District Governing Board is effective from July 1, 2017 through June 30, 2020.

FINANCIAL IMPLICATIONS

The increase to the salary schedule resulted in \$143,474 increase in teacher salaries for 2018-19. The funding source for the proposed settlement is the general fund of the district.

RECOMMENDATION

It is respectfully recommended that the Board approve the agreement between the District and Cardiff Elementary Teachers Association (CETA).

Exhibit H

**Cardiff School District
Cardiff-By-The-Sea, California 92007**

February 12, 2019

**ITEM: APPROVE DISCLOSURE OF COLLECTIVE BARGAINING
 AGREEMENT (AB 1200)**

BACKGROUND

Assembly Bill 1200, enacted by the State Legislature in 1991, increased the responsibility of the county offices of education in reviewing school districts' budgets, specifically with regard to maintaining fiscal prudence and solvency. This includes adequate reporting of multi-year commitments and collective bargaining agreements. AB 1200 also mandated responsibility of school districts to disclose fiscal obligations. New legislation now mandates that not only the Superintendent, but also the Chief Business Official sign the disclosure.

CURRENT CONSIDERATIONS

This agenda item brings to the Board the Disclosure of Collective Bargaining Agreement, which was submitted to the San Diego County Office of Education on January 31, 2019 and approved on February 8, 2019.

FINANCIAL IMPLICATIONS

This disclosure is for reporting purposes only. The cost of the salary increase is provided in another item.

RECOMMENDATION

It is respectfully recommended that the Board approve the Disclosure of Collective Bargaining Agreement.

Exhibit I

Disclosure of Collective Bargaining Agreement

Page 1 of 7

In Accordance with AB 1200 (Statutes of 1991, Chapter 1213);
GC § 3547.5 (Statutes of 2004, Chapter 52)

Cardiff School District

Name of Bargaining Unit: Cardiff Elementary Teachers Association Certificated: X Classified: _____

The proposed agreement covers the period: Beginning: 7/1/18 Ending: 6/30/19

This agreement will be acted upon by the Governing Board at its meeting on: February 12, 2019
Date

A. Proposed Change in Compensation

Compensation	Cost Prior to Proposed Agreement (a) \$	Fiscal Impact of Proposed Agreement					
		Current Year 2018 - 2019		Year 2 2019 - 2020		Year 3 2020 - 2021	
		(b) \$	(c) %	(b) \$	(c) %	(b) \$	(c) %
1. Step & Column - Increase (Decrease) due to movement plus any changes due to settlement							
2. Salary Schedule - Increase (Decrease)	\$3,994,748.00	\$119,842.00	3.00%	\$123,437.00	3.00%	\$127,140.00	3.00%
3. Other Compensation - Increase (Decrease) in Stipends, Bonuses, etc.	\$3,994,748.00		0.00%		0.00%		0.00%
4. Statutory Benefits - Increase (Decrease) in STRS, PERS, FICA, WC, UI, Medicare, etc.	\$787,764.00	\$23,632.00	3.00%	\$26,415.00	3.26%	\$28,441.00	3.39%
5. Health/Welfare Benefits - Increase (Decrease)							
6. Total Compensation - Increase (Decrease) Total Lines 3(a), 4(a), 5(a)	\$4,782,512.00	\$143,474.00	3.00%	\$149,852.00	3.04%	\$155,581.00	3.07%
7. Total Number of Represented Employees	48.00			48.00		48.00	
8. Total Compensation Cost for Average Employee - Increase (Decrease)	\$99,635.67	\$2,989.04	3.00%	\$3,121.92	3.04%	\$3,241.27	3.07%

Impact on other Funds: _____

Disclosure of Collective Bargaining Agreement

Page 1 of 7

In Accordance with AB 1200 (Statutes of 1991, Chapter 1213);
GC § 3547.5 (Statutes of 2004, Chapter 52)

Cardiff School District

Name of Bargaining Unit: Classified employees & Certificated/Classified Mgmt. Certificated: X Classified: X

The proposed agreement covers the period: Beginning: 7/1/18 Ending: 6/30/19

This agreement will be acted upon by the Governing Board at its meeting on: February 12, 2019
Date

A. Proposed Change in Compensation

Compensation	Cost Prior to Proposed Agreement (a) \$	Fiscal Impact of Proposed Agreement					
		Current Year 2018 - 2019		Year 2 2019 - 2020		Year 3 2020 - 2021	
		(b) \$	(c) %	(b) \$	(c) %	(b) \$	(c) %
1. Step & Column - Increase (Decrease) due to movement plus any changes due to settlement							
2. Salary Schedule - Increase (Decrease)	\$2,008,137.00	\$60,244.11	3.00%	\$61,219.00	2.96%	\$62,247.00	2.92%
3. Other Compensation - Increase (Decrease) in Stipends, Bonuses, etc.	\$2,008,137.00		0.00%		0.00%		0.00%
4. Statutory Benefits - Increase (Decrease) in STRS, PERS, FICA, WC, UI, Medicare, etc.	\$502,034.00	\$15,061.00	3.00%	\$16,916.00	3.27%	\$18,051.00	3.38%
5. Health/Welfare Benefits - Increase (Decrease)							
6. Total Compensation - Increase (Decrease) Total Lines 3(a), 4(a), 5(a)	\$2,510,171.00	\$75,305.11	3.00%	\$78,135.00	3.02%	\$80,298.00	3.01%
7. Total Number of Represented Employees	67.00	67.00		67.00		67.00	
8. Total Compensation Cost for Average Employee - Increase (Decrease)	\$37,465.24	\$1,123.96	3.00%	\$1,166.19	3.02%	\$1,198.48	3.01%

Impact on other Funds: Fund 6300: \$7,690 , Fund 1300: \$3,426 for current year

Supplement

H. Impact of Proposed Agreement on Current Year Operating Budget*

Date of governing board approval of budget revisions in Col. 2: _____
in accordance with Education Code § 42142 and Government Code § 3547.5

Provide a copy of board-approved budget revisions and board minutes. In addition, provide two expenditure reports generated by the district's financial system: one showing the budget by major object before the changes and a second showing the budget by major object after the changes.

If the board-approved revisions are different from the proposed budget adjustments in Col. 2, provide a revised report upon approval of the district governing board.

	(Col. 1) Latest Board- Approved Budget Before Settlement as of (insert date)	(Col. 2) Adjustments as a Result of Settlement	(Col. 3) Other Revisions	(Col. 4) (Cols. 1 + 2 + 3) Total Impact on Budget
REVENUES:				
LCFF Sources (8010-8099)	8,680,282			8,680,282
Remaining Revenues (8100-8799)	1,133,728			1,133,728
TOTAL REVENUES	9,814,010	0	0	9,814,010
EXPENDITURES:				0
1000 Certificated Salaries	4,600,870	132,625		4,733,495
2000 Classified Salaries	1,582,020	47,462		1,629,482
3000 Employee Benefits	1,730,585	38,693		1,769,278
4000 Books and Supplies	246,714			246,714
5000 Services and Operating Expenses	1,102,883			1,102,883
6000 Capital Outlay	0			0
7000 Other	296,620			296,620
TOTAL EXPENDITURES	9,559,692	218,780	0	9,778,472
OPERATING SURPLUS (DEFICIT)	254,318	(218,780)	0	35,538
OTHER SOURCES AND TRANSFERS IN				0
OTHER USES AND TRANSFERS OUT	496,171			496,171
CURRENT YEAR INCREASE (DECREASE) IN FUND BALANCE	(241,853)	(218,780)	0	(460,633)
BEGINNING BALANCE				0
CURRENT YEAR-ENDING BALANCE	(241,853)			(241,853)
COMPONENTS OF ENDING BALANCE:				
Nonspendable (9711-9719)	1,500			1,500
Restricted (9740)	146,821			146,821
Committed (9750/9760)				0
Assigned (9780)				0
Reserve Economic Uncertainties (9789)	382,387			382,387
Unassigned/Unappropriated (9790)	2,050,386			1,831,606

If the total amount of the adjustment in Column 2 does not agree with the amount of the total cost shown on page 1, please explain:

*This supplement is a composite recap of "all" the bargaining agreements shown on the preceding pages.

F. Impact of Proposed Agreement on Current Year Unrestricted Reserves

Page 4 of 7

1. State Reserve Standard

a. Total Expenditures, Transfers Out, and Uses (Including Cost of Proposed Agreement)	\$9,778,471
b. State Standard Minimum Reserve Percentage for this District	4.00%
c. Projected P-2 ADA	643.67
d. State Standard Minimum Reserve Amount for this District (Line 1a times Line 1b, or \$50,000, whichever is greater, for a district with less than 1,001 ADA)	\$391,138.84

2. Budgeted Unrestricted Reserve (After Impact of Proposed Agreement)

a. General Fund Budgeted Unrestricted Designated for Economic Uncertainties	\$372,527.00
b. General Fund Budgeted Unrestricted Unappropriated Amount	\$1,683,288.00
c. Special Reserve Fund 17-Budgeted Designated for Economic Uncertainties	
d. Special Reserve Fund 17-Budgeted Unappropriated Amount	
e. Total District Budgeted Unrestricted Reserves	\$2,055,815.00

3. Do unrestricted reserves meet the state standard minimum reserve amount?

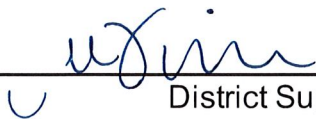
☒ Yes

No

G. Certification

The information provided in this document summarized the financial implications of the proposed agreement and is submitted to the Governing Board for public disclosure of the major provisions of the agreement in accordance with the requirements of AB 1200 and Government Code § 3547.5.

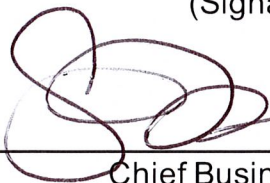
We hereby certify that the costs incurred by the school district under this agreement can be met by the district during the term of the agreement.



District Superintendent
(Signature)

2/4/19

Date



Chief Business Official
(Signature)

2/4/19

Date

Contact Person: Courtney JasperTelephone No.: 760-632-5890

Revised: 06/06