

Santee School District

SCHOOLS:

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

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

BOARD OF EDUCATION REGULAR MEETING A G E N D A February 4, 2014

District Mission

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

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A. OPENING PROCEDURES – 7:00 p.m.	5
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1. Superintendent's Report	
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D. CONSENT ITEMS	13
<i>Items listed under Consent are considered to be routine and are acted on by the Board with a single motion. There is no discussion of these items prior to the Board vote unless a member of the Board, staff, or public requests specific items be considered separately. Request to speak cards should be submitted in advance.</i>	

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

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

Superintendent

- 1.1. **Approval of Minutes** 14
It is recommended that the Board of Education approve meeting minutes with any necessary modifications.

Business Services

- 2.1. **Approval/Ratification of Travel Requests** 21
It is recommended that the Board of Education approve/ratify the authorization granted to personnel requesting out-of-district travel as listed in the item.
- 2.2. **Approval/Ratification of Revolving Cash Report** 23
It is recommended that the Board of Education approve/ratify check no. 22323 on the Revolving Cash Account.
- 2.3. **Acceptance of Donations** 25
It is recommended that the Board of Education accept the donations listed in the item and authorize staff to send letters of appreciation.
- 2.4. **Approval/Ratification of Expenditure Transactions Charged to District Issued Purchasing Cards (P-Cards)** 26
It is recommended that the Board of Education approve/ratify expenditure transactions charged to District P-Cards for the month of December 2013.
- 2.5. **Approval of Consultants and General Service Providers** 30
It is recommended that the Board of Education approve Consultant and General Service Provider agreements as presented.

Human Resources/Pupil Services

- 3.1. **Personnel, Regular** 32
It is recommended that the Board of Education approve the listed personnel appointments, change of status, leave requests, resignations and dismissals.
- 3.2. **Adoption of Resolution No. 1314-16 to Eliminate Vacant Identified Classified Non-Management Positions** 35
It is recommended that the Board of Education adopt resolution no. 1314-16 to eliminate a vacant classified non-management position.
- 3.3. **Approval of Temporary Additional Hours for Project Coordinator** 37
It is recommended that the Board of Education approve the Project Coordinator to work additional hours on an as needed basis to assume the duties of the Executive Assistant position.

- E. **DISCUSSION AND/OR ACTION ITEMS** 30
Members of the audience wishing to address the Board about any of the following items should submit a request to speak card in advance.

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Educational Services	
1.1. <u>Strategic Plan Action Step: Approval of the Personalized Learning Environment Learning Map: Learning in the 21st Century</u>	39
It is recommended that the Board of Education approve the Personalized Learning Environment Learning Map: Learning in the 21 st Century.	
Human Resources/Pupil Services	
2.1. <u>Strategic Plan Action Step: Student Well Being - Approval of Virtual One Stop Shop – Community Resources Website</u>	53
It is recommended that the Board of Education approve the use of the virtual “One Stop Shop” as a District and community resource.	
Business Services	
3.1. <u>Approval of Monthly Financial Report</u>	54
It is recommended that the Board of Education approve the Monthly Financial Report.	
3.2. <u>Acceptance of GASB 45 July 2013 Actuarial Valuation Update</u>	57
It is recommended that the Board of Education accept the updated GASB 45 Actuarial Valuation of Other Post Employment Retirement Benefits.	
3.3. <u>Affordable Care Act Compliance Requirements Status Update</u>	74
This is an information item. Action is at the discretion of the Board of Education.	
3.4. <u>Approval of Agreement with Webb-Cleff Architecture and Engineering Inc. to Provide Planning Services Related to Prop 39 Energy Efficiency Projects</u>	76
It is recommended that the Board of Education approve the agreement with Webb-Cleff Architecture and Engineering Inc.	
3.5. <u>Adoption of Resolution No. 1314- 15, Intention to Sell Surplus Real Property Commonly Known as the Renzulli Site</u>	80
It is recommended that the Board of Education adopt Resolution No. 1314-15, Intention to Sell Surplus Real Property Commonly Known as the Renzulli Site.	
F. BOARD COMMUNICATION AND ORGANIZATIONAL BUSINESS	117
G. CLOSED SESSION	118
1. <u>Conference with Labor Negotiator</u> (Govt. Code § 54956.8) <i>Agency Negotiators: Karl Christensen, Assistant Superintendent, Tim Larson, Assistant Superintendent Employee Organization: Santee Teachers Association (STA)</i>	
2. <u>Conference with Labor Negotiator</u> (Govt. Code § 54956.8) <i>Agency Negotiators: Karl Christensen, Assistant Superintendent Tim Larson, Assistant Superintendent Employee Organizations: Classified School Employees Association (CSEA)</i>	

3. **Conference with Real Property Negotiators** (*Govt. Code § 54956.8*)
Property Addresses:
- *Parcels 383-112-05 and 383-112-28 located on the north side of Prospect Avenue east of Marrokal Lane (known as the Renzulli Site)*
Agency Negotiator: Karl Christensen, Assistant Superintendent
- H. **RECONVENE TO PUBLIC SESSION** 118
- I. **ADJOURNMENT** 118

Please note: Per SB 343, the supporting documents for this meeting agenda are available in the lobby at the Santee School District Office, located at 9625 Cuyamaca St., Santee, CA 92071 and will be available for viewing at the meeting.

The next regular meeting of the Board of Education is scheduled for February 18, 2014 at 7:00 p.m. in the Douglas E. Giles Educational Resource Center.

Santee School District complies with the Americans with Disabilities Act. If you require reasonable accommodations including alternate formats for this meeting, contact the Superintendent's Office at (619) 258-2304 at least two (2) days before the meeting date.

Members present:

Fox
 Burns
 Ryan
 Levens-Craig
 El-Hajj

OPENING PROCEDURES ITEM A.

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

2. District Mission

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

3. Presentation of the Colors and Pledge of Allegiance

4. Approval of Agenda for the February 4, 2014 regular meeting

Agenda Item A.

Reports and Presentations Item B.1. Superintendent's Report
Prepared by Cathy A. Pierce, Ed.D.
February 4, 2014

The following items are presented for Board information:

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

Agenda Item B.

Requests For Use Of Facilities - February 4, 2014						
Group	Location	Date	Days	Time	Attendance	Fees Applied
Cajon Park Study Group (Santee School District Employees)	Project Safe Office	2/6/14 - 3/27/14	Thursday	6:15 pm - 7:30 pm	7	
Carlton Hills Teachers/Parents (D.C. Trip Meeting) PTA (School Picnic)	Multi-Purpose Lower Fields	1/28/14 & 4/2/14 5/17/14	Tues & Wed Saturday	6:30 pm - 8:00 pm 11:00 am - 4:00 pm	50 90	\$71.00
Chet F. Harritt Victory Baptist Church dba Santee Baptist Church	Multi-Purpose & Classroom	1/5/14 - 6/29/14	Sunday	8:00 am - 11:00 am	50	\$220.25/Sunday
PRIDE Academy (Prospect Avenue) PTA (Father/Daughter Dance)	Multi-Purpose	2/1/14	Saturday	5:00 pm - 8:00 pm	100	\$71.00

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

Santee School District
 ENROLLMENT REPORT
 1/24/2014
 Month 6 Week 1

SCHOOL	REGULAR ED														SPECIAL ED										Total All							
	TK	EAK 5yo	K	Gr 1	Gr 2	Gr 3	Gr 4	Gr 5	Gr 6	Gr 7	Gr 8	01/24/14	01/25/13	# Diff	% Diff	K	Gr 1	Gr 2	Gr 3	Gr 4	Gr 5	Gr 6	Gr 7	Gr 8	01/24/14	01/25/13	# Diff	% Diff	01/24/14	01/17/14	# Diff	
Cajon Park			107	114	108	97	119	112	122	111	108	998	990	8	0.8%	3	3	7	14	5	5	5	7	10	59	63	-4	-6.3%	1057	1058	-1	
Carlton Hills	24	7	52	49	42	39	44	40	46	68	62	473	505	-32	-6.3%	4	3	2	6	2	4	5	4	5	35	29	6	20.7%	508	511	-3	
Carlton Oaks			64	87	69	97	92	99	80	98	120	806	798	8	1.0%	8	5	6	7	4	5	5	8	7	55	53	2	3.8%	861	863	-2	
Chet F Harritt	23	14	59	56	65	68	54	70	46	47	53	555	547	8	1.5%	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	555	559	-4
Hill Creek		14	72	74	72	83	77	91	93	69	81	726	728	-2	-0.3%	1	0	2	3	3	3	2	0	0	14	13	1	7.7%	740	739	1	
Pepper Drive			120	96	99	92	91	69	87	70	72	796	785	11	1.4%	0	0	0	0	0	0	0	3	6	9	9	0	0.0%	805	804	1	
Prospect Ave	23	18	66	82	60	57	63	47	56	46	45	565	577	-12	-2.1%	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	565	566	-1
Rio Seco			96	106	120	86	103	112	108	112	95	938	955	-17	-1.8%	4	2	6	4	6	5	5	7	8	47	41	6	14.6%	985	982	3	
Sycamore Canyon		15	45	51	60	55	39	44	45	0	0	354	325	29	8.9%	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	354	351	3	
SUBTOTAL	70	68	681	715	695	674	682	684	683	623	636	6211	6210	1	0.0%	20	13	23	34	20	22	22	29	36	219	208	11	5.3%	6430	6433	-3	
Alternative School			2	4	1	4	7	4	4	3	12	41	46	-5	-10.9%																	
Santee Success										6	4	10	7	3	42.9%									1	1	0						
NPS												0	0									2			2	2	0	0.0%	2	2	0	
SUBTOTAL			2	4	1	4	7	4	4	9	16	51	53	-2	-3.8%	0	0	0	0	0	0	2	0	1	3	2	1	50.0%	54	57	-3	
TOTAL	70	68	683	719	696	678	689	688	687	632	652	6262	6,263	-1	0.0%	20	13	23	34	20	22	24	29	37	222	210	12	5.7%	6484	6,490	-6	

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

	PK	EAK 4yo	
Cajon Park	3	0	1060
Carlton Hills	0	17	525
Chet F Harritt	0	10	565
Hill Creek	0	9	749

Schedule of Upcoming Events

Date	Event
February 10	Lincoln Holiday – Schools and Departments Closed
February 17	Presidents' Day Holiday – Schools and Departments Closed
February 18	Board Meeting; 7:00 p.m.
February 20	Santee Chamber of Commerce's Annual Award Night Dinner and Celebration 5:30 p.m. at Barona
February 25	Annual Strategic Plan Review Meeting 5:30 p.m. at Cajon Park School (<i>Note change in location</i>)
February 27	Annual Santee Scholl District Foundation's Art Show and Auction 6:00 p.m. at the Santee Boys & Girls Club
March 4	Board Meeting; 7:00 p.m.
March 18	Principals Meeting with Board; 6:00 p.m. Board Meeting; 7:00 p.m.
April 1	Student Forum with Board; 6:00 p.m. Board Meeting; 7:00 p.m.
April 7-18	Spring Break – Schools Closed
May 2	Honoring Our Own (ACSA & SDCSBA) 5:00-9:00 p.m. Sheraton San Diego Hotel and Marina
May 6	Board Meeting; 7:00 p.m.
May 20	Board Meeting; 7:00 p.m.
June 3	Board Meeting; 7:00 p.m. 8 th Grade Achievement Academic Awards
June 17	Board Meeting; 7:00 p.m.
June 25	Last Day of School for Students

Reports and Presentations Item B.2. Spotlight on Learning: Carlton Hills School
Presentation

Prepared by Cathy A. Pierce, Ed.D.
February 4, 2014

BACKGROUND:

During the 2013-14 school year, our schools are transitioning to the Common Core State Standards (CCSS) and the Smarter Balanced Assessments (SBAC). The cognitive complexity of the CCSS and SBAC require students to employ a deeper level of thinking and application of learning to real-world situations. The CCSS are designed to be robust and relevant, preparing students for college and careers.

Success with the CCSS requires students to become more active in the learning process and to engage in a variety of dynamic learning opportunities, including using technology as a tool for learning. Inherent in the CCSS are the 21st Century Skills of Critical Thinking, Collaboration, Communication, and Creativity, with Critical Thinking permeating all of the standards. As students become more independent thinkers and increase their ability to process information at a deeper level, they will be formulating opinions, justifying their thinking with evidence, critiquing the opinions of their peers and other resources, and communicating their points of view effectively. Essentially, students will “learn to learn and learn to apply” their knowledge to real-world situations.

Tonight Principal Terry Heck and his school team will highlight student learning at Carlton Hills School as they use 21st Century Skills with their implementation of the CCSS.

Agenda Item B.2.

PUBLIC COMMUNICATION Item C

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

Agenda Item C.

CONSENT ITEMS Item D.

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

Agenda Item D

Consent Item D.1.1. Approval of Minutes
Prepared by Cathy A. Pierce, Ed.D.
February 4, 2014

BACKGROUND:

Presented for Board approval –

- January 21, 2014 regular meeting minutes

RECOMMENDATION:

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

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

SANTEE SCHOOL DISTRICT
REGULAR MEETING
OF THE BOARD OF EDUCATION

January 21, 2014
MINUTES

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

A. OPENING PROCEDURES

1. Call to Order and Welcome
President Fox called the meeting to order at 7:04 p.m.
Members present:
Ken Fox, President
Dustin Burns, Vice President
Barbara Ryan, Clerk
Elana Levens-Craig, Member
Dianne El-Hajj, Member
Administration present:
Dr. Cathy Pierce, Superintendent and Secretary to the Board
Karl Christensen, Assistant Superintendent, Business Services
Tim Larson, Assistant Superintendent, Human Resources/Pupil Services
Dr. Stephanie Pierce, Assistant Superintendent, Educational Services

2. President Fox invited the audience to recite the District Mission and then invited Cub Scout Pack 382 to present the colors and lead the Pledge of Allegiance.

3. Approval of Agenda
It was moved and seconded to approve the agenda.

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

B. REPORTS AND PRESENTATIONS

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

2. **Spotlight on Learning: Carlton Oaks School Presentation**

Dr. Pierce introduced Carlton Oaks Principal Kristin Baranski who shared a video demonstrating 21st Century Learning by the students. The Board was complimentary of the video and the students' demonstration of their deeper level of thinking and application of knowledge through their experiences. Principal Baranski noted the production was a collaborative effort and thanked her students and staff for all their hard work. Member El-Hajj asked if there any roadblocks in the transition. Principal Baranski shared time to collaborate was a challenge but the two professional development days helped.

Member Burns added that he recently visited all school sites and was impressed with the teachers' dedication to take on the new Common Core Standards and implement them their classrooms. Throughout his visits, he enjoyed seeing learning taking place in a variety of ways. He said teachers were already applying what they learned at the Professional Development workshops. President Fox thanked Principal Baranski for her hard work and a great presentation.

3. **City of Santee Recreation Services Presentation**

Dr. Pierce introduced Aliah Brozowski, a City of Santee Recreation Program Supervisor, who highlighted the partnership the City of Santee and Santee School District share through a variety of in and out of school programs sponsored by the City. Her presentation included an overview of the transportation services the Santee School District provides to the City's Teen Center and for field trips. She explained how the City's Mobile Recreation program comes to school campuses to engage students in fun, recreation, and physical activity. Ms. Brozowski shared the City helps build youth social skills through monthly City Hall Dances for 6th – 9th grade students. These dances provide kids the opportunity to socialize with students from other schools within the District. Ms. Brozowski said the youth recreation classes offered on school campuses provide many children with activities they would not have access to if they were located elsewhere.

Member Levens-Craig asked if there are other programs the City wants to implement. Ms. Brozowski is currently working to bring in high school students to tutor at the Teen Center and pursuing using the Teen Center as a field trip site for science learning.

Member Fox asked how kids know about teen center. Ms. Brozowski said the District sends flyers home quarterly and the information is posted on the District and City websites.

C. PUBLIC COMMUNICATION

President Fox invited members of the audience to address the Board about any item not on the agenda. There were no public comments

D. CONSENT ITEMS

Items listed under Consent are considered to be routine and are all acted on by the Board with one single motion. President Fox invited comments from the public on any item listed under Consent.

- 1.1. Approval of Minutes
- 2.1. Approval/Ratification of Travel Requests
- 2.2. Approval/Ratification of Expenditure Warrants
- 2.3. Approval/Ratification of Purchase Orders
- 2.4. Approval/Ratification of Expenditure Transactions Charged to District Issued Purchasing Cards (P-Cards)
- 2.5. Approval/Ratification of Revolving Cash Report
- 2.6. Acceptance of Donations
- 2.7. Approval of Consultants and General Service Providers
- 2.8. Approval of Uniform Complaint Quarterly Report Required by the Williams Settlement
- 2.9. *Item pulled for separate consideration*
- 2.10. Approval of Agreement for On-Site Resident Services for Cajon Park School
- 3.1. Approval of School Accountability Report Cards for the 2012-13 School Year
- 3.2. Approval of Student Teaching Agreement with San Diego State University for the 2013-2014 through 2015-2016 School Years
- 3.3. Approval of Supplemental Educational Services Contracts for the 2013-2014 School Year
- 4.1. *Item pulled for separate consideration*
- 4.2. Personnel, Regular
- 4.3. Approval of New Job Description for Child Nutrition School Site Lead
- 4.4. Approval of 2014-2015 District School Calendar
- 4.5. Ratification of Tentative Agreement between California School Employees Association (CSEA) and its Chapter #557 and the Santee School District
- 4.6. Adoption of Resolution No. 1314-13 to Eliminate One (1) Vacant Classified Non-Management Position

- 4.7. **Proclamation for National School Counseling Week (2/3/14 – 2/7/14) and National School Social Work Week (3/2/14 – 3/8/14)**
- 4.8. **Approval to Evaluate Department of Defense Educational Activities (DODEA) Grant for Chet F. Harritt and PRIDE Academy**

It was moved and seconded to approve Consent Items, with the exceptions of items D.2.9 and D.4.1, which were pulled for separate consideration.

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

D.2.9. Summary and Acceptance of 2012-13 Audit Report by Vavrinek, Trine, Day & Co.
(Pulled by Member Levens-Craig for consideration)

Member Levens-Craig pulled this item to publically acknowledge, commend and thank the Business Services department for the clean audit report with no findings. She noted as a member of other Boards and experience with audit results how exciting it was to read a report without findings or recommendations. Member Levens-Craig moved to accept the item as presented.

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

D.4.1. Approval of New Probationary Teachers *(Pulled by Member Burns for consideration)*

Member Burns pulled this item to take a moment and recognize this career milestone for these individuals. He added that it is with great pleasure to see these quality educators join the Santee School District, and he is proud the District is in a position to add new teachers while many other Districts are laying off teachers. Member Burns moved to accept the item as presented.

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

E. DISCUSSION AND/OR ACTION ITEMS

President Fox invited comments from the public on any item listed under Discussion and/or Action.

1.1. Strategic Plan Action Step: Adoption of Resolution No. 1314-12 Supporting California Coalition for 21st Century Learning

This item was discussed and action taken with Item E.1.2.

1.2. Strategic Plan Action Step: Approval of the 21st Century 4Cs Learning Map: Learning and Innovation Skills for 21st Century Learner Readiness

Dr. Stephanie Pierce, Assistant Superintendent of Educational Services, was pleased to introduce items E.1.1. Strategic Plan Action Step: Adoption of Resolution No. 1314-12 in addition to item E.1.2. Strategic Plan Action Step: Approval of the 21st Century 4Cs Learning Map together. She noted how the Strategic Plan Action Committee was tasked with identifying the most vital skills of a 21st Century Learner, which produced the 4Cs Learning Map. She noted the resolution and Learning Map demonstrate our alignment with the Common Core State Standards as they are integrated into the English/Language Arts and Math Frameworks and many other districts have adopted the same resolution.

Dr. Pierce introduced the Committee chairs, Kristin Baranski and Stephanie Southcott, and members Megan Houfeck and Denna Wauschek. Ms. Southcott shared the Committee's deliverables, the first of which was to identify and define the foremost skills of a 21st Century Learner. The second was to design and implement a Professional Development plan, using the 21st Century Skills, integrating the new Common Core Standards. Ms. Wauschek provided historical background that led to the Committee identifying the resolution supporting the California Coalition for 21st Century Learning (P21) for adoption by the Santee School District. Ms. Houfeck shared how the skills laid

out in P21 led to the creation of the Learning Map. Ms. Baranski demonstrated the interactive features of the Learning Map and Ms. Southcott followed up with the Committee's next step this year: to compile all schools' 'Spotlight' video presentations and determine where particular clips would fit as examples on the Learning Map. Member Ryan to approve items E.1.1. and E.1.2.

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

2.1. Adoption of Resolution No. 1314-14 for a 3121 Alternative Social Security Plan for Part-Time, Temporary, and Seasonal Employees

Assistant Superintendent of Business Services, Karl Christensen, explained the purpose of this resolution was to offer an alternative retirement program to part-time, seasonal, and volunteer employees who are not part of PERs or STRs. It's available to CSEA members who work less than four-hours per day, substitutes, and some temporary consultants paid through payroll. Currently these employees contribute 6.2% into social security and the District also contributes another 6.2%; however, these employees often receive little or no service credit in social security even though they contribute funds. The 3121 Plan would allow employees to contribute their money to a qualifying plan similar to an IRA, 403(b) or 457 Tax Sheltered Annuity. The District will contribute 1.3%, and realize approximately \$60k in savings annually. Member Burns moved to approve the item as presented.

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

2.2. Approval of Change Order No. 1 for Pepper Drive School 10-Classroom Building Project for Flood Repairs on Construction Site

Mr. Christensen explained the Change Order is for \$40,766 pertaining to the mitigation work performed to repair the retaining wall damaged by storm water run-off on October 9, 2013. He also noted several means are being pursued to receive reimbursement for these costs. Member Ryan moved to approve the item as presented.

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

2.3. Approval of Monthly Financial Report

Mr. Christensen reported the monthly financials included in the Board packet summarized cash and budget revision transactions through November 2013. He added cash balances in the General Fund ended November at \$5.6 million and projects to meet all cash obligations through June with internal funds, without the need to borrow externally. This budget revision reports the same numbers as the 1st interim report with a deficit of approximately \$1.1 million in the Unrestricted General Fund. Mr. Christensen said it was important to note the reserve percentages for out-years 2014-15 and 2015-16 will change based on the latest proposal from the Governor,. Member Ryan moved to approve the item as presented.

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

2.4. Governor's January State Budget Proposal for 2014-15

Mr. Christensen reported most school districts are looking at increases in education funding if this proposal passes. Mr. Christensen provided a general overview of the California economy, pointing out employment is still an issue, with November unemployment reported at 8.5%, the 5th highest in the nation. He added the employment forecast in the Governor's Budget is slightly more optimistic than the Legislative Analyst's Office (LAO) and UCLA Forecast.

Mr. Christensen reviewed state revenues and how they are affecting Prop 98 guarantees. Generally, as state revenues begin to grow, Prop 98 starts to increase significantly, with most of the monies going towards education. State revenue for 2014-15 is projected at \$106.8 billion, with \$7 billion coming from Prop 30 temporary taxes, which are temporary, and will fall off at a certain point in time. Overall, growth is projected at 6%, but the Governor specifically points out the volatility of Capital Gains tax, which comes from personal income tax, and accounts for 2/3 of state revenues. The Governor's proposal does make recommendations about how to address these issues and stabilize revenues. Estimates for 2012-13 through 2017-18 are still slightly lower than forecasted in the November LAO report, which is generally conservative, however the Governor is taking an even more conservative approach at this time.

Mr. Christensen noted the increase in funds based on Prop 98 calculations over and above what was previously projected. The Governor is proposing using \$5.5 billion of the increase to accelerate the payoff in deferrals, which would be a monumental accomplishment, eliminate our inter-year deferrals and give a payment schedule consistent with the law. Funding of \$4.5 billion would be put towards the Local Control Funding Formula (LCFF), \$316.5 million would be used for Prop 39 energy efficiency projects, and 0.86% for COLA for Categorical programs outside LCFF (e.g. Special Education).

He reviewed how the proposed Prop 98 Reserve fund would be used in addition to the general Rainy Day fund to even out appropriations and eliminate wide swings in available revenues.

Mr. Christensen shared less money has been designated to other services (e.g. health and human services) which will create tension among legislators who want to see increases go to other areas.

Mr. Christensen reported on the strategies outlined within the proposal to tackle and reduce long-term liabilities totaling \$355 billion and eliminate the "Wall of Debt," a component of total long term debt, which includes deferrals, mandate claims, economic recovery bonds, loans from Special Funds, Prop 98 settle up, and other deferred costs totaling \$25 billion. He explained funding proposals for the general Rainy Day fund and the Prop 98 reserve funds will go before the voters.

Mr. Christensen said Administration is still analyzing how the Governor's proposal will affect Santee School District and he would have more information to offer at the budget workshop. Board Members discussed pressures that will come from receiving increased funding and the importance of making prudent decisions that best benefit the District in the short and long-term.

3.1. Board of Education Self Evaluation

President Fox requested Board Members complete the self-evaluations and return them to the Executive Assistant at the next meeting for compiling and scoring. The results will be provided at the February 18, 2013 Board meeting.

F. BOARD POLICIES AND BYLAWS

1.1. Second Reading: Revised Board Policy 3311, "Bids"

Revised Board Policy 3311, "Bids" was presented for a second reading. Member El-Hajj moved to approve revised Board Policy 3311, Bids.

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

G. BOARD COMMUNICATION

Member Burns reported he recently visited every school and saw a lot of great teaching and learning happening in the classrooms. He was especially impressed by the teachers' implementation of the Professional Development learning and believes that the money the District spent is already being put to good use. Member Burns noted he received various types of feedback from teachers about Professional Development. Member Burns also had the opportunity to get a good look at the Pepper Drive Junior High building and said it looks great.

President Fox reported he visited SSP last week and plans to visit Cajon Park next week. While at SSP he was able to participate in planting a garden.

Member Levens-Craig reported she met with Tierra del Sol PTA President Cindy Walker and Karl Christensen regarding fees charged to PTA for use of facilities. She said Mr. Christensen did a thorough job of explaining how and why fees are charged, while still considering the concerns and needs of the PTAs. She also attended a ribbon cutting for San Diego Christian College and was impressed by Jack Dale's call for students and faculty to get out into the community and volunteer. Member Levens-Craig reported she is taking a CSBA webinar and would try to attend the STEM meeting at Chet F. Harritt School next week. She also noted she will be leaving for Sacramento where she will be involved in various meetings and hearings with legislators.

President Fox requested letters to the Board be scanned and emailed to them as they are received.

H. CLOSED SESSION

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

1. **Conference with Labor Negotiator** (Govt. Code § 54956.8)
*Agency Negotiators: Karl Christensen, Assistant Superintendent;
Tim Larson, Assistant Superintendent*
Employee Organization: Santee Teachers Association (STA)
2. **Conference with Labor Negotiator** (Govt. Code § 54956.8)
*Agency Negotiators: Karl Christensen, Assistant Superintendent
Tim Larson, Assistant Superintendent*
Employee Organizations: Classified School Employees Association (CSEA)
3. **Conference with Real Property Negotiators** (Govt. Code § 54956.8)
*Property Address: 10335 Mission Gorge Road, Santee 92071
(formerly known as Santee School Site)*
Agency Negotiator: Karl Christensen, Assistant Superintendent
4. **Public Employee Evaluation** (Govt. Code § 54957)
Superintendent

The Board entered closed session at 8:25 p.m.

J. RECONVENE TO PUBLIC SESSION

The Board reconvened to public session at 10:15 p.m. No action was reported.

K. ADJOURNMENT

The January 21, 2014 regular meeting adjourned at 10:15 p.m.

BACKGROUND:

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

In accordance with Sections 35044, 35172, and 35173 of the Education Code, the Board of Education shall provide for payment of travel expenses for any representative of the Board when performing services on behalf of the District.

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

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

RECOMMENDATION:

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

This recommendation supports the following District goal:

Staff Development

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

FISCAL IMPACT:

The estimated travel expenses are \$71,729, with substitute costs of \$1,575, as disclosed on the following page.

STUDENT ACHIEVEMENT IMPACT:

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

Motion: _____ Second: _____ Vote: _____

Agenda Item D.2.1.

Board Travel Report - February 4, 2014

Travel Dates	Attendees	Site or Dept.	Conference or Workshop	Location	Sub Cost	Estimated Expenses	Budget	Purpose of Travel
Tuesday, 12/17/13	Lisa Rosas Wendy Smith	HC HC	Reducing Anxiety and Problem Behaviors in Sensory, Autism, and ADHD	San Diego	\$0 \$0	\$187 \$187	Special Education Special Education	The workshop provided instructional techniques to bring relief to students struggling with anxiety.
Friday, 02/21/14	Renee Steel	Ed Services	Executive Dysfunction, Effective Strategies, and Interventions for Children and Adolescents	San Diego	\$0	\$204	Special Education	This workshop will provide the latest evidence-based treatment strategies for behavioral and academic achievement.
Monday, 02/24/14	Cathy Pierce Stephanie Pierce Eileen Moreno Laura Spencer Bonner Montler Ted Hooks Terry Heck Kristin Baranski Andy Johnston Lisa McColi Debbie Brenner Stephanie Southcott Debra Simpson Jerelyn Lindsay	Superintendent Ed Services Ed Services Ed Services Ed Services CP CH CO CFH HC PD PRIDE RS SC	Superintendents' and Principals' Forum: Building Systems to Improve Teaching and Learning	San Diego	\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50	Superintendent's Office Superintendent's Office Superintendent's Office Superintendent's Office Superintendent's Office Superintendent's Office Superintendent's Office Superintendent's Office Superintendent's Office Superintendent's Office Superintendent's Office Superintendent's Office Superintendent's Office Superintendent's Office Superintendent's Office	The forum will present ways to build district-wide and school-wide systems that effectively support the teaching and learning environment in the classroom.
Thursday, 03/06/14	Marybeth Atkinson Susan Walter Dan Prouty Rebecca Brodeen Kathryn Sibayan Laurie Galameau Renee Marino	CFH CFH CFH RS RS RS RS	Pathways to the Common Core	Brea	\$105 \$105 \$0 \$105 \$105 \$105 \$105	\$242 \$242 \$242 \$238 \$238 \$238 \$238	EIA EIA EIA GATE GATE GATE GATE	This workshop will focus on the Common Core Standards for reading and writing instruction.
Travel Requests That Require Airfare, Overnight Stay, and/or Travel Outside of the State of California								
Fri-Sun, 01/24/14 - 01/26/14	Heather Glanz	RS	Common Core State Standards and Next Generation Science Standards Leadership Training	Long Beach	\$105	\$24	Professional Development	Training on Common Core State Standards implementation in Science and Mathematics.
Thurs-Sat, 03/20/14 - 03/22/14	Katy Hammack Joe Kemery Gillian Ryan Tina Schipke	PRIDE PRIDE PRIDE PRIDE	Computer Using Educators Conference - CUE the Learning	Palm Springs	\$210 \$210 \$210 \$210	\$406 \$406 \$406 \$406	EIA EIA EIA EIA	This conference will focus on the use of education technology in instruction and curriculum.
Mon-Fri, 08/04/14 - 08/08/14	Michel Ross Elizabeth McCune Stacy Birmingham Chris Stanley Betsy Filipponi Julie Venolia Ann Marchant Naomi Daft Marci Gross TBD TBD Kelley Riddlespurger Kathryn Pederson Kim Sellers Karen Butsko Robyn Botticelli Megan Houfek Bonnie Jackson Dennae Lovell Tina Schipke Gillian Ryan Heather Glanz Jennifer Meier Melody Bartholomew Sheryl Ford	CH CH CH CH CH CO CO CO CO CFH CFH PD PD PD PD PRIDE PRIDE PRIDE PRIDE PRIDE PRIDE RS RS SC SC	Teachers' College Reading and Writing Institute	New York, NY	\$0 \$0	\$2,685 \$2,685	EIA EIA EIA EIA EIA GATE/SLIB GATE/SLIB GATE/SLIB GATE/SLIB Title I Title I Title I Title I Title I Title I Title I Title I Title I Title I Title I Title I Title I Title I Title I Title I Title I Title I	The Writing Institutes are designed to establish models of best practices in writing instruction and to increase competency in the area of writing.

Consent Item D.2.2. Approval/Ratification of Revolving Cash Report
Prepared by Karl Christensen
February 4, 2014

BACKGROUND:

The Revolving Cash Fund of \$15,000 is used for prompt payment to vendors and saves the costs associated with processing payments of small amounts through the County Superintendent of Schools. The attached report of numerical listings by check number include the issue date, name of payee, a general description of items purchased, and the amount of the check.

RECOMMENDATION:

It is recommended that the Board of Education approve/ratify check no. 22323 on the \$15,000 Revolving Cash Account.

This recommendation supports the following District goal:

Fiscal Accountability

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

FISCAL IMPACT:

The fiscal impact is \$117.00 as disclosed on the following report.

STUDENT ACHIEVEMENT IMPACT:

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

Motion: _____ Second: _____ Vote: _____

Agenda Item D.2.2.

SANTEE SCHOOL DISTRICT
REVOLVING CASH REPORT- \$15,000

Date	Number	Name	Memo	Amount
01/17/14	22323	MTS	Bus Passes to Grossmont College to attend theatre production	117.00

Total Checks Written \$117.00

Bank Fees

Total to be Reimbursed \$117.00

Consent Item D.2.3. Acceptance of Donations
 Prepared by Karl Christensen
 February 4, 2014

BACKGROUND:

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

<i>Item</i>	<i>Approximate Value</i>	<i>Donated By</i>	<i>Designated For Use At</i>
Funds to Support the Instructional Program	\$795.39	Urban Corps of San Diego	Cajon Park School
Funds Raised for the Purchase of Kindergarten Playground Equipment	\$130.45	SchoolMall.com	Carlton Hills School
Funds for Mrs. Bates' Classroom Supplies	\$100.00	Jeff Butler	Rio Seco School
Funds to Support the Instructional Program – Santee School District (SSD)	\$200.00	SSD Foundation	Hill Creek School
Foundation "Stuff the Turkey" Event	\$2,975.00		Rio Seco School
	\$1,925.00		Cajon Park School
	\$450.00		Carlton Oaks School
	\$425.00		Pepper Drive School
	\$700.00		Carlton Hills School
	\$275.00		PRIDE Academy
	\$1,350.00	Chet F. Harritt School	
	\$750.00	Sycamore Canyon School	
TOTAL DONATIONS RECEIVED	\$10,075.84		

RECOMMENDATION:

It is recommended that the Board of Education accept the donations listed above for the District and authorize staff to send letters of appreciation on behalf of the Governing Board.

This recommendation supports the following District goals:

Educational Achievement

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

Fiscal Accountability

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

FISCAL IMPACT:

The donations above are valued at \$10,075.84.

STUDENT ACHIEVEMENT IMPACT:

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

Motion: _____ Second: _____ Vote: _____

Agenda Item D.2.3.

Consent Item D.2.4.

Prepared by Karl Christensen
February 4, 2014

Approval/Ratification of Expenditure Transactions
Charged to District Issued Purchasing Cards (P-Cards)

BACKGROUND:

The District has issued Purchasing Cards (P-Cards) to certain management, supervisory, or confidential employees to expedite and streamline purchases of goods and services. P-Card transactions are tracked and monitored to ensure they are properly accounted for and supported by documentation. P-Card transactions are limited to a specified amount each month and approval of the Superintendent is required to exceed these limits.

RECOMMENDATION:

It is recommended that the Board of Education approve/ratify expenditure transactions charged to District P-Cards for the period December 1, 2013 through December 31, 2013.

This recommendation supports the following District goal:

Fiscal Accountability

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

FISCAL IMPACT:

There were 116 transactions totaling \$17,187.61 charged to various funds.

STUDENT ACHIEVEMENT IMPACT:

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

Motion: _____ Second: _____ Vote: _____

Agenda Item D.2.4.

PURCHASE DATE	CARDHOLDER	DEPARTMENT	MERCHANT NAME	PURCHASE AMOUNT	PURCHASE DESCRIPTION
20131204	ABEL,CATHY	CHILD NUTRITION	THE WEBSTAUERANT STORE	48.07	Electric can opener, knives
20131205	ABEL,CATHY	CHILD NUTRITION	CALIFORNIA SCHOOL NUTR	35.00	Conference Registration
20131208	ABEL,CATHY	CHILD NUTRITION	DIVERSIFIED FOODS INC	2,268.00	Shelf stable milk
20131209	ABEL,CATHY	CHILD NUTRITION	LOWES #01661*	34.40	Garbage disposal stopper & sink faucet rinser
20131219	ABEL,CATHY	CHILD NUTRITION	OFFICE DEPOT #5125	112.67	Office Supplies
20131219	ABEL,CATHY	CHILD NUTRITION	OFFICE DEPOT #5125	111.23	Office Supplies
				<u>2,609.37</u>	
20131204	BAKER,HOPE	OST PROGRAMS	MICHAELS STORES 8709	62.42	OTHER/INSTRUCTIONAL SUPPLIES
20131204	BAKER,HOPE	OST PROGRAMS	WAL-MART #1917	89.00	OTHER/INSTRUCTIONAL SUPPLIES
20131210	BAKER,HOPE	OST PROGRAMS	THE WEBSTAUERANT STORE	87.42	INSTRUCTIONAL/FUNDRAISER SUPPLIES
20131212	BAKER,HOPE	OST PROGRAMS	WAL-MART #1917	68.09	OTHER/INSTRUCTIONAL SUPPLIES
20131215	BAKER,HOPE	OST PROGRAMS	WAL-MART #2253	84.98	OTHER/INSTRUCTIONAL SUPPLIES
20131222	BAKER,HOPE	OST PROGRAMS	WAL-MART #1917	64.74	OTHER/INSTRUCTIONAL SUPPLIES
				<u>456.65</u>	
20131222	BECKER,CHRISTINA	FACILITIES & MAINTENANCE	THE KNOX COMPANY	303.48	Knox Box for Sheriff Dept. (D.O.)
				<u>303.48</u>	
20131202	BRASHER,PAMELA	OST PROGRAMS	JOANN FABRIC #1841	31.21	Split - ASES OTHER/INSTRUCTIONAL SUPPLIES(33.33%)
20131202	BRASHER,PAMELA	OST PROGRAMS	JOANN FABRIC #1841	62.43	Split - PS OTHER/INSTRUCTIONAL SUPPLIES(66.67%)
20131219	BRASHER,PAMELA	OST PROGRAMS	OFFICE DEPOT #908	7.55	INSTRUCTIONAL/FUNDRAISER SUPPLIES
20131219	BRASHER,PAMELA	OST PROGRAMS	WAL-MART #1917	27.40	Split - ASES OTHER/INSTRUCTIONAL SUPPLIES (50%)
20131219	BRASHER,PAMELA	OST PROGRAMS	WAL-MART #1917	27.41	Split - PS OTHER/INSTRUCTIONAL SUPPLIES (50%)
20131222	BRASHER,PAMELA	OST PROGRAMS	FOOD4LESS #0349	89.66	OTHER/INSTRUCTIONAL SUPPLIES
				<u>245.66</u>	
20131202	BRENNER,DEBBIE	PEPPER DRIVE	CYNTHIA'S HALLMARK #8	10.82	General - book
20131206	BRENNER,DEBBIE	PEPPER DRIVE	BEST BUY 00001842	217.98	SLIB - air purifiers
20131208	BRENNER,DEBBIE	PEPPER DRIVE	VONS STORE00018978	107.90	Attendance Incentives
20131217	BRENNER,DEBBIE	PEPPER DRIVE	LABELVALUE.COM	122.28	General - Labels for sign in
20131219	BRENNER,DEBBIE	PEPPER DRIVE	BARNES & NOBLE #2733	20.61	Title 1 - Book
20131227	BRENNER,DEBBIE	PEPPER DRIVE	STAPLES 00113076	41.48	Attendance Incentives
				<u>521.07</u>	
20131212	BROGAN-BARANSKI,K	CARLTON OAKS	ABEBOOKS.COM	391.28	Professional Development Reading Materials K-5; SDC; RSP Number Talks
20131212	BROGAN-BARANSKI,K	CARLTON OAKS	REI*GREENWOODHEINEMANN	422.45	Unit of study, Writing curriculum and Professional Development
				<u>813.73</u>	
20131204	GRIFFIN,DEBRA	TRANSPORTATION	BUDGET TRUCK0527500069	122.89	RENTAL LUGGAGE VEHICLE FOR CAMP
20131204	GRIFFIN,DEBRA	TRANSPORTATION	BUDGET TRUCK0527500069	124.19	RENTAL LUGGAGE VEHICLE FOR CAMP
20131206	GRIFFIN,DEBRA	TRANSPORTATION	CALIFORNIA ASSOCIATION	15.00	MECHANIC CONFERENCE REGISTRATION
20131209	GRIFFIN,DEBRA	TRANSPORTATION	BUDGET TRUCK0527500069	172.37	RENTAL LUGGAGE VEHICLE FOR CAMP
20131209	GRIFFIN,DEBRA	TRANSPORTATION	BUDGET TRUCK0527500069	123.92	RENTAL LUGGAGE VEHICLE FOR CAMP
20131219	GRIFFIN,DEBRA	TRANSPORTATION	PAYPAL *JAMPARTS1	66.80	A/C BELTS FOR SP ED BUSES
				<u>625.17</u>	
20131203	HECK,TERRY	CARLTON HILLS	RESOURCES FOR READING	424.35	Inspiration Station (Easel w/ magnetic white boards, chart table loop holder, storage tubs.
20131213	HECK,TERRY	CARLTON HILLS	GIH*GLOBALINDUSTRIALEQ	114.44	2-Listening Center Boombox
				<u>538.79</u>	
20131204	HOOKS,TED A	CAJON PARK	REI*GREENWOODHEINEMANN	621.87	Texts for Guided Reading (Leveled Texts Budget)
20131206	HOOKS,TED A	CAJON PARK	AMAZON.COM	148.45	Math Manipulatives (EIA Budget)
20131215	HOOKS,TED A	CAJON PARK	TWX*TIME FOR KIDS	227.50	Classroom Reading Materials (Donations)
				<u>997.82</u>	
20131206	JOHNSTON,ANDREW	CHET F. HARRITT	VONS STORE00021071	66.05	Journals and water for the Science Notebook Training December 4, 2013
20131212	JOHNSTON,ANDREW	CHET F. HARRITT	AMAZON.COM	71.60	Books for Faculty Growth and Student Learning.
				<u>137.65</u>	

PURCHASE DATE	CARDHOLDER	DEPARTMENT	MERCHANT NAME	PURCHASE AMOUNT	PURCHASE DESCRIPTION
20131212	JOINER,KRISTIE L	PEPPER DRIVE	VONS STORE00021303	30.00	Attendance - Incentives
20131213	JOINER,KRISTIE L	PEPPER DRIVE	AMAZON MKTPLACE PMTS	399.29	General Ed - Field Marker
20131213	JOINER,KRISTIE L	PEPPER DRIVE	IN-N-OUT BURGER #73	15.00	Attendance Incentives
20131213	JOINER,KRISTIE L	PEPPER DRIVE	JAMBA JUICE #517	30.00	Attendance Incentives
20131215	JOINER,KRISTIE L	PEPPER DRIVE	SUBWAY 00019455	30.00	Attendance Incentives
				<u>504.29</u>	
20131209	LINDSAY,JERELYN	SYCAMORE CANYON	SCHOLASTIC INC. KEY 6	375.00	Classroom ebooks bundle K/1/2
20131215	LINDSAY,JERELYN	SYCAMORE CANYON	AMAZON.COM	315.74	Coffeemaker from donations
20131215	LINDSAY,JERELYN	SYCAMORE CANYON	AMAZON.COM	20.75	Plastic book tubs for book room
20131220	LINDSAY,JERELYN	SYCAMORE CANYON	AMAZON.COM	(9.20)	Plastic book tub return
20131220	LINDSAY,JERELYN	SYCAMORE CANYON	AMAZON.COM	(26.45)	Plastic book tub return
20131220	LINDSAY,JERELYN	SYCAMORE CANYON	AMAZON.COM	124.89	The Common Core Lesson Book - 3 copies Professional Development
				<u>800.73</u>	
20131205	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	AMAZON MKTPLACE PMTS	53.00	Keyboard Cases
20131206	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	AMAZON.COM	434.99	Miix Tablet
20131209	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	AMAZON MKTPLACE PMTS	79.72	Miix Keyboard
20131210	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	BEST BUY MHT 00011452	26.98	Ethernet Adapter
20131210	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	BEST BUY MHT 00011452	326.99	T100TA Tablet
20131215	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	PRO REPAIR	210.92	CFH Printer Repair
20131215	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	WILLY'S ELECTRONICS	26.83	CP - RCA Adapters
20131216	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	AMAZON MKTPLACE PMTS	107.98	Keyboard Case
20131216	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	WWW.NEWEGGBUSINESS.COM	57.73	Replacement HDD
20131217	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	CRUCIAL.COM	73.43	Memory Upgrade (21.94%)
20131217	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	CRUCIAL.COM	114.46	Memory Upgrade (34.19%)
20131217	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	CRUCIAL.COM	146.86	Memory Upgrade (43.87%)
20131222	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	PAYPAL *AIRSERVER	3.99	AirServer Software License
20131223	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	CRUCIAL.COM	51.83	Memory Upgrade
20131226	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	DR*VMWARE	69.99	Software License
20131231	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	AMAZON MKTPLACE PMTS	29.46	Computer Repair Tools
20131231	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	CRUCIAL.COM	73.43	Memory Upgrade
20131231	MARSMAN,MATTHEW	INFORMATION TECHNOLOGY	FS *VANDYKE.COM	139.00	Software License
				<u>2,027.59</u>	
20131204	MARTIN,SUZANNE	CAJON PARK	LEGOLAND CALIFORNIA	896.00	LegoLeague competition- donations
				<u>896.00</u>	
20131210	MCKINNON,KATHLEEN A	EDUCATIONAL SERVICES	ALBERTSONS #6727	14.52	Food - ERC/Admin. - Instructional Team Meeting
20131219	MCKINNON,KATHLEEN A	EDUCATIONAL SERVICES	PESI INC	189.99	Registration - R. Steel - 2/21/14
20131222	MCKINNON,KATHLEEN A	EDUCATIONAL SERVICES	DISCOUNT SCHOOL SUPPLY	52.84	EAK - Classroom supplies (pocket charts)
				<u>257.35</u>	
20131205	MICHEL,HOPE	SPECIAL EDUCATION	SCHOOL HEALTH CORP	170.52	Nursing Supplies - gloves & alcohol pads
20131206	MICHEL,HOPE	SPECIAL EDUCATION	SUMMIT PROFESSIONAL ED	338.00	Workshop - Reducing Anxiety & Problem Behaviors - ED IA/H/C
20131210	MICHEL,HOPE	SPECIAL EDUCATION	THERAPY SHOPPE INC #3	24.01	Manipulatives (50%)
20131210	MICHEL,HOPE	SPECIAL EDUCATION	THERAPY SHOPPE INC #3	24.01	Manipulatives (50%)
20131211	MICHEL,HOPE	SPECIAL EDUCATION	AMAZON MKTPLACE PMTS	11.29	APE - Twist N' Write refills
20131211	MICHEL,HOPE	SPECIAL EDUCATION	AMAZON MKTPLACE PMTS	238.00	Apple iPod Touch - student O'Day - mod/severe class CH
20131211	MICHEL,HOPE	SPECIAL EDUCATION	AMAZON MKTPLACE PMTS	24.87	Manipulatives (50%)
20131211	MICHEL,HOPE	SPECIAL EDUCATION	AMAZON MKTPLACE PMTS	24.86	Manipulatives (50%)
20131211	MICHEL,HOPE	SPECIAL EDUCATION	AMAZON.COM	35.35	Otterbox Defender Case for iPod - O'Day CH
20131212	MICHEL,HOPE	SPECIAL EDUCATION	CAMBIUM LEARNING	276.45	Publication - Guidelines for Responding to Students Threats of Violence
20131213	MICHEL,HOPE	SPECIAL EDUCATION	PRO ED INC	91.30	Testing Protocols - School Psych
				<u>1,258.66</u>	
20131206	ORTEGA,KAREN	HUMAN RESOURCES	DOLRTREE 3194 00031948	20.12	HR/Pupil Services supplies
				<u>20.12</u>	

PURCHASE DATE	CARDHOLDER	DEPARTMENT	MERCHANT NAME	PURCHASE AMOUNT	PURCHASE DESCRIPTION
20131206	PIERCE,CATHY A	SUPERINTENDENT'S OFFICE	CONV CTR LOT 306-1150	15.00	CSBA Conf. Parking
20131208	PIERCE,CATHY A	SUPERINTENDENT'S OFFICE	ACE PARKING LOT #1150	15.00	CSBA Conf. Parking
20131208	PIERCE,CATHY A	SUPERINTENDENT'S OFFICE	PIZZERIA MOZZA	107.88	CSBA Travel Meals for Board
20131208	PIERCE,CATHY A	SUPERINTENDENT'S OFFICE	THE CHEESECAKE FACTORY	33.08	CSBA Travel Meals
20131209	PIERCE,CATHY A	SUPERINTENDENT'S OFFICE	THE CHEESECAKE FACTORY	38.37	CSBA Travel Meals
20131218	PIERCE,CATHY A	SUPERINTENDENT'S OFFICE	MIMIS CAFE 86	117.71	Principals Recognition Breakfast
20131219	PIERCE,CATHY A	SUPERINTENDENT'S OFFICE	BASK'N #360081 Q35	22.99	Employee Recognition
				<u>350.03</u>	
20131216	REES,TAMMY	HILL CREEK	GRAPHICSLAND INC	169.95	Grandparent stickers for ACE award winners
20131219	REES,TAMMY	HILL CREEK	AMAZON MKTPLACE PMTS	148.27	Printer toner cartridges
				<u>318.22</u>	
20131205	RIFFEL,MEREDITH	PUPIL SERVICES	ALBERTSONS #6727	110.00	Bus passes for homeless families
				<u>110.00</u>	
20131205	ROSA,JIM	RIO SECO	PRINTERTECHS.COM, INC.	180.97	Maintenance Kit for Networked Printer
20131206	ROSA,JIM	RIO SECO	AMAZON.COM	37.13	Wireless Desktop Keyboard
20131220	ROSA,JIM	RIO SECO	LA JOLLA ICE TOWN	77.00	JH Incentive Field Trip-Added Admissions
				<u>295.10</u>	
20131208	SCHWELLER,JOHN	PUPIL SERVICES	DELL SALES & SERVICE	89.63	Printer cartridge
20131211	SCHWELLER,JOHN	PUPIL SERVICES	THERAPY SHOPPE INC #3	134.68	Materials for OT (50%)
20131211	SCHWELLER,JOHN	PUPIL SERVICES	THERAPY SHOPPE INC #3	134.67	Materials for OT (50%)
20131216	SCHWELLER,JOHN	PUPIL SERVICES	SUPER DUPER PUBLICATIO	34.98	Auditory learning program for M. Rashap
				<u>393.96</u>	
20131208	SHEEN,KRISTINA D	OST PROGRAMS	TOYS R US #5626 QPS	437.48	OTHER/INSTRUCTIONAL SUPPLIES
20131208	SHEEN,KRISTINA D	OST PROGRAMS	TOYS R US #5626 QPS	434.77	OTHER/INSTRUCTIONAL SUPPLIES
20131219	SHEEN,KRISTINA D	OST PROGRAMS	MICHAELS STORES 3256	31.96	OTHER/INSTRUCTIONAL SUPPLIES
20131220	SHEEN,KRISTINA D	OST PROGRAMS	DOLRTREE 3194 00031948	65.80	OTHER/INSTRUCTIONAL SUPPLIES
				<u>970.01</u>	
20131204	SIMPSON,DEBRA	RIO SECO	AMAZON.COM	87.43	Folding Wagon (to replace one that was stolen)
20131204	SIMPSON,DEBRA	RIO SECO	AMAZON.COM	326.70	Number Talks Grades K-5
20131219	SIMPSON,DEBRA	RIO SECO	AMAZON.COM	196.20	Number Talks Grades K-5
20131220	SIMPSON,DEBRA	RIO SECO	AMAZON MKTPLACE PMTS	51.92	Essential Questions: Opening Doors
				<u>662.25</u>	
20131206	SPENCER,LAURA K	EDUCATIONAL SERVICES	RLI*RENAISSANCE LEARN	103.85	Add subscriptions to AR and STAR for Rio Seco
				<u>103.85</u>	
20131210	VAIL,LINDA	SUPERINTENDENT'S OFFICE	MICHAELS STORES 3256	13.73	Instructional Leadership Meeting Supplies
20131216	VAIL,LINDA	SUPERINTENDENT'S OFFICE	VONS STORE00018978	25.98	Employee Recognition (Board)
20131218	VAIL,LINDA	SUPERINTENDENT'S OFFICE	AWARDS BY NAVAJO	42.35	Recognition Award (Board)
20131220	VAIL,LINDA	SUPERINTENDENT'S OFFICE	CALIFORNIA SCHOOL BOAR	888.00	CSBA Masters in Governance Registration (Fox & Levens-Craig)
				<u>970.06</u>	
				<u>17,187.61</u>	

BACKGROUND:

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

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

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

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

RECOMMENDATION:

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

This recommendation supports the following District goals:

Educational Achievement

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

Fiscal Accountability

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

FISCAL IMPACT:

The fiscal impact is disclosed on the attached page.

STUDENT ACHIEVEMENT IMPACT:

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

Motion: _____ Second: _____ Vote: _____

Agenda Item D.2.5.

Consultant / General Service Provider Report
 February 4, 2014

Vendor Name	Type (Consultant or General Service Provider)	Description of Services	Date(s) of Service	Amount	Funding	Payment Type (Independent Contractor or Employee)
San Diego Zoo	General Service Provider	Reptile Classroom Program	02/06/14	\$100.00 (not to exceed)	Field Trip-SC	Independent Contractor

Consent Item D.3.2. Adoption of Resolution No. 1314-16 to Eliminate Vacant Classified Non-Management Positions

Prepared by Tim Larson
February 4, 2014

BACKGROUND:

Administration has determined that several classified non-management positions vacated through attrition are no longer essential at this time. If at some point enrollment or working conditions within the YALE Pre-school program requires additional classified non-management positions, administration will post the positions in accordance with the collective bargaining agreement.

Because the positions are currently vacant, no employees will be affected as a result of the elimination. Administration has brought forward the following recommendation to the Board.

RECOMMENDATION:

It is recommended that the Board of Education approve the elimination of the following positions effective February 5, 2014:

- Eliminate two (2) vacant YALE Early Childhood Assistant II positions;
 - 3.0 FTE / 9-month position at Carlton Hills; and
 - 3.5 FTE / 9-month position at Hill Creek

FISCAL IMPACT:

The annual savings to the YALE fee-based program as a result of eliminating the vacant positions will be \$18,199.

STUDENT ACHIEVEMENT IMPACT:

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

Motion: _____ Second: _____ Vote: _____

Agenda Item D.3.2.

**SANTEE SCHOOL DISTRICT
Resolution No. 1314-16**

**ELIMINATE VACANT
CLASSIFIED NON-MANAGEMENT POSITION**

WHEREAS, administration has determined that several classified non-management positions vacated through attrition are no longer essential at this time. If at some point enrollment or working conditions within the YALE Pre-school program requires additional classified non-management positions, administration will post the positions in accordance with the collective bargaining agreement; and

WHEREAS, the Governing Board has determined that elimination of the vacant positions is necessary.

NOW, THEREFORE, BE IT RESOLVED that as of the 4th day of February 2014, the Governing Board of Santee School District approved to eliminate the following vacant positions effective February 5, 2014:

- Eliminate two (2) vacant YALE Early Childhood Assistant II positions;
 - 3.0 FTE / 9-month position at Carlton Hills; and
 - 3.5 FTE / 9-month position at Hill Creek

BE IT FURTHER RESOLVED that the Governing Board has determined that because the positions are currently vacant and no employees will be affected as a result of the elimination, notification of this action will not be necessary.

The foregoing Resolution was passed and adopted at a regular meeting of the Governing Board of the Santee School District on the 4th day of February 2014, by the following vote:

AYES: _____
NOES: _____
ABSENT: _____

Dated 2/4/14

Clerk, Board of Education

Consent Item D.3.3. Approval of Temporary Additional Hours for Project Coordinator
Prepared by Tim Larson
February 4, 2014

BACKGROUND:

With the recent unforeseen resignation of the new Executive Assistant we have a significant need to cover this position and maintain continuity within the superintendent's office. As such, we request that the Project Coordinator position be authorized to work additional hours and assume the duties of the Executive Assistant on an as needed basis.

RECOMMENDATION:

It is recommended that the Board of Education approve the Project Coordinator to work additional hours on an as needed basis to assume the duties of the Executive Assistant position.

FISCAL IMPACT:

The total hourly cost will be \$51.74/hour and will be submitted by timesheet. The total hours worked will be contingent upon need as determined by the superintendent.

STUDENT ACHIEVEMENT IMPACT:

Continuity in the Superintendent's office is important to support all programs within the Santee School District.

Motion: _____ Second: _____ Vote: _____

Agenda Item D.3.3.

DISCUSSION AND/OR ACTION ITEMS Item E.

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

Agenda Item E

Discussion and/or Action Item E.1.1.
Prepared by Dr. Stephanie Pierce
February 4, 2014

Strategic Plan Action Step: Approval of the
Personalized Learning Environment
Learning Map: Learning in the 21st Century

BACKGROUND

From our initial strategic planning process, the Personalized Learning Environment (PLE) committee was formed with the goal to explore and create a document for growth and development for “teacher as facilitator,” created for teachers by teachers, to be used as a tool for reflection as we move deeper into personalized learning. The committee reviewed research and articles to create a shared understanding of what is facilitation in teaching and learning.

At the November 14, 2013 Strategic Planning Committee meeting, the PLE committee finalized the selection of Dr. Phyllis Blumberg’s model of Learner Centered Teaching. Dr. Blumberg’s learner-centered model is used for faculty growth and development in colleges and universities. The PLE committee will adapt this learner-centered tool to meet the needs of the Santee School District. This evening the strategic planning committee for PLE and administration is seeking approval from the Santee School Board of Education for *Learning in the 21st Century*, the first in a series of learning maps. The committee will work toward adapting the remaining four sections and anticipates completion by the end of this school year. Attached is a copy of the proposed PLE Learning Map and the Appendix B from *Developing Learner-Centered Teaching* by Phyllis Blumberg for your reference.

RECOMMENDATION

It is recommended that the Board of Education approve this PLE Learning Map. This recommendation supports the following District goal:

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

FISCAL IMPACT

There is no fiscal impact as a result of this PLE Learning Map.

STUDENT ACHIEVEMENT

This PLE Learning Map supports the CCSS initiative and recognizes how critical it is for students to receive a quality education that will prepare them for success in the 21st century and to be college and career ready.

Motion: _____ Second: _____ Vote: _____

Agenda Item E.1.1.

Learning in the 21st Century

Teachers develop strategies to release responsibility for learning from themselves to students.

	Employs Teacher-Centered Approaches	Lower Level of Transitioning	Higher Level of Transitioning	Employs Learner-Centered Approaches
1. Learning 21st Century Skills for the present and the future <ul style="list-style-type: none"> • <u>Creativity</u> • <u>Collaboration</u> • <u>Critical thinking</u> • <u>Communication</u> 	Teacher allows students to meet learning objectives without developing 21 st Century Skills.	Teacher directs students to develop a few 21 st Century Skills for further learning.	Teacher directs students to develop some 21 st Century Skills for further learning.	Teacher facilitates students to develop 21 st Century Skills for further learning.
2. Self-directed, lifelong learning skills <ul style="list-style-type: none"> • Knowing who to ask or where to seek information • Metacognitive skills • Time management • Goal setting • Awareness of learning styles and strengths • Digital literacy 	Teacher does not provide opportunities for students to develop self-directed, lifelong learning skills.	Teacher provides limited opportunities for students to develop self-directed, lifelong learning skills.	Teacher assists students to become self-directed, lifelong learners in multiple areas.	Teacher facilitates students to become proficient, self-directed, lifelong learners.
3. Students' self-assessment of their learning	Teacher assesses student learning.	Teacher provides limited opportunities for students to assess their own learning.	Teacher provides opportunities to help students assess their own learning.	Teacher motivates students to routinely and appropriately assess their own learning.

A reflective tool created for teachers by teachers as we move toward personalized learning.

Appendix B

Rubrics, Planning for Transformation Exercise, and Documentation to Support the Selected Status Form

FOR YOUR CONVENIENCE, this appendix presents each of the rubrics for the five dimensions of learner-centered teaching, the Planning for Transformation exercise, and the Documentation to Support the Selected Status form.

Using the Rubrics as a Tool to Begin the Transformation Process

If you are doing a self-assessment to begin to transform your course, complete the rubrics for all five dimensions of learner-centered teaching and the Planning for Transformation exercise for the components you want to change. You will complete the Planning for Transformation exercise for each component you plan to change.

Using the Rubrics to Assess an Educational Program or to Place in a Teaching Dossier

If you are determining the status of your course or documenting how you teach as a part of an assessment of an educational program or of how you teach, complete the rubrics for all five dimensions and the Documentation to Support the Selected Status Form.

You may copy these forms as many times as you need them, provided the following reference appears on each page: Blumberg, P. (2009). *Developing Learner-Centered Teaching: A Practical Guide for Faculty*. San Francisco: Jossey-Bass.

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TABLE B.1

The Rubric for the Function of Content Dimension of Learner-Centered Teaching.

The Function of Content

Component	Employs <i>instructor-centered</i> approaches →	→ Transitioning to learner-centered approaches →		Employs <i>learner-centered</i> approaches
		Lower level of transitioning	Higher level of transitioning	
<p>1. Varied uses of content</p> <p>In addition to building a knowledge base, instructor uses content to help students:</p> <ul style="list-style-type: none"> • Know why they need to learn content • Acquire discipline-specific learning methodologies (such as how to read primary source material) • Use inquiry or ways of thinking in the discipline 	<p>Instructor uses content that helps students build a knowledge base.</p>	<p>In addition to building a knowledge base, instructor uses content to help students:</p> <ul style="list-style-type: none"> • Recognize why they need to learn the content 	<p>In addition to building a knowledge base, instructor uses content to help students:</p> <ul style="list-style-type: none"> • Identify why they need to learn content • Use discipline-specific learning methodologies with instructor's assistance • Use inquiry or ways of thinking in the discipline with the instructor's assistance 	<p>In addition to building a knowledge base, instructor uses all four subcriteria to help students in the following ways:</p> <ul style="list-style-type: none"> • Evaluate why they need to learn content • Acquire discipline-specific learning methodologies • Practice using inquiry or ways of thinking in the discipline

(Continued)

TABLE B.1 (Continued)

The Function of Content				
Component	Employs instructor-centered approaches →	→ Transitioning to learner-centered approaches →		Employs learner-centered approaches
		Lower level of transitioning	Higher level of transitioning	
• Learn to solve real-world problems	Instructor and content help students solve problems or Instructor uses any one or none of the four subcriteria for uses of content	• Apply content to solve problems with instructor's assistance or Instructor uses any two of the four subcriteria for uses of content	• Learn to apply content to solve real-world problems with instructor's assistance or Instructor uses any three of the four subcriteria for uses of content	• Learn to solve real-world problems
2. Level to which students engage in content	Instructor allows students to memorize content.	Instructor provides content so students can learn material as it is given to them without transforming or reflecting on it.	Instructor assists students to transform and reflect on <i>some</i> of content to make their own meaning out of <i>some</i> of it.	Instructor encourages students to transform and reflect on <i>most</i> of the content to make their own meaning out of it.
3. Use of organizing schemes	Students learn content without a clearly defined organizing scheme provided by instructor.	Instructor provides <i>limited</i> organizing assistance.	Instructor provides <i>some</i> organizing schemes to help students learn content.	Instructor provides and uses organizing schemes to help students learn content.
4. Use of content to facilitate future learning	Instructor provides content so students can learn it in isolation, without providing opportunities for them to apply knowledge to new content.	Instructor provides students with limited opportunities to apply knowledge to new content.	Instructor frames content so students can see how it can be applied in the future.	Instructor frames and organizes content so students can learn additional content that is not taught.

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TABLE B.2

The Rubric for the Role of the Instructor Dimension of Learner-Centered Teaching.

The Role of the Instructor

Component	Employs <i>instructor-centered</i> approaches →	→ Transitioning to learner-centered approaches →		Employs <i>learner-centered</i> approaches
		Lower level of transitioning	Higher level of transitioning	
1. Creation of an environment for learning through (1) organization and (2) use of material that accommodates different learning styles	Instructor uses the same approach or approaches throughout the course even if the students are not learning.	Instructor does not focus on creating a learning environment, but students do learn.	Instructor creates a learning environment through use of one out of the two subcriteria.	Instructor creates a learning environment by using both subcriteria: through organization and use of material that accommodates different learning styles.
2. Alignment of the course components—objectives, teaching or learning methods, and assessment methods—for consistency	Instructor does <i>not</i> align objectives, teaching or learning methods, and assessment methods	Instructor • <i>Minimally</i> aligns objectives, teaching or learning methods, and assessment methods <i>or</i> • Aligns two out of the three course components	Instructor <i>somewhat</i> aligns objectives, teaching or learning methods, and assessment methods.	Instructor explicitly, coherently, and consistently aligns objectives, teaching or learning methods, and assessment methods.
3. Teaching or learning methods appropriate for student learning goals	Instructor • Does <i>not</i> have specified learning goals <i>or</i> • Uses teaching and learning methods that conflict with learning goals	Instructor • Uses teaching and learning methods without regard for student learning goals <i>and/or</i> • Does not use active learning activities	Instructor uses <i>some</i> teaching or learning methods that are appropriate for student learning goals.	Instructor intentionally uses <i>various</i> teaching or learning methods that are appropriate for student learning goals.

(Continued)

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TABLE B.2 (Continued)

The Role of the Instructor				
Component	Employs <i>instructor-centered</i> approaches →	→ Transitioning to learner-centered approaches →		Employs <i>learner-centered</i> approaches
		Lower level of transitioning	Higher level of transitioning	
4. Activities involving student, instructor, content interactions	Instructor uses no activities in which students actively interact with material, or instructor, or each other.	Instructor uses a <i>few</i> activities in which students actively interact with material, or instructor, or each other.	Instructor uses <i>some</i> activities in which <ul style="list-style-type: none"> • Students actively interact with material, or instructor, or each other or • There are some three-way interactions 	Instructor <i>routinely</i> uses activities in which students actively interact with material, and instructor, and each other.
5. Articulation of SMART objectives: <ul style="list-style-type: none"> • Specific • Measurable • Attainable • Relevant • Time oriented 	Instructor <ul style="list-style-type: none"> • Articulates vague course objectives and/or • Does not articulate objectives in syllabus 	Instructor articulates in syllabus course objectives that do not have all five attributes of SMART objectives.	Instructor articulates SMART objectives in syllabus but does not refer to them throughout the course.	Instructor articulates SMART objectives in syllabus and regularly refers to them throughout the course.
6. Motivation of students to learn (intrinsic drive to learn versus extrinsic reasons to earn grades)	Instructor extensively uses extrinsic motivators to get students to earn grades.	Instructor <ul style="list-style-type: none"> • Provides <i>limited</i> opportunities for students to become intrinsically motivated to learn • Uses extrinsic motivators to get students to earn grades 	Instructor provides <i>some</i> opportunities for students to become intrinsically motivated to learn.	Instructor inspires and encourages students to become intrinsically motivated to learn.

TABLE B.3

The Rubric for the Responsibility for Learning Dimension of Learner-Centered Teaching.

The Responsibility for Learning

Component	Employs <i>instructor-centered</i> approaches →	→ Transitioning to learner-centered approaches →		Employs <i>learner-centered</i> approaches
		Lower level of transitioning	Higher level of transitioning	
1. Responsibility for learning	<p>Instructor assumes <i>all</i> responsibility for student learning:</p> <ul style="list-style-type: none"> • Provides content to memorize • Does not require students to create their own meaning of content • Tells students exactly what will be on examinations 	<p>Instructor assumes <i>most</i> responsibility for student learning:</p> <ul style="list-style-type: none"> • Provides detailed notes of content to be learned • Reviews content to be examined while helping students learn the material and meet objectives 	<p>Instructor provides <i>some</i> opportunities for students to assume responsibility for their own learning.</p>	<p>Instructor provides <i>increasing</i> opportunities for students to assume responsibility for their own learning, leading to achievement of stated learning objectives.</p>

(Continued)

TABLE B.3 (Continued)

The Responsibility for Learning

Component	Employs <i>instructor-centered</i> approaches →	→ Transitioning to learner-centered approaches →		Employs <i>learner-centered</i> approaches
		Lower level of transitioning	Higher level of transitioning	
<p>2. Learning to learn skills for the present and the future—including, for example:</p> <ul style="list-style-type: none"> • Time management • Self-monitoring • Goal setting • How to do independent reading • How to conduct original research 	<p>Instructor allows students to meet course objectives without developing further learning skills.</p>	<p>Instructor directs students to develop a <i>few</i> skills for further learning.</p>	<p>Instructor directs students to develop <i>some</i> skills for further learning.</p>	<p>Instructor facilitates students to develop <i>various and appropriate</i> skills for further learning.</p>
<p>3. Self-directed, lifelong learning skills—including, for example:</p> <ul style="list-style-type: none"> • Determining a personal need to know more • Knowing who to ask or where to seek information • Determining when need is met <p><i>and</i></p> <ul style="list-style-type: none"> • Development of self-awareness of students' own learning abilities 	<p>Instructor does <i>not</i> consider:</p> <ul style="list-style-type: none"> • Self-directed learning skills relevant <p><i>or</i></p> <ul style="list-style-type: none"> • Self-awareness of students' learning abilities relevant 	<p>The instructor does <i>not</i> assist students to become</p> <ul style="list-style-type: none"> • Self-directed, lifelong learners <p><i>or</i></p> <ul style="list-style-type: none"> • Aware of their own learning and abilities to learn 	<p>Instructor assists students to become:</p> <ul style="list-style-type: none"> • Self-directed, lifelong learners in a few areas <p><i>and</i></p> <ul style="list-style-type: none"> • Somewhat aware of their own learning, and abilities to learn 	<p>Instructor facilitates students to become:</p> <ul style="list-style-type: none"> • Proficient, self-directed, lifelong learners <p><i>and</i></p> <ul style="list-style-type: none"> • Fully aware of their own learning and abilities to learn

(Continued)

TABLE B.3
The Rubric for the Responsibility for Learning Dimension
of Learner-Centered Teaching. (Continued)

The Responsibility for Learning				
Component	Employs instructor-centered approaches →	→ Transitioning to learner-centered approaches →		Employs learner-centered approaches
		Lower level of transitioning	Higher level of transitioning	
4. Students' self-assessment of their learning	Instructor <ul style="list-style-type: none"> • Believes that instructors alone assess student learning or • Does not consider self-assessment of learning relevant 	Instructor does not direct students to assess their own learning.	Instructor sometimes provides direction to help students assess their own learning.	Instructor motivates students to routinely and appropriately assess their own learning.
5. Students' self-assessment of their strengths and weaknesses	Instructor believes that only instructors should assess students' strengths and weaknesses.	Instructor does not direct students to practice self-assessments.	Instructor helps students practice some self-assessment skills.	Instructor encourages students to become proficient at self-assessment.
6. Information literacy skills: (a) framing questions, (b) accessing sources, (c) evaluating sources, (d) evaluating content, (e) using information legally (as defined by the Association of College and Research Libraries)	Instructor does not help students acquire any information literacy skills.	Instructor helps students acquire two of the five information literacy skills.	Instructor helps students acquire four of the five information literacy skills.	Instructor facilitates students to become proficient in all five information literacy skills.

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TABLE B.4

The Rubric for the Purposes and Processes of Assessment Dimension of Learner-Centered Teaching.

The Purposes and Processes of Assessment

Component	Employs <i>instructor-centered</i> approaches →	→ Transitioning to learner-centered approaches →		Employs <i>learner-centered</i> approaches
		Lower level of transitioning	Higher level of transitioning	
1. Assessment within the learning process	Instructor <ul style="list-style-type: none"> • Sees assessment as less important than teaching and • Does not integrate assessment within the learning process 	Instructor <i>minimally</i> integrates assessment within the learning process.	Instructor <i>some-what</i> integrates assessment within the learning process.	Instructor <i>mostly</i> integrates assessment within the learning process.
2. Formative assessment (giving feedback to foster improvement)	Instructor <ul style="list-style-type: none"> • Uses only summative assessment (to make decisions to assign grades) and • Provides students with no constructive feedback 	Instructor <ul style="list-style-type: none"> • Uses <i>a little</i> formative assessment and/or • Provides students with limited constructive feedback 	Instructor gives students <i>some</i> <ul style="list-style-type: none"> • Formative assessment and • Constructive feedback following assessments 	<i>Consistently</i> throughout the learning process, instructor integrates <ul style="list-style-type: none"> • Formative assessment and • Constructive feedback
3. Peer and self-assessment	Instructor does not <ul style="list-style-type: none"> • Consider peer and self-assessments relevant and/or • Factor these assessments into final grade 	Instructor <i>rarely</i> requires students to use peer and self-assessments.	Instructor requires students to use <i>some</i> peer and self-assessments.	Instructor <i>routinely</i> encourages students to use peer and self-assessments.

(Continued)

TABLE B.4

The Rubric for the Purposes and Processes of Assessment Dimension of Learner-Centered Teaching. (Continued)

The Purposes and Processes of Assessment

Component	Employs <i>instructor-centered</i> approaches →	→ Transitioning to learner-centered approaches →		Employs <i>learner-centered</i> approaches
		Lower level of transitioning	Higher level of transitioning	
4. Demonstration of mastery and ability to learn from mistakes	Instructor does <i>not</i> provide any opportunities for students to demonstrate that they have learned from mistakes and then show mastery.	Instructor provides a <i>few</i> opportunities for students to demonstrate that they have learned from mistakes.	Instructor provides <i>some</i> opportunities for students to demonstrate mastery after making mistakes.	Instructor offers students <i>many</i> opportunities to learn from their mistakes and then demonstrate mastery.
5. Justification of the accuracy of answers	Instructor <ul style="list-style-type: none"> • Determines accuracy of answers <i>and</i> • Does not allow students to ask why they got answers wrong 	Instructor allows students to ask why they got answers wrong.	Instructor allows students to justify their answers when they do not agree with those of instructor.	Instructor encourages students to justify their answers when they do not agree with those of instructor.
6. Timeframe for feedback	Instructor does <ul style="list-style-type: none"> • Not provide a timeframe for feedback. <i>or</i> <ul style="list-style-type: none"> • Not return tests or does not grade assignments. 	Instructor <ul style="list-style-type: none"> • Provides a timeframe for feedback, without seeking students' input <i>and</i> • Usually follows the timeframe for providing feedback. 	Instructor <ul style="list-style-type: none"> • Provides a timeframe for feedback, with students' input <i>and</i> • Usually follows the timeframe for providing feedback. 	Instructor and students: <ul style="list-style-type: none"> • Mutually agree on a timeframe for feedback <i>and</i> • Always follows the timeframe for providing feedback.
7. Authentic assessment (what practitioners and professionals do)	Instructor <i>rarely or never</i> uses authentic assessment.	Instructor uses a few assessments that have authentic elements.	Instructor uses some authentic assessments or assessments that have authentic elements.	Instructor uses authentic assessment throughout the course.

TABLE B.5

The Rubric for the Balance of Power Dimension of Learner-Centered Teaching.

The Balance of Power

Component	Employs <i>instructor-centered</i> approaches →	→ Transitioning to learner-centered approaches →		Employs <i>learner-centered</i> approaches
		Lower level of transitioning	Higher level of transitioning	
1. Determination of course content	<ul style="list-style-type: none"> • Instructor entirely determines course content <i>and</i> • Does not seek feedback on the content 	<ul style="list-style-type: none"> • Instructor determines course content <i>and</i> • Allows students to offer insights or feedback on content after course is over 	<ul style="list-style-type: none"> • Instructor determines course content <i>and</i> • Allows students to choose some assignment topics (with permission) 	<ul style="list-style-type: none"> • Instructor largely determines course content <i>and</i> • Encourages students to explore additional content independently or through projects
2. Expression of alternative perspectives	Instructor expresses all of the perspectives.	Instructor infrequently allows students to express alternative perspectives, even when appropriate.	Instructor allows students to express alternative perspectives when appropriate.	Instructor encourages students to express alternative perspectives when appropriate.
3. Determination of how students earn grades	All performance and assignments count toward students' grades.	Instructor allows students to drop one assessment but provides no alternative opportunities for them to demonstrate mastery.	Instructor allows students to resubmit assignments or other assessments for regrading.	Instructor uses either mastery (students may retake exam until reaching acceptable performance standard) or contract grading (students contract for their grade based upon how much acceptable work they do) to determine what grade students will earn.

(Continued)

TABLE B.5

The Rubric for the Balance of Power Dimension of Learner-Centered Teaching. (Continued)

The Balance of Power				
Component	Employs <i>instructor-centered</i> approaches →	→ Transitioning to learner-centered approaches →		Employs <i>learner-centered</i> approaches
		Lower level of transitioning	Higher level of transitioning	
4. Use of open-ended assignments	Even when appropriate, instructor does <i>not</i> use <ul style="list-style-type: none"> • Assignments that are open-ended or allow alternative paths <i>and/or</i> <ul style="list-style-type: none"> • Test questions that allow for more than one right answer 	When appropriate, instructor uses <i>a few</i> <ul style="list-style-type: none"> • Assignments that are open-ended or allow alternative paths <i>and/or</i> <ul style="list-style-type: none"> • Test questions that allow for more than one right answer 	When appropriate, instructor <i>sometimes</i> uses <ul style="list-style-type: none"> • Assignments that are open-ended or allow alternative paths <i>and/or</i> <ul style="list-style-type: none"> • Test questions that allow for more than one right answer 	If appropriate, instructor <i>routinely</i> uses <ul style="list-style-type: none"> • Assignments that are open-ended or allow alternative paths <i>and/or</i> <ul style="list-style-type: none"> • Test questions that allow for more than one right answer
5. Flexibility of course policies, assessment methods, learning methods, and deadlines	Instructor mandates all policies and deadlines <i>or</i> Instructor does not adhere to policies.	Instructor is flexible on <i>a few</i> <ul style="list-style-type: none"> • Course policies • Assessment methods • Learning methods • Deadlines <i>and</i> Infrequently adheres to these flexible decisions.	Instructor is flexible on <i>some</i> <ul style="list-style-type: none"> • Course policies • Assessment methods • Learning methods • Deadlines <i>and</i> Somewhat adheres to what they agreed upon.	Instructor is flexible on <i>most</i> <ul style="list-style-type: none"> • Course policies • Assessment methods • Learning methods • Deadlines <i>and</i> Always adheres to what instructor has agreed to with the students.
6. Opportunities to learn	Instructor mandates that students attend all classes even when they are not expected to be active learners.	Instructor provides consequences for <ul style="list-style-type: none"> • Not attending classes <i>and/or</i> <ul style="list-style-type: none"> • Not participating in active learning experiences 	Instructor provides <ul style="list-style-type: none"> • Attendance options for some classes so students may miss a few classes without penalty <i>and/or</i> <ul style="list-style-type: none"> • Participation options for some activities 	<ul style="list-style-type: none"> • Instructor helps students to take advantage of opportunities to learn <i>and</i> <ul style="list-style-type: none"> • Fosters understanding of consequences of not taking advantage of such learning opportunities, like missing class

Discussion and/or Action Item E.2.1. Strategic Plan Action Step: Student Well-Being Approval of Virtual One Stop Shop – Community Resources Website

Prepared by Tim Larson
February 4, 2014

BACKGROUND:

The Student Well-Being Committee has developed a virtual “One Stop Shop” to provide access to a variety of community resources. The primary goal was to facilitate connecting students and families to the resources they need. The Committee believes through this online resource, this goal is accomplished. An online referral form is included, which allows potential candidates to begin the process more quickly and also will allow the District to gather data of services requested. The data will be used to determine which resources are used most frequently, how services at our schools can be improved, and how we can better meet the ongoing needs of our students and their families.

Site administration and other appropriate staff will be trained in the use of the website. Community outreach will also be implemented to draw in potential users.

RECOMMENDATION:

It is recommended that the Board of Education approve the use of the virtual “One Stop Shop” as a district and community resource.

FISCAL IMPACT:

There is no fiscal impact.

STUDENT ACHIEVEMENT IMPACT:

Providing resources and connecting families to services will provide students the support needed to perform well in school.

Motion: _____ Second: _____ Vote: _____

Agenda Item E.2.1.

Discussion and/or Action Item E.3.1. Approval of Monthly Financial Report
Prepared by Karl Christensen
February 4, 2014

BACKGROUND:

Administration has prepared the accompanying Monthly Financial Report covering the period December 1, 2013 through December 31, 2013 prepared on a cash and modified accrual basis and includes the District's revenue, expenditure, and cash activities.

RECOMMENDATION:

It is recommended that the Board of Education approve the Monthly Financial Report, as presented.

This recommendation supports the following District goal:

Fiscal Accountability

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

FISCAL IMPACT:

The Monthly Financial Report shows a beginning cash balance of \$5,592,047; cash receipts of \$6,934,492; and disbursements of \$4,009,641 are reflected for the period of December 1, through December 31, 2013 resulting in an ending cash balance of \$8,516,898 as of December 31, 2013.

STUDENT ACHIEVEMENT IMPACT:

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

Motion: _____ Second: _____ Vote: _____

Agenda Item E.3.1.

Monthly Financial Report - December

CASH REPORT FOR DECEMBER

		Actual	Projected*
Beginning Cash Balance as of December 1, 2013		\$5,592,047	\$5,592,047
INCOME			
A. Local Control Funding Formula			
State Aid	\$ 1,416,794		
Property Taxes	\$ 2,955,624		
		4,372,418	
B. Federal Income			
ARRA IDEA			
Federal Funding	185,388		
		185,388	
C. State Income			
Categorical Funding	613,387		
EPA Funding	1,417,627		
		2,031,014	
D. Local Income			
Other Local Income	98,699		
Spec Ed	246,973		
		345,672	
E. Due to/Due from other funds		-	
F. Debt Proceeds		-	
TOTAL INCOME		\$6,934,492	\$7,637,576
Beginning Balance Plus Income		\$12,526,539	\$13,229,623
DISBURSEMENTS			
G. Commercial Warrants	\$ 344,391		
H. Payroll Warrants	2,931,249		
I. Statutory Employee Benefits	451,173		
J. Health & Welfare	216,940		
K. Other Outgo	65,889		
L. Interfund Borrowing Out	-		
M. Budget Adjustments	-		
TOTAL DISBURSEMENTS		\$4,009,641	\$4,033,296
Ending Cash Balance as of December 31, 2013		\$8,516,898	\$9,196,326

* Based on Cash Flow Projection updated for First Interim FY 2013-14

**Budget Revisions
Through December 31, 2013
2013-14 Revised Budget**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Beginning Fund Balance	9,850,255	383,099	10,233,355
Estimated Income	34,857,043	13,038,976	47,896,019
Estimated Expenditures	<u>35,962,157</u>	<u>11,876,858</u>	<u>47,839,015</u>
Change in Fund Balance	(1,105,114)	1,162,118	57,004
Projected Ending Fund Balance	8,745,141	1,545,217	10,290,359
Less: Restricted Program Carryovers	-	1,545,217	1,545,217
Less: Non-Spendable			
Prepaid Expenses	375,869	-	375,869
Revolving Cash Fund	15,000	-	15,000
Stores Inventory	28,440	-	28,440
Less: Assigned Vacation Carryover	190,538	-	190,538
Assigned Site Carryover Balances	-	-	-
Less: Economic Uncertainty Reserve	1,435,170	-	1,435,170
Less: Reserve for State Budget Uncertainty	-	-	-
Uncommitted/Unassigned/Unappropriated Fund Balance	6,700,123	-	6,700,123
Fund 17 Projected End of Year Balance	<u>2,871,006</u>	<u>-</u>	<u>2,871,006</u>
Projected Reserves	<u>11,006,300</u>	<u>-</u>	<u>11,006,300</u>
As a % Estimated Expense Total	23.01%		
* Projected Reserve % 2014-15	16.48%		
* Projected Reserve % 2015-16	10.91%		

* Based on most recent Multi-Year Projection at First Interim FY 2013-14

BACKGROUND:

Governmental Accounting Standards Board (GASB) Statement No. 45 requires public agencies to measure and disclose the cost of other post-employment retirement benefits (OPEB) through actuarial valuation every two years. The District's first valuation was conducted and reported in July 2007 and was updated July 2009 and July 2011.

Demsey, Filliger & Associates, the same vendor that conducted the previous valuations, conducted a subsequent study which is contained in the revised report. Details of changes to the actuary study are as follows:

Description	(1) Present Value of Future Benefits			(2) Unfunded Accrued Liability	(3) Annual Required Contribution			Participants		
	Active	Retired	Total		Service Cost Year End	30 yr Amortizati of UAL	Total ARC	Act	Ret	Ttl
July 2011 Study	13,268,319	4,124,086	17,392,405	12,027,903	544,460	782,432	1,326,892	528	128	656
Passage of Time				(139,785)						
Gain from premium increases < expected				(332,792)						
Change in health care trend rates (6% to 8% annual growth)				239,889						
Change in mortality tables				33,234						
Change in discount rate (5% to 4%)				945,969						
Change in retirement rates Census change from demographic experience(mortality, turnover, retirement rates)				(775,261)						
				(519,242)						
Net Adjustment	1,316,682	(1,099,177)	217,505	(547,988)	35,319	(118,547)	(83,228)	(7)	(26)	(33)
July 2013 Study	14,585,001	3,024,909	17,609,910	11,479,915	579,779	663,885	1,243,664	521	102	623

(1) Present value of all benefits to be paid for current and future retirees
 (2) Liability for past service: Present value of all benefits earned to date
 (3) Present value of benefits accruing in current year plus 30 year amortization of unfunded accrued liability

RECOMMENDATION:

It is recommended that the Board of Education accept the updated GASB 45 Actuarial Valuation of Other Post Employment Retirement Benefits for use in Financial Statements.

This recommendation supports the following District goal:

Fiscal Accountability

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

FISCAL IMPACT:

The annual required contribution of \$1,243,664 is a reduction of \$83,228.

STUDENT ACHIEVEMENT IMPACT:

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

Motion: _____ Second: _____ Vote: _____

Agenda Item E.3.2.

January 10, 2014

Mr. Karl Christensen
Assistant Superintendent, Business Services
Santee School District
9625 Cuyamaca Street
Santee, CA 92071

Re: Santee School District ("District") GASB 45 Valuation

Dear Mr. Christensen:

This report sets forth the results of our GASB 45 actuarial valuation of the District's retiree health insurance program as of July 1, 2013.

In June, 2004 the Governmental Accounting Standards Board (GASB) issued its final accrual accounting standards for retiree healthcare benefits, GASB 43 and GASB 45. GASB 43/45 require public employers such as the District to perform periodic actuarial valuations to measure and disclose their retiree healthcare liabilities for the financial statements of both the employer and the trust, if any, set aside to pre-fund these liabilities. The District must obtain actuarial valuations of its retiree health insurance program under GASB 43/45 not less frequently than once every two years.

To accomplish these objectives the District selected Demsey, Filliger and Associates (DF&A) to perform an actuarial valuation of the retiree health insurance program as of July 1, 2013. This report may be compared with the valuation performed by DF&A as of July 1, 2011, to see how the liabilities have changed since the last valuation. We are available to answer any questions the District may have concerning the report.

Financial Results

We have determined that the amount of actuarial liability for District-paid retiree benefits is \$17,609,910 as of July 1, 2013. This represents the present value of all benefits expected to be paid by the District for its current and future retirees. If the District were to place this amount in a fund earning interest at the rate of 4.0% per year, and all other actuarial assumptions were exactly met, the fund would have exactly enough to pay all expected benefits.

This includes benefits for 102 retirees as well as 521 active employees who may become eligible to retire and receive benefits in the future. It excludes employees hired after the beginning of the 2013-14 school year.

When we apportion the \$17,609,910 into past service and future service components under the Projected Unit Credit Cost Method, the past service liability (or "Accrued Liability") component is \$11,479,915 as of July 1, 2013. This represents the present value of all benefits earned to date assuming that an employee earns retiree healthcare benefits ratably over his or her career. The \$11,479,915 is comprised of liabilities of \$8,455,006 for active employees and \$3,024,909 for retirees. Because the District has not established an irrevocable trust for the pre-funding of retiree healthcare benefits, the Unfunded Accrued Liability (called the UAL, equal to the AL less Assets) is also \$11,479,915.

We have determined that Santee School District's "Annual Required Contributions", or "ARC", for the fiscal year 2013-14, is \$1,243,664. The \$1,243,664 is comprised of the present value of benefits accruing in the current year, called the "Service Cost", and a 30-year amortization of the UAL. We estimate that the District will pay approximately \$680,253 for the 2013-14 fiscal year in healthcare costs for its retirees, so the difference between the accrual accounting expense (ARC) and pay-as-you-go is an increase of \$563,411.

There are two adjustments to the ARC that are required in order to determine the District's Annual OPEB Cost (AOC) for the 2013-14 fiscal year. We have calculated these adjustments based on a Net OPEB Obligation of \$1,571,395 as of June 30, 2013, resulting in an AOC for 2013-14 of \$1,215,646.

We show these numbers in the table on the next page and in Exhibit II. All amounts are net of expected future retiree contributions, if any.

Santee School District
Annual Liabilities and Expense under
GASB 45 Accrual Accounting Standard
Projected Unit Credit Cost Method

Item	Amounts for Fiscal 2013-14
Present Value of Future Benefits (PVFB)	
Active	\$14,585,001
Retired	<u>3,024,909</u>
Total: PVFB	\$17,609,910
Accrued Liability (AL)	
Actives	\$8,455,006
Retired	<u>3,024,909</u>
Total: AL	\$11,479,915
Assets	<u>(0)</u>
Total: Unfunded AL	\$11,479,915
Annual Required Contributions (ARC)	
Service Cost At Year-End	\$579,779
30-year Amortization of Unfunded AL	<u>663,885</u>
Total: ARC	\$1,243,664
Adjustments to ARC	
Interest on Net OPEB Obligation*	62,856
Adjustment to ARC*	<u>(90,874)</u>
Total: Annual OPEB Cost (AOC) for 2013-14	\$1,215,646

*Amounts based on June 30, 2013 Net OPEB Obligation of \$1,571,395.

The ARC of \$1,243,664, shown above, should be used for both the 2013-14 and 2014-15 fiscal years, but the Annual OPEB Cost for 2014-15 must include an adjustment based on the Net OPEB Obligation as reported in the prior financial statement, which is not known precisely in advance.

When the District begins preparation of the June 30, 2014 government-wide financial statements, DF&A will provide the District and its auditors with complimentary assistance in preparation of footnotes and required supplemental information for compliance with GASB 45 (and GASB 43, if applicable).

Differences from Prior Valuation

The most recent prior valuation was completed by DF&A as of July 1, 2011. The Accrued Liability as of that date was \$12,027,903, compared to \$11,479,915 on July 1, 2013. This Accrued Liability (AL) is for District-paid benefits only; that is, it is net of expected future retiree contributions. In this section, we provide a reconciliation between the 2011 AL and the 2013 AL, so that it is possible to track the numbers from one actuarial report to the next.

Several factors have caused the AL to change since 2011. The AL increases with the passage of time as employees accrue more service and get closer to receiving benefits, and decreases as benefit obligations to retirees are satisfied. There are actuarial gains/losses from one valuation to the next, and changes in actuarial assumptions and methodology for the current valuation. The most important of these factors were as follows:

1. There was a gain (a decrease in the AL) of \$332,792 due to increases in healthcare premiums less than expected.
2. We increased the initial healthcare trend rate from 6% to 8% to better reflect our expectations of average healthcare claim cost increases over the next several years. This change increased the AL by \$239,889.
3. We changed to more up-to-date mortality tables. This change increased the AL by \$33,234.
4. We lowered the discount rate from 5.0% to 4.0% to reflect the decrease in long-term interest rates over the last several years. This change increased the AL by \$945,969.
5. We lowered the assumed rates of retirement at most ages to reflect recent District experience. This change decreased the AL by \$775,261.
6. There was a net census gain (a decrease in AL) of \$519,242 from demographic experience (mortality, turnover, and retirement rates) different from assumed.

The changes to the AL since the July 1, 2011 valuation may be summarized as follows:

Change to AL	AL
AL as of 7/1/11	\$12,027,903
Passage of time	(139,785)
Premium increases < expected	(332,792)
Change in trend rates	239,889
Change in mortality tables	33,234
Change in discount rate	945,969
Change in retirement rates	(775,261)
Census (gain) (retirement, turnover, mortality)	(519,242)
AL as of 7/1/13	\$11,479,915

Funding Schedules

There are many ways to approach the pre-funding of retiree healthcare benefits. In the *Financial Results* section, we determined the annual expense for all District-paid benefits. The expense is an orderly methodology, developed by the GASB, to account for retiree healthcare benefits. However, the GASB 45 expense has no direct relation to amounts the District may set aside to pre-fund healthcare benefits.

The table on the next page provides the District with three alternative schedules for funding (as contrasted with expensing) retiree healthcare benefits. The schedules all assume that the retiree fund earns, or is otherwise credited with, 4.0% per annum on its investments, and that contributions and benefits are paid mid-year.

The schedules are:

1. A level contribution amount for the next 19 years (a longer period would result in the fund's exhaustion in the early years).
2. A level percent of the Unfunded Accrued Liability.
3. A constant percentage (3%) increase for the next 15 years (see comment for schedule 1).

We provide these funding schedules to give the District a sense of the various alternatives available to it to pre-fund its retiree healthcare obligation. The three funding schedules are simply three different examples of how the District may choose to spread its costs.

By comparing the schedules, you can see the effect that early pre-funding has on the total amount the District will eventually have to pay. Because of investment earnings on fund assets, the earlier contributions are made, the less the District will have to pay in the long run. Of course, the advantages of pre-funding will have to be weighed against other uses of the money.

The table on the following page shows the required annual outlay under the pay-as-you-go method and each of the above schedules. **The three funding schedules include the "pay-as-you-go" costs; therefore, the amount of pre-funding is the excess over the "pay-as-you-go" amount.**

These numbers are computed on a closed group basis, assuming no new entrants, and using unadjusted premiums. We use unadjusted premiums for these funding schedules because we do not recommend that the District pre-fund for the full age-adjusted costs reflected in the GASB 45 liabilities shown in the first section of this report. If the District's premium structure changes in the future to explicitly charge under-age 65 retirees for the full actuarial cost of their benefits, this change will be offset by a lowering of the active employee rates (all else remaining equal), resulting in a direct reduction in District operating expenses on behalf of active employees from that point forward. For this reason among others, we believe that pre-funding of the full GASB liability would be redundant.

Santee School District

Sample Funding Schedules (Closed Group)

Fiscal Year	Pay-as-you-go	Level Contribution for 19 years	Level % of Unfunded Liability*	Constant Percentage Increase
2013	\$680,253	\$704,150	\$1,294,181	\$685,484
2014	700,866	704,150	1,143,744	706,049
2015	613,669	704,150	1,017,169	727,230
2016	643,745	704,150	904,142	749,047
2017	613,690	704,150	809,509	771,518
2018	588,579	704,150	726,805	794,664
2019	562,539	704,150	654,489	818,504
2020	596,827	704,150	590,942	843,059
2021	557,698	704,150	537,746	868,351
2022	568,623	704,150	489,611	894,401
2023	557,663	704,150	448,109	921,233
2024	580,980	704,150	411,149	948,870
2025	577,541	704,150	379,387	977,336
2026	569,021	704,150	350,793	1,006,656
2027	556,298	704,150	324,662	1,036,856
2028	535,399	704,150	300,470	0
2029	528,759	704,150	277,691	0
2030	503,944	704,150	256,612	0
2031	470,183	704,150	236,469	0
2032	448,041	0	217,004	0
2033	440,529	0	198,556	0
2034	347,806	0	181,379	0
2035	302,932	0	163,647	0
2036	290,228	0	146,821	0
2037	295,369	0	131,493	0
2038	290,346	0	117,715	0
2039	260,868	0	105,068	0
2040	218,108	0	93,160	0
2041	233,566	0	81,942	0
2042	191,037	0	71,834	0
2043	159,011	0	62,376	0
2044	155,694	0	53,719	0
2045	123,623	0	45,368	0
2046	95,887	0	37,933	0
2047	74,744	0	31,715	0
2048	58,878	0	31,878	0
2049	42,585	0	42,585	0
2050	40,792	0	40,792	0
2055	0	0	0	0

*Reverts to pay-as-you-go in 2049.

Note to auditor: when calculating the employer OPEB contribution for the year ending on the statement date, we recommend multiplying the actual District-paid premiums on behalf of retirees by a factor of 1.6059 to adjust for the implicit subsidy.

Actuarial Assumptions

In order to perform the valuation, the actuary must make certain assumptions regarding such items as rates of employee turnover, retirement, and mortality, as well as economic assumptions regarding healthcare inflation and interest rates. Our assumptions are based on a standard set of assumptions we have used for similar valuations, modified as appropriate for the District. For example, turnover rates are taken from a standard actuarial table, T-5, reduced by 40% at all ages. This matches the District's historic turnover patterns. Retirement rates were also based on recent District retirement patterns. Both assumptions should be reviewed in the next valuation to see if they are tracking well with experience.

The discount rate of 4.0% is based on our best estimate of expected long-term plan experience. It is in accordance with our understanding of the guidelines for selection of this rate under GASB 45 for unfunded plans such as the District's. The healthcare trend rates are based on our analysis of recent District experience and our knowledge of the general healthcare environment.

In determining the cost of covering early retirees (those under the age of 65), we used an age-adjusted claims cost matrix fitted to the average single premium for active employees and early retirees. A complete description of the actuarial assumptions used in the valuation is set forth in the "Actuarial Assumptions" section.

Projected Annual Pay-as-you go Costs

As part of the valuation, we prepared a projection of the expected annual cost to the District to pay benefits on behalf of its retirees on a pay-as-you-go basis. These numbers are computed on a closed group basis, assuming no new entrants, and are net of retiree contributions. Projected pay-as-you-go costs for selected years are as follows:

FYB	Pay-as-you-go
2013	\$680,253
2014	700,866
2015	613,669
2016	643,745
2017	613,690
2018	588,579
2019	562,539
2020	596,827
2025	577,541
2030	503,944
2035	302,932
2040	218,108
2045	123,623
2050	40,792
2055	0

Breakdown by Employee/Retiree Group

Exhibit I, attached at the end of the report, shows a breakdown of the GASB 45 components (ARC, AL, Service Cost, and PVFB) by bargaining unit (or non-represented group) and separately by active employees (future retirees) and current retirees.

Net OPEB Obligation and Annual OPEB Cost (AOC)

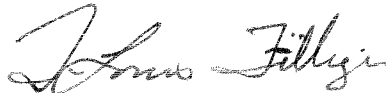
Exhibit II shows a development of the District's Net OPEB Obligation as of June 30, 2008 through June 30, 2013, and the Annual OPEB Cost ("AOC") for the fiscal years 2008-09 through 2013-14.

Certification

The actuarial certification, including a caveat regarding limitations of scope, if any, is contained in the "Actuarial Certification" section at the end of the report.

We have enjoyed working with the District on this report, and are available to answer any questions you may have concerning any information contained herein.

Sincerely,
DEMSEY, FILLIGER AND ASSOCIATES



T. Louis Filliger, FSA, EA, MAAA
Partner & Actuary

Benefit Plan Provisions

The District's healthcare coverage for active employees is purchased through the Southern California Schools VEBA and consist of three options: Anthem Blue Cross CaliforniaCare HMO, Kaiser Permanente HMO, and Kaiser HMO High Deductible with HSA Option. Prescription drug benefits under CaliforniaCare are provided through Medco Health Solutions. Dental benefits are provided through Delta Dental, and vision benefits are provided through Vision Service Plan (VSP).

The District maintains the same healthcare plans for its retirees as for its active employees, as well as an Anthem Blue Cross Open Choice plan for out-of-area retirees.

- Certificated and Classified employees are eligible to retire with District-paid benefits after attaining age 55 and completing at least 15 years of service (the last 5 of which must be consecutive) with the District. District contributions are capped at \$7,200 per year for Certificated retirees and \$6,292 per year for full-time Classified retirees, and end at age 65. The \$6,292 cap is reduced for Classified retirees who were part-time during active employment.
- Management and Confidential employees covered under PERS are eligible to retire with District-paid benefits after attaining age 50 and completing at least 10 years of service with the District. Management and Confidential employees covered under STRS are eligible to retire attaining age 55 and completing at least 10 years of service with the District. Benefits end at age 65.
- Board Members whose term of office began before January 1, 1995 are eligible to receive District-paid postretirement medical benefits under the provisions applicable to Management and Confidential retirees.

Retirees pay 100% of the premium for dependent coverage (if elected), as well as the premiums for dental and vision benefits. A \$75 per month stipend is paid to a number of retirees who elected not to take postretirement medical benefits. We did not include this stipend in the valuation because cash payments in lieu of health benefits are not covered by GASB 45.

The following table summarizes the monthly premiums for available medical/Rx coverages. The rates shown below became effective on July 1, 2013:

Coverage	Retiree Only	Retiree Plus 1	Retiree Plus 2+
Anthem Blue Cross HMO	\$596.82	\$1,160.74	\$1,639.31
Anthem Blue Cross OOA	1,690.12	N/A	N/A
Kaiser Permanente HMO	518.33	1,026.56	1,448.39
Kaiser Permanente HMO-HD	404.05	797.99	1,124.97

Valuation Data

Active and Retiree Census

Age distribution of retirees included in the valuation

Age	Count
Under 55	0
55-59	9
60-64	93
65+	<u>0</u>
Total	102
Average Age	62.13

Age/Years of service distribution of active employees included in the valuation

Years→	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Total
<u>Age</u>									
<25	2								2
25-29	13	12							25
30-34	12	19	9						40
35-39	12	14	22	5	2				55
40-44	7	13	9	32	5	2			68
45-49	7	16	19	22	16	2			82
50-54	7	11	14	25	12	18	3	1	91
55-59	3	5	12	25	13	25	9	2	94
60-64	0	1	5	6	15	13	6	4	50
65+*	<u>3</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>14</u>
All Ages	66	91	91	115	63	63	22	10	521

*not eligible for District-paid retiree health benefits.

Average Age: 47.81
 Average Service: 15.21

Actuarial Assumptions

The liabilities set forth in this report are based on the actuarial assumptions described in this section.

Valuation Date: July 1, 2013
 Actuarial Cost Method: Projected Unit Credit
 Amortization Method: 30-year level dollar, open period
 Discount Rate: 4.0% per annum
 Return on Assets: 4.0% per annum
 Pre-retirement Turnover: According to the Crocker-Sarason Table T-5 less mortality, reduced by 40% at all ages. Sample rates are as follows:

Age	Turnover (%)
25	4.6%
30	4.3
35	3.8
40	3.1
45	2.4
50	1.5
55	0.6

Pre-retirement Mortality: RP-2000 Combined Mortality, static projection to 2012 by scale AA. Sample deaths per 1,000 employees are as follows:

Age	Males	Females
25	0.33	0.18
30	0.42	0.23
35	0.73	0.42
40	0.98	0.59
45	1.29	0.93
50	1.72	1.36
55	2.88	2.47
60	5.56	4.76

Post-retirement Mortality: RP-2000 Combined Mortality, static projection to 2012 by scale AA. Sample deaths per 1,000 retirees are as follows:

Age	Males	Females
60	5.56	4.76
65	10.75	9.14
70	18.52	15.77
75	31.95	25.52
80	57.06	42.17
85	101.80	72.05
90	174.80	127.02

Actuarial Assumptions (Continued)
--

Claim Cost per Retiree or Spouse:

Age	Medical/Rx
50	\$6,940
55	8,045
60	9,327
64	10,497
65	4,606

Retirement Rates:

Age	Percent Retiring*
50-54	3.0%
55	10.0
56	12.0
57	15.0
58	20.0
59	22.0
60	25.0
61	28.0
62	30.0
63	40.0
64	50.0
65	100.0

* Of those having met eligibility for District-paid benefits. The percentage refers to the probability that an active employee reaching the stated age will retire within the following year.

Trend Rate:

Healthcare costs were assumed to increase according to the following schedule:

FYB	Medical/Rx
2013	8.0%
2014	7.0
2015	6.0
2016+	5.0

Percent Married:

Future retirees: 25%, with male spouses assumed 3 years older than female spouses. For current retirees, actual dependent data was used.

Cap Increases:

The hard caps of \$7,200 for Certificated retirees and \$6,292 for 40-hr. Classified retirees were assumed to remain frozen for all future years.

Actuarial Certification

The results set forth in this report are based on our actuarial valuation of the health and welfare benefit plans of the Santee School District ("District") as of July 1, 2013.

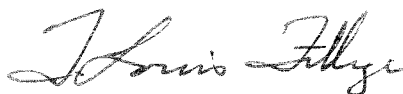
The valuation was performed in accordance with generally accepted actuarial principles and practices. We relied on census data for active employees and retirees provided to us by the District in December, 2013. We also made use of claims, premium, expense, and enrollment data, and copies of relevant sections of healthcare documents provided to us by the District.

The assumptions used in performing the valuation, as summarized in this report, and the results based thereupon, represent our best estimate of the actuarial costs of the program under GASB 43 and GASB 45, and the existing and proposed Actuarial Standards of Practice for measuring post-retirement healthcare benefits. We have assumed no post-valuation mortality improvements, consistent with our belief that there will be no further significant, sustained increases in life expectancy in the United States over the projection period covered by the valuation.

Throughout the report, we have used unrounded numbers, because rounding and the reconciliation of the rounded results would add an additional, and in our opinion unnecessary, layer of complexity to the valuation process. By our publishing of unrounded results, no implication is made as to the degree of precision inherent in those results. Clients and their auditors should use their own judgment as to the desirability of rounding when transferring the results of this valuation report to the clients' financial statements.

The undersigned actuary meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report.

Certified by:



T. Louis Filliger, FSA, EA, MAAA Date: 1/10/14
Partner & Actuary

Santee School District
GASB 45 Valuation Results By Employee Group

	7/1/2013 Valuation Results <u>Certificated</u>	7/1/2013 Valuation Results <u>Classified</u>	7/1/2013 Valuation Results <u>Certificated Mgmt</u>	7/1/2013 Valuation Results <u>Confidential</u>	7/1/2013 Valuation Results <u>Total All Groups</u>
Present Value of Benefits ("PVFB")					
Actives	\$ 8,301,373	\$ 4,205,912	\$ 1,197,674	\$ 880,042	\$ 14,585,001
Retirees	<u>2,003,364</u>	<u>632,752</u>	<u>281,190</u>	<u>107,603</u>	<u>3,024,909</u>
Total PVFB:	\$ 10,304,737	\$ 4,838,664	\$ 1,478,864	\$ 987,645	\$ 17,609,910
Accrued Liability ("AL")					
Actives	\$ 4,736,650	\$ 2,650,912	\$ 508,016	\$ 559,428	\$ 8,455,006
Retirees	<u>2,003,364</u>	<u>632,752</u>	<u>281,190</u>	<u>107,603</u>	<u>3,024,909</u>
Total AL:	\$ 6,740,014	\$ 3,283,664	\$ 789,206	\$ 667,031	\$ 11,479,915
Assets*	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unfunded Accrued Liability ("UAL")	\$ 6,740,014	\$ 3,283,664	\$ 789,206	\$ 667,031	\$ 11,479,915
GASB 45 Annual Required Contributions ("ARC")					
Service Cost at Year-end	\$ 306,440	\$ 180,086	\$ 54,739	\$ 38,514	\$ 579,779
30-year amortization of UAL	<u>389,776</u>	<u>189,895</u>	<u>45,640</u>	<u>38,574</u>	<u>663,885</u>
Total ARC (District's Annual Expense)	\$ 696,216	\$ 369,981	\$ 100,379	\$ 77,088	\$ 1,243,664

*Assets, if any, allocated in proportion to AL for illustration purposes only; GASB 45 does not provide authority for this calculation.

Santee School District
Development of Annual OPEB Costs

Exhibit II

	Amounts
Net OPEB Obligation 6/30/2008	-
ARC for 2008-9	1,705,380
Interest on Net OPEB Obligation	-
Amortization adjustment to ARC	-
Annual OPEB Cost 2008-9	1,705,380
Employer Contribution	<u>(672,096)</u>
Net OPEB Obligation 6/30/2009	1,033,284
ARC for 2009-10	1,705,380
Interest on Net OPEB Obligation	51,664
Amortization adjustment to ARC	<u>(75,067)</u>
Annual OPEB Cost 2009-10	1,681,977
Employer Contribution	<u>(173,818)</u>
Change in Net OPEB Obligation 2009-10	1,508,159
Net OPEB Obligation 6/30/2009	<u>1,033,284</u>
Net OPEB Obligation 6/30/2010	2,541,443
ARC for 2010-11	1,705,380
Interest on Net OPEB Obligation	127,072
Amortization adjustment to ARC	<u>(176,793)</u>
Annual OPEB Cost 2010-11	1,655,659
Employer Contribution	<u>(3,011,922)</u>
Change in Net OPEB Obligation 2010-11	(1,356,263)
Net OPEB Obligation 6/30/2010	<u>2,541,443</u>
Net OPEB Obligation 6/30/2011	1,185,180
ARC for 2011-12	1,326,892
Interest on Net OPEB Obligation	59,259
Amortization adjustment to ARC	<u>(77,098)</u>
Annual OPEB Cost 2011-12	1,309,053
Employer Contribution	<u>(1,216,009)</u>
Change in Net OPEB Obligation 2011-12	93,044
Net OPEB Obligation 6/30/2011	<u>1,185,180</u>
Net OPEB Obligation 6/30/2012	1,278,224
ARC for 2012-13	1,326,892
Interest on Net OPEB Obligation	63,911
Amortization adjustment to ARC	<u>(83,151)</u>
Annual OPEB Cost 2012-13	1,307,652
Employer Contribution	<u>(1,014,481)</u>
Change in Net OPEB Obligation 2012-13	293,171
Net OPEB Obligation 6/30/2012	<u>1,278,224</u>
Net OPEB Obligation 6/30/2013	1,571,395
ARC for 2013-14	1,243,664
Interest on Net OPEB Obligation	62,856
Amortization adjustment to ARC	<u>(90,874)</u>
Annual OPEB Cost 2013-14	1,215,646

BACKGROUND:

On March 23, 2010, the Patient Protection and Affordable Care Act, now known as the Affordable Care Act or ACA, was signed into law by President Barack Obama. ACA incorporates numerous compliance requirements for individuals, employers, and insurance providers, some of which have been delayed or postponed.

Below is a timeline and status for each of the major compliance requirements pertinent to the District:

<u>Deadline</u>	<u>Employer Compliance Requirement</u>	<u>Status</u>
Sep 23, 2010	Extend health coverage for dependents to age 26	Done
Aug 1, 2012	Provide preventative health services for women without cost	Done
Sep 23, 2012	Provide Summary of Benefits and Coverages to all eligible employees	Done
Dec 31, 2012	Report the value of Group Health Plan benefits provided to employees on W-2 forms	Done
Jan 1, 2013	Set maximum annual contribution amount for Flexible Spending Account (FSA) to \$2,500	Done
Oct 1, 2013	Provide notice to existing employees and new employees of availability of State Health Insurance Exchanges	Done
Jan 1, 2014	Ensure employer group health plans do not impose annual dollar limits on essential health benefits	Done
Jan 1, 2014	Limit plan waiting periods to no more than 90 days	Done
Jan 1, 2015	Ensure health plans provide Minimum Essential Coverage (MEC) by paying at least 60% of medical expenses	Done
<i>Jan 1, 2015</i>	<i>For employers with 50 or more full-time employees, comply with availability and affordability requirements</i>	<i>In process – See below</i>
Jan 1, 2018	Pay Excise Tax on plans which exceed \$10,200 annually for single coverage or \$27,500 annually for family coverage (“Cadillac Plans”)	SCSEBA is monitoring and will not offer high cost plans

The next milestone pertaining to availability and affordability provisions requires significant analysis and monitoring by the District to avoid severe financial penalties. Analysis of the District’s current configuration of a hard cap and plan premiums indicates the District will meet the affordability requirements in 2015. However, it is important to note that the calculation is required each year and compounding premium increases of significant value could cause failure of this test in the future.

The availability requirement is the current focus of staff analysis. Failure to meet this requirement could result in a penalty of \$2,000 per eligible employee (eligibility as

defined by the ACA is any employee working an average of 30 or more hours per week). This could equate to over \$800,000.

Administration will present an update to the Board of Education on ACA requirements and the processes and procedures being used to monitor compliance.

RECOMMENDATION:

This is an information item. Action, if any, is at the discretion of the Board of Education.

This recommendation supports the following District goal:

Fiscal Accountability

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

FISCAL IMPACT:

There is no fiscal impact at this time.

STUDENT ACHIEVEMENT IMPACT:

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

Motion: _____ Second: _____ Vote: _____

Agenda Item E.3.3.

Discussion and/or Action Item E.3.4.
Prepared by Karl Christensen
February 4, 2014

Approval of Agreement with Webb-Cleff
Architecture and Engineering Inc. to Provide
Planning Services Related to Prop 39 Energy
Efficiency Projects

BACKGROUND:

On November 6, 2012, the voters approved Proposition 39. Proposition 39 closed a tax loophole for out of state corporations doing business in California and is expected to generate \$400 to \$500 million in additional tax revenue annually. The revenue is to be used for energy efficiency and clean energy initiatives.

The Governor's plan for use of these funds is to allocate them to school districts on a per ADA basis over a 5-year period. The California Energy Commission (CEC) recently adopted regulations for the qualification of projects and expenditure of funds. The District's allocation for 2013-14 is \$284,271. The District applied for, and recently received, \$130,000 of its allocation which can be used for planning purposes.

Webb-Cleff Architecture and Engineering Inc. ("Webb-Cleff") continues to provide excellent service to the District as the architect on the Pepper Drive School 10-Classroom Addition Project. Webb-Cleff submitted a proposal to provide services related to advising the District during all steps of the process, and preparing and submitting a 5-year plan for use of Prop 39 funds consistent with CEC regulations.

The attached proposal outlines the scope of work to be conducted by Webb-Cleff for Steps 1 through 7 of the 8-step process stipulated in CEC regulations.

RECOMMENDATION:

It is recommended that the Board of Education approve the agreement with Webb-Cleff Architecture and Engineering Inc. to provide planning services related to Prop 39 energy efficiency projects.

This recommendation supports the following District goals:

Learning Environment

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

Fiscal Accountability

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

FISCAL IMPACT:

The fiscal impact is a fixed fee of \$19,500 to be paid from Prop 39 planning funds.

STUDENT ACHIEVEMENT IMPACT:

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

Motion: _____ Second: _____ Vote: _____

Agenda Item E.3.4.



531 Encinitas Blvd., Ste. 114
Encinitas, California 92024
(760) 753-6300 ph
(760) 452-7541 fax

December 5, 2013

Santee School District
9625 Cuyamaca St.
Santee, CA 92071

Attn: Christina Becker, *Interim M&O Director and
Director, Facilities Modernization*

Re: Proposition 39 Plan Submittal/Approval

Dear Ms. Becker:

Per your request, please find our proposal for preparation, submittal and approval of a Proposition 39 compliant 5 year plan for Santee School District.

Our proposal covers Step 1 through Step 7 of the Proposition 39 - Final Draft Guidelines. Barring any significant changes, our proposal also will include Step 1 through Step 7 of the Final Guidelines. The scope of work and associated fees are as follows:

Step 1 – Utility Forms. We will assist the District in preparation of the required forms. We will also retain a copy of the forms for submittal with the plan.

Step 2 – Benchmarking - Since you have already applied to the Bright School's program for Benchmarking, we will use the data produced and convert it to the units required by Prop 39. We will identify the lowest energy performers for evaluation in step 3. We have assumed that Bright Schools will provide data in Energy Star or Energy IQ format.

Step 3 – Prioritize - Meet with the District establish and obtain prioritization criteria. Put lowest energy performers into a Prioritization Matrix using the 11 factors set forth in Proposition 39. Scope and estimate projects, including any DSA required items.

Step 4 – Sequencing – Meet with District to sequence projects in accordance with Prop 39 and District funding. ASHRAE Level 2 studies will be requested for projects with lowest performance. ASHRAE Level 2 studies will be provided by SDGE or CEC. If desired by the District, WC-AE will contract for these studies, which would be reimbursable by the District, based on the CEC Proposition 39 recommended cost schedule as shown on Table 3 in the Draft Final Guidelines.

Step 5 – Identify Eligible Energy Measures for individual projects. Breakdown step 4 into accomplishable measures, within each project based on the ASHRAE.

Step 6 – Determine Cost Effectiveness – Using CEC's published calculator, calculate the Savings-to-Investment Ratio (SIR). Work with District to ensure that all projects comply with the Prop 39 1.05 SIR requirement. SIR calculations will be made using the CED calculator.

Step 7 – Complete and Submit energy plan in accordance with Step 7 of the Draft Guidelines. Make revisions as recommended by CEC and submit and obtain approval for final energy plan.

Total cost for plan preparation services shall be a fixed fee of \$19,500. Copies are reimbursable. Please note, that all Energy Star or Energy IQ calculations are to be provided by SDGE or CED. ASHRAE surveys shall be provided by SDGE or CEC or reimbursable to WC-AE.

If you have any questions, please do not hesitate to contact me or Bob Webb at (760) 753-6800.

Sincerely,

A handwritten signature in black ink that reads "Debra Vaughan-Cleff". The signature is written in a cursive style with a large, stylized initial 'D'.

Debra Vaughan-Cleff, PE, AIA Assoc.
President

Discussion and/or Action Item E.3.5.
Prepared by Karl Christensen
February 4, 2014

Adoption of Resolution No. 1314-15, Intention
to Sell Surplus Real Property Commonly
Known as the Renzulli Site

BACKGROUND:

In accordance with Education Code Sections 17230-17234, 17387-17391, and 17455-17500 which outline the process for disposing of surplus properties, many years ago the Board of Education established a District Advisory Committee to study the District's properties to determine if any properties would not be necessary for school facilities in the future. At the December 17, 2002, meeting, the committee presented its report to the Board which recommended that the Board declare the Renzulli Site as surplus property.

The 11.39 acre Renzulli Site is currently zoned as Park/Open space. The City of Santee has indicated its willingness to rezone the northernmost 7.62-acre portion to "R-7 Medium Density Residential" which establishes a density range of 7 to 14 dwelling units per acre. The remaining 3.77 acres would stay as currently designated in the General Plan, and as classified on the Zone District Base Map for a park to be constructed. Completion of the rezoning and entitlement process would also be contingent on a Developer submitting plans consistent with the City's desires and constraints for residential development in the area where the Renzulli Site is located.

Even though the zoning designation for the property is not yet completed, the next step in the process is for the Board to adopt a resolution to declare its intention to dispose of surplus real property commonly known as the Renzulli Site. This requires a 2/3 vote. That resolution is included in this agenda with a minimum bid of \$3,200,000, equivalent to the appraised value established in the appraisal conducted July 15, 2013.

Following approval of the resolution, a public notice will be published at least three times at least one week apart in a public newspaper. The notice will announce the availability of the site to public agencies and the notice will also be mailed to appropriate public agencies.

The publication timelines are:

- February 7, 2014 - first publication
- February 14, 2014 - second publication
- February 21, 2014 - third publication

On the date of the third publication, the 60-day period for public agencies to respond begins. The District is also required to make reasonable efforts to contact the prior owner of the land. This process was conducted in 2006 with the last attempt to sell the land. The prior owner was determined to be deceased. The 60-day period ends on

April 22, 2014. If no agreement has been reached with a public agency, the District is then free to sell the site to a private purchaser.

After the 60-day period for public agencies to express interest has passed, the District will advertise the property for sale by posting notices and distributing a packet describing the potential transaction. Bidders would submit bids using the attached Bid Form. If the highest bid is selected and approved by the Board, the Developer and District would enter into a Purchase and Sale Contract in substantially the same form as the attached. This contract establishes an Initial Contingency Period of 120 days for the Developer to complete the entitlement and rezoning process with the City of Santee. An Initial Deposit equal to 2% of the Developer's bid price would be required to be paid to the District as a condition of opening escrow. This deposit would be non-refundable but would be applied toward the purchase price if the purchase is consummated during the Initial Contingency Period.

If the Developer and District agree, an Extended Contingency Period can be initiated after the Initial Contingency Period ends if substantial progress has been made in the entitlement and rezoning process but more time is needed. Initiation of the Extended Contingency Period would require the Developer to pay the District an Additional Deposit of 4% of the bid price. This deposit would also be non-refundable but would be applied toward the purchase price if the purchase is consummated during the Extended Contingency Period.

Below is the tentative timeline for the process:

Step #	Task	Projected Completion Date	Status
1	Complete appraisal of the Property	July 23, 2013	Complete
2	Obtain City written commitment and analysis for entitlement and re-zoning process to include in bid advertisement documents	October 30, 2013	Complete
3	Prepare and finalize documents for bid advertising and sale process: <ul style="list-style-type: none"> • Residential Development Opportunity Request for Bids • Resolution of Intent to Sell • Bid Submittal Form • Purchase and Sale Contract Template with Terms • Evidence of efforts to contact previous owner 	January 17, 2014	Complete
4	Board adopts Resolution of Intent to Sell	February 4, 2014	
5	Post advertisement for 3 consecutive weeks and send letters soliciting interest from Public Agencies	February 21, 2014 (7 th , 14 th and 21 st)	
6	Last day for acceptance of notification of interest by Public Agencies	April 22, 2014	
7	Post advertisements and solicit public bids (bid window opens)	April 23, 2014	

8	Last day for accepting sealed bids	May 19, 2014	
9	Bid opening, acceptance of oral bids, and developer selection (Board Meeting)	May 20, 2014	
10	Board approves Purchase and Sale Contract	June 3, 2014	
11	Open Escrow	June 6, 2014	
12	End of Initial Contingency Period	December 3, 2014	
13	End of Additional Contingency Period, if executed	June 1, 2015	

RECOMMENDATION:

It is recommended that the Board of Education adopt Resolution No. 1314-15, Intention to Sell Surplus Real Property Commonly Known as the Renzulli Site.

This recommendation supports the following District goals:

Learning Environment

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

Fiscal Accountability

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

FISCAL IMPACT:

The sale of the Renzulli site will yield at least \$3,200,000, received in one-time revenue for the Capital Improvement Program.

STUDENT ACHIEVEMENT IMPACT:

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

Motion: _____ Second: _____ Vote: _____

Agenda Item E.3.5.

RESOLUTION NO. 1314-15

**A RESOLUTION OF THE SANTEE SCHOOL DISTRICT BOARD
OF EDUCATION PURSUANT TO EDUCATION CODE SECTION 17466
DECLARING ITS INTENTION TO SELL SURPLUS REAL PROPERTY
COMMONLY KNOWN AS THE RENZULLI SITE**

WHEREAS, the Santee School District ("District") is the owner of certain real property commonly known as the Renzulli Site [Assessor's Parcel Numbers 383-112-05 and 383-112-28], consisting of 11.39 acres of undeveloped property, located in Santee, California, bordered on the south side by Prospect Avenue ("Property"); and

WHEREAS, the District has determined that it has no need for the Property to construct a school or other educational facility; and

WHEREAS, sale of the Property would benefit the District since the proceeds could be used for capital outlay or maintenance purposes in accordance with Education Code Section 17462; and

WHEREAS, the District formed a District Advisory Committee (DAC) as required by Education Code Sections 17387-17391 on July 16, 2002, and the DAC then met and conducted public hearings as required by law and subsequently submitted a report to the Board on December 17, 2002, setting forth its determination that the best use of the Property by the District would be sell it for its highest and best use as residential development compatible with the surrounding community if no public agency was interested in purchasing the Property for park or open space purposes; and

WHEREAS, Education Code Sections 17459, 17464 and 17489 require that the District contact all relevant public agencies as required by law in order to extend invitations for purchase of the Property, providing sixty (60) days from the third publication of the Notice within which to submit an offer in writing to the District for purchase of the Property; and

WHEREAS, the Property is currently zoned as Park/Open Space; and

WHEREAS, the District has discussed zoning of the Property with the City of Santee ("City") and the City has indicated its willingness to re-zone a portion of the Property to R-7.

NOW THEREFORE be it resolved by the Board as follows:

1. The Board hereby declares its intention to sell the Property, in accordance with applicable law governing the sale of surplus property by a school district.

2. The minimum price for which the Property will be sold shall be Three Million Two Hundred Thousand Dollars (\$3,200,000). Any offer to purchase the Property must be an "ALL CASH" offer. Sale shall be contingent upon the Buyer obtaining entitlements and re-zoning of 7.68 acres of the Property to R-7 through the City. All costs associated with obtaining entitlements and re-zoning shall be the responsibility of the Buyer. The Buyer shall be required to deposit two percent (2%) of the Purchase Price into an escrow account as non-refundable. The escrow period shall be initially established for a one hundred eighty (180) day period with an option to extend for up to an additional one hundred eighty (180) days, if necessary, to allow sufficient time for the Buyer to complete the entitlement and re-zoning process. An additional four percent (4%) non-refundable deposit shall be required to extend the escrow period beyond one hundred eighty (180) days.

3. The Board hereby directs the Assistant Superintendent Business Services to mail and publish the public notice of the availability of the Property to the public agencies required by Education Code Sections 17459, 17464, and 17489. In the event any agency provides notice of its intent to purchase the Property, the District and the Agency shall engage in good faith negotiations on a mutually satisfactory price. In the event that the parties are unable to arrive at a mutually satisfactory price, the Property will be made available for sale to a private purchaser. In the event that more than one public agency offers to purchase the Property, the Governing Board may determine which of such offers to accept.

4. The Board hereby sets 7:00 P.M. on May 20, 2014, as the time and date for a public meeting at which time sealed proposals to purchase the Property, as well as any oral bids received pursuant to Education Code Section 17473, will be received and considered if the Property was not sold to a public agency. The meeting shall be held in the Board's regular meeting location at 9619 Cuyamaca Street, Santee, California. The public meeting date may be continued by action of the Board before the date set forth above.

5. Before accepting any written proposal at the time of the meeting, the Board shall call for oral bids. If any responsible person responds to the call for oral bids with an offer to purchase the Property upon the terms and conditions set forth herein for a price exceeding by at least five percent (5%) of the highest written proposal, then the highest oral bid made by a responsible person shall be finally accepted. Final acceptance shall not be made, however, until the oral bid is reduced to writing and signed by the offeror. Final acceptance of the bid by the Board may either be at the same meeting or at an adjourned session of the same meeting held within ten (10) days next following.

6. Notwithstanding the provisions of paragraph 4 above, if the Board deems such action to be for the public interest, the Board may, at the time of the hearing, reject any and all bids, either written or oral, and withdraw the Property from sale.

7. The Board hereby finds that the District has used reasonable steps to inform the prior owner of the Property of the District's intention to sell the Property, in the format and within the time limit required by Education Code Section 17470.

8. Notice of adoption of this Resolution and the date, time, and place of the public meeting to consider proposals to purchase the Property shall be posted and published in accordance with the provisions of Education Code Section 17469.

9. Additional information regarding the Property, or permission to enter upon the Property, may be obtained from Karl Christensen, Assistant Superintendent Business Services, at 9625 Cuyamaca Street, Santee, California and phone number 619-258-2321. The Property is being offered in an "AS IS" condition, with no express or implied warranties. Questions about current and future zoning of the Property and its development for residential purposes should be directed to the City of Santee, California.

10. The Board hereby finds that the District will not pay a commission to a real estate broker in connection with the sale of the Property.

11. Adoption of this Resolution No. 1314-15 requires approval by a two-thirds vote of all members of the Board of Education, and must be signed by a majority thereof.

SANTEE SCHOOL DISTRICT

By _____
Ken Fox, Board President

By _____
Dustin Burns, Board Vice President

By _____
Barbara Ryan, Board Clerk

By _____
Diane El-Hajj, Board Member

By _____
Elana Levens-Craig, Board Member

I, Barbara Ryan, Clerk of the Board of Education of the Santee School District, do hereby certify that the foregoing Resolution No. 1314-15 was regularly introduced and adopted by the District Board of Education at a duly-noticed regular meeting held on the 4th day of February, 2014, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Clerk of the Board of Education
Santee School District

RENZULLI SITE

BID FORM

To: Board of Education
Santee School District
Attn: Karl Christensen, Assistant Superintendent Business Services
9625 Cuyamaca Street
Santee, CA 92071

The undersigned bidder ("Bidder") submits this bid in response to Santee School District's ("District") request for sealed proposals, as set forth in Resolution No. _____ ("Resolution") of the District's Board of Education ("Board"), for the "Property" identified in the Resolution and otherwise identified as San Diego County Assessor Parcel Nos. 383-112-05 and 383-112-28.

Bidder hereby submits a bid in the amount of: _____ dollars (\$_____) ("Bid Amount") for the Subject Property (minimum bid of \$3,200,000).

Bidder understands and, by submitting this Bid to the District, acknowledges that the highest responsive bidder for the Property will be required to execute a "Purchase and Sale Contract," substantially in the form as set forth in Exhibit "B" to the Resolution, within 72 hours of the District's acceptance of the Bid. Bidder further understands that the highest responsive bidder for the Property will be required to deposit or otherwise deliver to the Escrow Holder a non-refundable deposit equal to two percent (2%) of the Bid Amount within 72 hours of the opening of escrow for the purchase of the Property. The balance of the purchase price will be paid as set forth in the Purchase and Sale Contract. **This bid shall remain a firm offer by the Bidder to the District for purchase of the Property for a period of thirty (30) days, or until the highest responsive bidder enters into a Purchase and Sale Contract for the Property with the District.**

BID MUST BE RECEIVED NO LATER THAN 4:00 P.M. ON MAY 19, 2014. ORAL BIDS WILL BE ACCEPTED AT THE PUBLIC MEETING OF THE BOARD AT 7:00 P.M. ON MAY 20, 2014. ORAL BIDS WILL BE RECEIVED ONLY IF THE ORAL BID AMOUNT EXCEEDS THE HIGHEST WRITTEN BID BY AT LEAST FIVE PERCENT (5%).

RENZULLI SITE

I, the undersigned Bidder, acknowledge that I am familiar with the terms and conditions of this Bid as set forth in Resolution No. _____ of the Board of Education of the Santee School District, including those set forth in the proposed Purchase and Sale Contract attached thereto as Exhibit "B", and hereby submit this bid under the terms and conditions set forth above and within said Resolution and Purchase and Sale Contract.

Dated: _____, 2014

By: _____
(Signature)

Printed Name: _____

Business Entity (if applicable): _____

CONTACT INFORMATION

Address: _____

City/State/Zip: _____

Telephone No: _____

Facsimile: _____

NOTE TO BIDDER: BID MUST BE SIGNED BY THE BIDDER. PLACE COMPLETED BID FORM IN AN ENVELOPE MARKED "SEALED BID PROPOSAL FOR RENZULLI SITE BID." ALL WRITTEN BIDS MUST BE RECEIVED NO LATER THAN ____ P.M. ON _____, 2014, THE DAY PRIOR TO THE BOARD MEETING TO OPEN AND CONSIDER SEALED PROPOSALS.

Bids should be delivered to:

Board of Education
Santee School District
Attn: Karl Christensen, Assistant Superintendent Business Services
9625 Cuyamaca Street
Santee, CA 92071.

If you have any questions concerning the submission of this bid, please contact Karl Christensen, Assistant Superintendent Business Services for the Santee School District by email at karl.christensen@santeesd.net or by phone at (619) 258-2321.

**PURCHASE AND SALE CONTRACT
AND JOINT ESCROW INSTRUCTIONS**

SELLER: Santee School District

BUYER: _____

PROPERTY: APN 383-112-05 and 28

DATED: May __, 2014

DEFINED TERMS

Effective Date: May _____, 2014

Seller: Santee School District

Seller's Address: 9625 Cuyamaca Street
Santee, California 92071
Attention: Karl Christensen, Assistant Superintendent

Seller's Counsel:

Buyer: _____

Buyer's Address: _____

Land: That certain land located in the City of Santee, County of San Diego, State of California, as described in the deed attached as **Exhibit A** hereto (the "**Grant Deed**").

Property: The property commonly known as Renzuilli Site, APN 383-112-05, 28. The Land and all improvements thereon together with all of Seller's right, title and interest in and to all rights, privileges, easements and appurtenances benefiting the Land, including, but not limited to, all mineral and water rights and all easements, rights-of-way and other appurtenances used or connected with the use or enjoyment of the Land.

Purchase Price: \$ _____

Non-Refundable Deposits: _____ Thousand and No/100 Dollars (\$____,000) Initial Deposit due upon signing of Contract. An Additional Deposit of _____ Thousand and No/100 Dollars (\$____,000) is due if and when an Extended Contingency Period is invoked.

Financing Terms: None.

Contingency Period(s): Initial Contingency Period shall be one hundred and eighty (180) calendar days from the date of the Opening of Escrow. Up to an additional one hundred and eighty (180) calendar days may be added by mutual written agreement of the parties for an extended contingency period ("Extended Contingency Period")

Closing Date:

The earlier of one hundred eighty (180) calendar days for Initial Contingency Period, or three hundred sixty (360) calendar days for an Extended Contingency Period, from either (i) Buyer's approval or waiver of contingencies or (ii) the end of the Contingency Period(s). Time is of the essence with respect to the Closing Date.

Title Company:

Escrow Holder:

Exhibits and Schedules

Exhibit A: Grant Deed

Exhibit B: Transferor's Certificate of Non-Foreign Status

**PURCHASE AND SALE CONTRACT
AND JOINT ESCROW INSTRUCTIONS**

This Purchase and Sale Contract and Joint Escrow Instructions ("**Contract**") is made and entered into as of the Effective Date by and between Buyer and Seller, collectively referred to as the Parties. The Contract includes the Defined Terms and provisions that precede this page, which are incorporated herein.

In consideration of the mutual covenants and terms contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller agree as follows:

1. **PURCHASE AND SALE.** Seller hereby agrees to sell the Property to Buyer, and Buyer hereby agrees to purchase the Property from Seller, on the terms and conditions set forth in this Contract.

2. **PAYMENT OF PURCHASE PRICE.** Buyer shall pay to Seller the total Purchase Price for the Property at Close of Escrow of \$_____, as follows:
 - a. Initial Deposit, totaling \$_____,000. The Initial Deposit shall be non-refundable, applicable to the Purchase Price only if Close of Escrow occurs on or before the end of the Initial Contingency Period, and shall be paid to Seller concurrently with execution of this Contract; and,
 - b. Additional Deposit, totaling \$_____. The Additional Deposit shall be non-refundable, applicable to the Purchase Price in an Extended Contingency Period, and shall be paid to Seller as a condition of extending the Escrow period beyond one hundred eighty (180) days; and/or,
 - c. Cash proceeds from a new loan or loans secured by deed(s) of trust encumbering the Property in the aggregate amount of \$_____,000; and,
 - d. Cash as required to pay the balance of the Purchase Price, closing costs and any other obligations of Buyer under this Contract.

3. **ESCROW, CONTINGENCY PERIOD, DEPOSITS AND CLOSING.**
 - a. ***Opening of Escrow.*** For purposes of this Contract, the escrow ("**Escrow**") shall be deemed opened ("**Opening of Escrow**") on the date that Escrow Holder receives (i) a copy of this Contract fully executed by Buyer and Seller, and (ii) written verification from the Seller that the Initial Deposit has been received from the Buyer. Buyer and Seller shall use their best efforts to cause the Opening of Escrow to occur on or before three (3) business days after the Effective Date. Escrow Holder shall promptly notify Buyer and Seller in writing of the date of the Opening of Escrow. Buyer and Seller agree to execute, deliver and abide by any reasonable or customary supplemental escrow instructions or other instruments reasonably required by Escrow Holder to consummate the transaction contemplated by this Contract; *provided, however*, no such instruments shall conflict with, amend or supersede any portion of this Contract. If there is any conflict or inconsistency between the terms of such instruments and the terms of this Contract, then the terms of this Contract shall control.
 - b. ***Contingency Period(s) and Escrow Period.***

- i. **Initial Contingency Period.** An Initial Contingency Period of one hundred and eighty (180) calendar days shall be established at the Opening of Escrow for Buyer to complete the entitlement and re-zoning process with the City of Santee ("City")("City Entitlement and Re-zoning Process").
 - ii. **Extended Contingency Period.** An Extended Contingency Period of up to an additional one hundred and eighty (180) calendar days past the Initial Contingency Period may be established by mutual written agreement of the Parties if the City Entitlement and Re-zoning Process is in substantial progress but additional time is needed to finalize the process.
 - iii. **Escrow Period.** The initial escrow period shall be for one hundred eighty (180) calendar days. The escrow period may be extended for up to an additional one hundred and eighty (180) calendar days upon written agreement of both parties which shall be forwarded to Escrow Holder for authorization to extend.
 - c. **Deposits.**
 - i. **Initial Deposit.** Within three (3) business days after the Effective Date and as a condition of Opening of Escrow, Buyer shall deposit or cause to be deposited with Seller the Initial Deposit in the amount of \$_____. The term "**Initial Deposit**" shall mean and include the Initial Deposit only and shall not include any interest accrued thereon. The Initial Deposit is applicable to the Purchase Price only through the Initial Contingency Period and is non-refundable to Buyer unless Seller materially defaults under this Contract. If Seller terminates this Agreement because of a default by Buyer pursuant to Seller's rights set forth in this Contract within the Initial Contingency Period, then the Initial Deposit shall be retained by Seller as liquidated damages pursuant to Section 4b.
 - ii. **Additional Deposit.** In the event the Parties agree to an Extended Contingency Period pursuant to Section 3b, Buyer shall immediately deposit with Seller an Additional Deposit in the amount of \$_____. The term "**Additional Deposit**" shall mean and include the Additional Deposit only and shall not include any interest accrued thereon. The Additional Deposit is applicable to the Purchase Price and is non-refundable to Buyer unless Seller materially defaults under this Contract. If Seller terminates this Agreement because of a default by Buyer pursuant to Seller's rights set forth in this Contract, then the Additional Deposit shall be retained by Seller as liquidated damages pursuant to Section 4b.
 - d. **Close of Escrow.** For purposes of this Contract, the "**Close of Escrow**" shall be the date that the Deed is recorded pursuant to applicable law in the county in which the Property is located, which shall be no later than three hundred sixty (360) days after the Opening of Escrow. Unless changed in writing by Buyer and Seller, the Closing shall occur on or before the Closing Date, subject to Buyer's and Seller's rights to terminate this Contract that are expressly set forth in this Contract. Time is of the essence regarding this Contract and the parties intend that the Close of Escrow shall occur no later than the Closing Date, except as may be extended only pursuant to this Contact.

4. REMEDIES.

- a. **Remedies Upon Seller's Default.** If, prior to the Closing, Seller materially defaults in any of its obligations under this Contract or breaches any of its representations or warranties set forth in this Contract after a reasonable period for Seller to cure such possible default or breach after written notice from Buyer, then Buyer shall have the right to pursue all available remedies, including, without limitation, the right to seek damages, specific performances and recovery of court costs and attorneys' fees.
- b. **Liquidated Damages And Other Remedies Upon Buyer's Default.** If, prior to the Closing, Buyer defaults in any of its obligations under this Contract, or breaches any of its representations or warranties set forth in this Contract, then Seller shall have the right to pursue all available remedies, including, without limitation, the right to seek damages, specific performances and recovery of court costs and attorneys' fees. FURTHER, BUYER AND SELLER AGREE THAT IT WOULD BE EXTREMELY DIFFICULT OR IMPOSSIBLE TO DETERMINE THE ACTUAL DAMAGES THAT SELLER WOULD SUFFER IF BUYER DEFAULTS UNDER THIS CONTRACT FOR ANY REASON OTHER THAN SELLER'S DEFAULT OR A TERMINATION OF THIS CONTRACT BY BUYER PURSUANT TO A RIGHT TO DO SO EXPRESSLY PROVIDED FOR IN THIS CONTRACT. BUYER AND SELLER THEREFORE AGREE THAT A REASONABLE PRESENT ESTIMATE OF THE DAMAGES THAT SELLER WOULD SUFFER IF BUYER DEFAULTS UNDER THIS CONTRACT IS AN AMOUNT OF MONEY EQUAL TO THE DEPOSIT(S). THEREFORE, IF BUYER DEFAULTS UNDER THIS CONTRACT, THEN SELLER SHALL HAVE THE RIGHT TO TERMINATE THIS CONTRACT BY WRITTEN NOTICE TO BUYER AND ESCROW HOLDER AND THE RIGHT TO RETAIN ANY AND ALL DEPOSITS THAT BUYER HAS PAID TO SELLER. SELLER SHALL ALSO RETAIN (1) THE RIGHT TO ENFORCE THE BUYER'S INDEMNIFICATION OBLIGATIONS FOR BUYER'S ENTRY ONTO THE PROPERTY FOR PURPOSES OF BUYER'S PRE-CLOSING INVESTIGATIONS PURSUANT TO SECTION 6 BELOW, AND (2) THE RIGHT TO RECOVER REASONABLE ATTORNEYS' FEES AND COSTS IN CONNECTION WITH SUCH ENFORCEMENT AND FOR THE ENFORCEMENT OF THE LIQUIDATED DAMAGES PROVISIONS OF THIS SECTION. THE LIQUIDATED DAMAGES OF THIS SECTION ARE AGREED TO PURSUANT TO SECTIONS 1671, 1676 AND 1677 OF THE CALIFORNIA CIVIL CODE, AND SHALL NOT BE DEEMED A PENALTY WITHIN THE MEANING OF SECTION 3275 OR SECTION 3369 OF THE CALIFORNIA CIVIL CODE, OR SIMILAR PROVISION.

Buyer's Initials

Seller's Initials

- 5. **SELLER'S DELIVERY OF PROPERTY DOCUMENTS.** Seller warrants and represents to Buyer based on Seller's actual knowledge limited to Seller's current property management agents, without additional duty of inquiry or investigation, that Seller will deliver to Buyer within five (5) business days of Effective Date all material written reports on the Property, which are in Seller's possession, including the items and documents with respect to the Property listed below (the "**Property Documents**"), except

appraisals. In the event this transaction does not close for any reason, Buyer shall promptly return to Seller all Property Documents.

- a. **Property Documents.** The Property Documents, which shall be provided to Buyer within five (5) business days of mutual execution of this Contract, shall include copies within Seller's possession of all CC&Rs governing the Property, all as-built architectural drawings of the Property, all engineering studies or surveys concerning the Property, copies of any maps or use permits or approvals issued by the City concerning the Property, copies of any leases or contracts relating to the Property, and any notice of violation of any law or regulation filed or issued against the Property and actually known to the Seller.

6. **RIGHT OF ENTRY.** From and after the Effective Date through the earlier to occur of the termination of this Contract or the expiration of the Initial and Extended Contingency Periods, Buyer and Buyer's employees, agents, consultants and contractors shall have the right to enter upon the Property during normal business hours, provided reasonable prior notice, which is also consistent with any notice requirements contained in applicable lease agreements with tenants, has been given to Seller, for the purpose of conducting or making any inspections and tests as are reasonably necessary. Buyer agrees to coordinate with Seller any such entry and inspection to avoid unreasonably interfering with the tenants and with Seller's operations on the Property. Buyer acknowledges that Seller may elect to have a representative of Seller present during any such entry. In connection with any such entry, Buyer: (a) shall cause all work to be performed with due care; (b) shall not permit any hazardous condition caused by Buyer (or its employees, agents, consultants or contractors) to remain on the Property; (c) shall repair any damage to the Property caused by Buyer (or its employees, agents, consultants or contractors); (d) shall procure general liability and property damage insurance in coverage types and amounts that are acceptable to Seller, evidence of which such insurance shall be delivered to Seller prior to Buyer's first entry; (e) obtain all required governmental approvals for all work performed; and (f) shall not make any repair or cause any work to be performed on or to the Property (or any portion thereof) unless Seller has expressly consented in writing to such work or repair. Seller shall be named as an additional insured on all such policies of insurance referenced above, and Buyer shall provide Seller with certificates of such policies prior to any entry onto the Property. Buyer shall indemnify, defend and hold the Property, Seller, and Seller's executors, trustees, managers, employees, agents and contractors free and harmless from and against any and all losses, claims, liabilities, damages, costs and expenses, including, but not limited to, attorneys' fees, court costs and claims for damages and/or the loss of value to the Property and to any tenants of the Property that arise out of or result from the acts or omissions of Buyer or its employees, agents, consultants or contractors. The foregoing indemnity shall survive the Closing or the earlier termination of this Contract. Buyer shall keep the Property free and clear of any mechanics' liens, materialmen's liens and other liens arising out of Buyer's right of entry and the activities contemplated in this Section.

7. **BUYER'S CONTINGENCIES AND TERMINATION RIGHTS.**

- a. **Buyer's Due Diligence Contingencies.** The Closing and Buyer's obligation to consummate the transaction contemplated by this Contract are subject to the satisfaction or written waiver, on or before the expiration of the Contingency Period(s), of the following conditions precedent (collectively, "**Buyer's Due Diligence Contingencies**"), which are for Buyer's benefit only.

i. **Title Review.** Within five (5) business days after the Effective Date, Seller will cause the Title Company to deliver to Buyer a preliminary report (the "**Report**") describing the title to the Property, together with copies of the exceptions (the "**Exceptions**") set forth in the Report. To the extent such disclosure is required by law, Seller shall deliver to Buyer a certificate (the "**Natural Hazard Certificate**") as to whether the Property lies within: (A) a special flood hazard area (California Government Code §§ 8589.3 and 8589.4); (B) an "Earthquake Special Studies Zone" as designated under the "Alquist-Priolo Special Studies Zone Act" (California Public Resources Code §§ 2621-2630, inclusive); (C) a dam failure inundation area (California Government Code § 8589.4); (D) a high fire severity zone (California Government Code § 51183.5); or (E) a wildland fire area (California Public Resources Code § 4136). Buyer shall be responsible, at its sole cost and expense, for obtaining any ALTA survey; *provided, however*, that Buyer's ability to obtain an ALTA survey shall not be a Buyer's Contingency. On or before the expiration of the Contingency Period, Buyer shall have provided Seller with written notice ("**Buyer's Objection Notice**") of any matters of title objected to by Buyer that are disclosed by the following (collectively, the "**Title Documents**"): (1) the Report; (2) the Exceptions; (3) the legal description of the Property; and (4) an CLTA survey. In the event Buyer does not timely approve the Title Documents, this Escrow and Contract shall automatically terminate and Buyer shall immediately (in no more than 24 hours after the end of the Contingency Period) sign, execute and deliver to Escrow Holder any and all documents required to terminate this Escrow with Escrow Holder. All matters of title not so objected to by Buyer shall be deemed to be approved by Buyer ("**Permitted Exceptions**"). Seller shall, on or before the Closing, remove all deeds of trust, mortgages and delinquent taxes, if any (but not the lien for real property taxes or assessments not yet due or payable).

1. **Seller's Cure Right for Title Matters.** Notwithstanding anything to the contrary contained herein, within ten (10) days after Seller's receipt of Buyer's Objection Notice, Seller shall have the right, but not the obligation, to: (i) provide assurances reasonably satisfactory to Buyer that such Exception(s) shall be removed (or cure such other title matters that are the basis of Buyer's disapproval of the Title Documents) prior to the Closing; or (ii) elect not to cure such disapproved Exception(s). With respect to any such Exception, it shall be sufficient for purposes hereof for Seller to commit in writing, within the applicable period, to remove or cure such title matters prior to the Closing. An Exception shall be deemed removed or cured if Seller furnishes Buyer with evidence that the Title Company will issue the Buyer's Title Policy, as defined herein, at the Closing deleting such Exception. If Seller cannot or does not elect to remove any of the disapproved Exception(s) (or cure any of the other disapproved matters) within the time period provided herein, Buyer shall have two (2) business days after the expiration of such ten (10)-day period to give Seller written notice ("**Buyer's Response**") that

Buyer elects to either: (1) terminate this Contract; or (2) proceed with the purchase of the Property subject to the disapproved Title Document(s). If Buyer elects to proceed with the purchase of the Property or fails to provide Buyer's Response within the two (2) business-day period, then: (A) Buyer shall be deemed to have waived such disapproval; (B) such disapproved Exceptions will be deemed Permitted Exceptions; (C) this Contract shall proceed pursuant to its terms; and (D) Buyer shall no longer have any right to terminate this Contract because of the Title Documents.

- b. **Buyer's Closing Contingencies.** The Closing and Buyer's obligation to consummate the transaction contemplated by this Contract are subject to the satisfaction or written waiver, on or before the Closing Date, of the following conditions precedent (collectively, "**Buyer's Closing Contingencies**"), which are for Buyer's benefit only.
- i. **Buyer's Title Policy.** On or before the Closing, Title Company shall, upon payment of Title Company's regularly scheduled premium, have irrevocably agreed to issue to Buyer a CTLA coverage owner's policy of title insurance, containing such endorsements as may be reasonably required by Buyer ("**Buyer's Title Policy**"), in the amount of the Purchase Price showing fee title to the Property vested solely in Buyer, and subject only to the (A) the standard, preprinted exceptions to Buyer's Title Policy (but not including any arbitration, co-insurance, creditors' rights or regional exceptions); (B) a lien (or liens) to secure payment of real estate taxes or assessments not yet due or payable; (C) any use permits; (D) matters affecting the Property created by or with the written consent of Buyer; and (E) the Permitted Exceptions. Buyer shall have sole responsibility for obtaining, and bearing the cost of any survey required by Title Company for an extended coverage owner's title policy, if desired. If Buyer does not obtain such survey, then Buyer's Title Policy will be subject to a survey exception.
 - ii. **No Default.** As of the Closing, Seller shall not be in material default in the performance of any material covenant or term to be performed by Seller under this Contract.
- c. **Buyer's Termination Right.** Buyer may terminate this Contract at any time during the Contingency Period(s), but shall not receive a return of Deposits. Should any of Buyer's Due Diligence Contingencies or Buyer's Closing Contingencies (collectively, "**Buyer's Contingencies**") not be met or waived within the applicable time period, Buyer may terminate this Contract by written notice to Seller after giving Seller a period of five (5) business days to remedy any such condition, and receive a return only of the Additional Deposit. If this Contract is so terminated, Buyer shall have no further obligation or liability under this Contract, except as provided in Section 5 (Delivery of Property Documents), Section **Error! Reference source not found.** (Right of Entry Indemnity), and Section 19 (Work Product). If this Contract is terminated as set forth in this Section then any escrow, title or other cancellation fees shall be shared equally by Buyer and Seller, unless Seller is in default hereunder, in which case Seller shall pay all such fees.

8. **SELLER'S CONTINGENCIES AND TERMINATION RIGHT.**

- a. ***Seller's Contingencies.*** The Closing and Seller's obligations with respect to the transaction contemplated by this Contract are subject to the timely satisfaction or written waiver of the following conditions precedent ("**Seller's Contingencies**"), which are for Seller's benefit only.
 - i. ***Representations and Warranties.*** All representations and warranties of Buyer contained in this Contract shall be materially true and correct as of the date made and as of the Closing with the same effect as if those representations and warranties were made at and as of the Closing.
 - ii. ***No Default.*** As of the Closing, Buyer shall not be in default in the performance of any material covenant or Contract to be performed by Buyer under this Contract.
 - iii. ***Seller's Termination Right.*** Should any of Seller's Contingencies not be met or waived during the applicable time period, Seller may terminate this Contract by written notice to Buyer unless Buyer remedies any such condition within five (5) business days. If this Contract is so terminated, Seller shall have no further obligation or liability under this Contract. If this Contract is terminated as set forth in this Section then any escrow, title or other cancellation fees shall be shared equally by Buyer and Seller, unless Buyer is in default hereunder, in which case Buyer shall pay all such fees.

9. **SELLER'S DELIVERIES TO ESCROW HOLDER.**

- a. ***Seller's Delivered Documents.*** At least one (1) business day prior to the date set for Closing, Seller shall deposit or cause to be deposited with Escrow Holder the following items, duly executed and, where appropriate, acknowledged ("**Seller's Delivered Items**"):
 - i. ***Grant Deed.*** The Deed, the form of which is attached hereto as **Exhibit A**.
 - ii. ***FIRPTA Certificate.*** The Transferor's Certification of Non-Foreign Status in the form attached hereto as **Exhibit B** and a State of California Form 597 (collectively, the "**FIRPTA Certificate**").
 - iii. ***Authority.*** Such proof of Seller's authority and authorization to enter into this Contract, on the part of each individual or entity comprising Seller, and to consummate the transaction contemplated hereby as may be reasonably requested by Buyer or Title Company.
 - iv. ***Title Affidavit.*** A customary "seller's affidavit" as may reasonably be required by Title Company in connection with issuance of Buyer's Title Policy.
 - v. ***Further Documents or Items.*** Any other documents or items reasonably required to close the transaction contemplated by this Contract. If any documents or items referenced in this Section are not timely delivered to and deposited with escrow Holder, then Seller shall have the right to extend the Closing Date for a reasonable time to provide such documents and items, but Buyer shall not have a right to terminate or cancel the Escrow.

10. **BUYER'S DELIVERIES TO ESCROW.**

- a. **Buyer's Delivered Items.** At least one (1) business day prior to the date set for Closing, Buyer shall deposit or cause to be deposited with Escrow Holder the following ("**Buyer's Delivered Items**"):
 - i. **Funds.** The balance of the Purchase Price (after crediting the Deposits in accordance with provisions specified in Section 2a and 2b), in cash or other immediately available funds, plus or minus Buyer's share of closing costs and charges and Buyer's share of proration set forth on the Proration and Expense Schedule (as defined in Section 12d below).
 - ii. **Preliminary Change of Ownership Report.** A Preliminary Change of Ownership Report fully completed by Buyer (the "**Preliminary Change of Ownership Report**").
 - iii. **Authority.** Such proof of Buyer's authority and authorization to enter into this Contract, on the part of each individual or entity comprising Buyer, and to consummate the transaction contemplated hereby as may be reasonably requested by Seller or Title Company.
 - iv. **Further Documents or Items.** Any other documents or items reasonably required to close the transaction contemplated by this Contract.

11. **JOINT DEPOSITS INTO ESCROW.** On or before one (1) business day prior to the date set for Closing, Seller and Buyer shall execute, acknowledge where required, complete required insertions, and jointly deposit into Escrow any documents identified by Escrow Holder as reasonably required for the Closing.

12. **COSTS AND EXPENSES.**

- a. **Seller's Costs.** If the transaction contemplated by this Contract is consummated, then Seller shall bear the following costs and expenses: (i) one-half (½) of Escrow Holder's fee; (ii) Seller's share of prorations; (iii) the portion of the cost of Buyer's Title Policy equal to the cost of a CLTA standard coverage owner's title policy, together with the cost of any endorsements necessary for Seller to cure, pursuant to Section 7a(i)(1) above; and (iv) all documentary transfer taxes (collectively, "**Seller's Costs**").
- b. **Buyer's Costs.** If the transaction contemplated by this Contract is consummated, then Buyer shall bear the following costs and expenses: (i) any additional cost for Buyer's Title Policy over and above the cost of a CLTA standard coverage owner's title policy (including the cost of any survey or other items necessary to obtain such extended coverage) and any title endorsements required by Buyer other than those that Seller is obligated to pay pursuant to Section 12a above; (ii) all document recording fees; (iii) one-half (½) of Escrow Holder's fee; (iv) Buyer's share of prorations; and (v) the cost of the Natural Hazard Certificate (collectively, "**Buyer's Costs**").
- c. **Generally.** Except as specifically set forth herein, Buyer and Seller shall pay, respectively, Escrow Holder's customary and reasonable charges to buyers and sellers for document drafting, recording and miscellaneous charges. If, through no fault of either Buyer or Seller, Escrow fails to close, Buyer and Seller shall share equally all of Escrow Holder's fees and charges; however, if the transaction fails to close as the result of the default of either party, then such defaulting party shall bear all Escrow Holder's fees and expenses. Each party shall bear the costs of its own attorneys and consultants in connection with the negotiation and

preparation of this Contract and the consummation of the transaction contemplated hereby. All other costs and expenses shall be allocated between Buyer and Seller in accordance with the customary practice in the county in which the Property is located. The items provided in this Subsection are hereinafter referred to as "**General Expenses.**"

- d. **PRORATIONS.** Income (if any) and expenses relating to the Property will be prorated as of 11:59 p.m. on the day immediately preceding the Closing. Prorations shall be governed by the provisions of this Section. Not less than five (5) business days prior to the date set for Closing, Escrow Holder shall deliver to Buyer and Seller a tentative schedule of prorations ("**Proration and Expense Schedule**") for Buyer's and Seller's respective approval. If any prorations made under this Section shall require final adjustment after the Closing, then the Parties shall make the appropriate adjustments promptly when accurate information becomes available and either party hereto shall be entitled to an adjustment to correct the same. Any corrected or adjustment proration shall be paid promptly in cash to the party entitled thereto.

13. **CLOSING PROCEDURE.** When Title Company is ready to issue the Buyer's Title Policy and all required documents and funds have been deposited with Escrow Holder, Escrow Holder shall immediately close Escrow in the manner and order provided below.

- a. **Date; Counterparts.** Escrow Holder shall date all instruments as of the date of the Closing (if not dated), and combine all counterparts of instruments delivered to Escrow Holder in counterparts.
- b. **Documentary Transfer Tax Statement.** Escrow Holder shall prepare a separate documentary transfer tax statement in the form attached to the Deed (the "**Documentary Transfer Tax Statement**"), and instruct the Office of the San Diego County Recorder (the "**Recorder's Office**") not to make the Documentary Transfer Tax Statement a part of the public record, as permitted by Section 11932 of the California Revenue and Taxation Code.
- c. **Document Recordation.** Escrow Holder shall record the Grant Deed in the Official Records of the Recorder's Office (the "**Official Records**").
- d. **Preliminary Change of Ownership Report.** Escrow Holder shall submit the Preliminary Change of Ownership Report to the Recorder's Office concurrently with the submission of the Deed for recordation.
- e. **Notification; Disburse Funds.** Escrow Holder shall provide email notice to Buyer and Seller (and their respective counsel) that the Closing has occurred, deliver final closing statements to each party by facsimile, and disburse funds. In disbursing funds, Escrow Holder shall debit or credit (as provided herein) all Buyer's Costs, Seller's Costs and General Expenses; credit Deposits in favor of Buyer, as specified in Sections 2a and 2b; prorate all matters based upon the agreed upon Proration and Expense Schedule; disburse the balance of the Purchase Price to Seller; and disburse the remaining funds, if any, to Buyer.
- f. **Title Policy.** Escrow Holder shall cause Title Company to issue the Buyer's Title Policy to Buyer.
- g. **Informational Reports.** Escrow Holder shall file any information reports required by Internal Revenue Code Section 6045(e), as amended.

14. **POST-CLOSING INSTRUCTIONS.** Promptly after the Closing, Escrow Holder shall deliver the following instruments:
- a. **To Seller.**
 - i. One (1) copy of the Grant Deed.
 - ii. One (1) fully-executed original of the FIRPTA Certificate, if required, the Preliminary Change of Ownership Report, the Documentary Transfer Tax Statement, and the final Escrow closing statement.
 - b. **To Buyer.**
 - i. The recorded original of the Grant Deed and the original FIRPTA Certificate.
 - ii. One (1) fully-executed original of the Documentary Transfer Tax Statement, the Preliminary Change of Ownership Report, and the final Escrow closing statement.
 - c. **To Counsel.** Copies of all documents delivered to Buyer and Seller following the Closing.
15. **SELLER'S REPRESENTATIONS AND WARRANTIES.** In consideration of Buyer entering into this Contract and as an inducement to Buyer to purchase the Property, Seller makes only the following representations and warranties as of the Effective Date and as of the Closing:
- a. **Power.** Seller has the legal power, right and authority to enter into this Contract and the instruments referenced herein, and to consummate the transaction contemplated hereby.
 - b. **Requisite Action.** All requisite action (estate, trust, corporate, partnership or otherwise) has been taken by Seller in connection with entering into this Contract and the instruments referenced herein, and to consummate the transaction contemplated by this Contract. No additional consent of any individual, executor, officer, director, shareholder, partner, member, manager, trustee, trustor, beneficiary, creditor, investor, judicial or administrative body, governmental authority or other party is required for Seller to execute this Contract and the instruments referenced herein or to consummate the transaction contemplated by this Contract.
 - c. **Individual Authority.** The individual executing this Contract and the instruments referenced herein on behalf of Seller have the legal power, right and actual authority to bind Seller to the terms and conditions hereof and thereof.
 - d. **Litigation.** There are no pending or, to Seller's knowledge, threatened judicial, arbitration, mediation, municipal or administrative proceedings affecting the Property or in which Seller is or will be a party by reason of Seller's ownership or operation of the Property or any portion thereof.
 - e. **Condemnation.** There is no pending or, to Seller's knowledge, threatened condemnation, eminent domain or similar proceeding affecting the Property or any portion thereof.
 - f. **Violations.** No notices of violation of governmental regulations relating to the Property or Seller have been received by Seller or, to the best of Seller's knowledge, entered against Seller or received by Seller and, to Seller's knowledge, no such violations exist.
 - g. **Insurance.** Seller has not received any notices from any insurance company of any defects or inadequacies in the Property.

- h. **Hazardous Materials.** Seller has no actual knowledge of the existence or prior existence on the Property of any hazardous substance or hazardous material which has produced or could produce toxic results or otherwise contaminate the Property. Seller has received no notice of any proceeding or inquiry by any governmental authority with respect to any activity which could have toxic results nor has Seller received any notice of any violation of any law or governmental regulations or order applicable to hazardous substances or other toxic or radioactive substance or any information which would constitute or lead to a violation thereof. Furthermore, Seller has not received notice of any such activity or proceeding by or with respect to any previous owner of the Property or any portion thereof or any previous tenant thereof. For purposes of this Contract: (i) the term "Hazardous Material" shall mean: (aa) any material or substance that, whether by its nature or use, is subject to regulation under any Environmental Requirement, or (bb) any material, substance, gas or waste which is toxic, ignitable, explosive, corrosive or reactive, or (cc) asbestos, or (dd) petroleum and petroleum-based products, or (ee) formaldehyde, or (ff) polychlorinated biphenyls (PCBs), (gg) freon and other chlorofluorocarbons or (hh) such other material as is designated in a notice from Landlord to Tenant (whether such notice is provided before or after Tenant first commences to use such material); (ii) the term "Environmental Requirement" shall include the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.), the Toxic Substances Control Act (15 U.S.C. §2601 et seq.), the Clean Air Act (42 U.S.C. §7401 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §1251 et seq.), all as presently in effect and as the same may hereafter be amended, any regulation pursuant thereto, or any other present or future law, ordinance, rule, regulation, order or directive addressing environmental, health or safety issues of or by any Governmental Authority; and (iii) the term "Governmental Authority" shall mean the Federal government, or any state or other political subdivision thereof, any local government, or any agency, court or body of the Federal government, any state or other political subdivision thereof, exercising executive, legislative, judicial, regulatory or administrative functions.
- i. **Service Contracts.** There are no service or maintenance contracts, warranties, guarantees or bonds (whether oral or written) related to the Project which affect or will affect or which are or will be obligations of the Buyer or the Project, other than the service contracts which are referenced in Section 7(a)(iii) above, and which Buyer has approved in writing prior to expiration of the Contingency Period.
- j. **Continuing Operation.** Seller hereby agrees, through and including the Close of Escrow and at the Seller's sole cost and expense, to (A) keep all existing insurance policies affecting the Project in full force and effect, (B) use due diligence and its best efforts to keep in full force and effect and/or renew all licenses and permits which relate to or affect the Property, (C) provide all services and continue the operation, management and maintenance of the Project (including mechanical equipment of every kind used in the operation thereof) in such condition so that the Project shall be in the same condition on the Close of Escrow as on the date hereof, reasonable wear and tear excepted, (D) materially comply with all governmental regulations, and (E) keep Buyer timely advised of

any repair or improvement required to keep the Project in such condition as aforesaid and which costs in excess of Ten Thousand Dollars (\$10,000).

- k. **Extension of Service Contracts.** Except as otherwise provided herein, Seller will not extend, renew, modify or replace any of the service contracts without the prior written consent of Buyer. Seller believes that all services contracts have expired or have been cancelled. In the event any such service contracts exist, Buyer will have five (5) business days after receiving a request by Seller regarding a services contract to approve or disapprove such request and if Buyer does not approve or disapprove, Buyer shall be deemed to have approved such request.
- i. **Change in Property.** Seller shall promptly notify Buyer of any material adverse change in any condition with respect to the Property, it being understood that the Seller's obligation to provide Notice to Buyer shall in no way relieve Seller of any liability for a breach by Seller of any of its representations, warranties or covenants under this Contract.

16. **BUYER'S REPRESENTATIONS AND WARRANTIES.** In consideration of Seller entering into this Contract and as an inducement to Seller to sell the Property, Buyer makes the following representations and warranties as of the date hereof and at and as of the Closing, each of which is material and is being relied upon by Seller (and the truth and accuracy of which shall constitute a condition precedent to Seller's obligations hereunder). All of Buyer's representations and warranties, shall survive the Closing for a period of three (3) years

- a. **Power.** Buyer has the legal power, right, authority, and financial ability to enter into this Contract and the instruments referenced herein, and to consummate the transaction contemplated hereby.
- b. **Requisite Action.** All requisite action (corporate, partnership, trust or otherwise) has been taken by Buyer in connection with entering into this Contract and the instruments referenced herein, and consummating the transaction contemplated hereby. No additional consent of any individual, officer, director, shareholder, partner, member, manager, trustee, trustor, beneficiary, creditor, investor, judicial or administrative body, governmental authority or other party is required for Buyer to execute this Contract and the instruments referenced herein or to consummate the transaction contemplated by this Contract.
- c. **Individual Authority.** The individuals executing this Contract and the instruments referenced herein on behalf of Buyer have the legal power, right and actual authority to bind Buyer to the terms and conditions hereof and thereof.
- d. **Waiver of Claims Against Escrow Holder.** Buyer expressly and unconditionally waives, releases, acquits, and forever discharges Escrow Holder and its successors, heirs, assigns, shareholders, directors, officers, members, managers, partners, employees, and agents, and each of them from and against any and all rights, claims, third party claims, losses, damages, actions, demands, liabilities, costs and expenses, including, but not limited to, attorneys' fees, expert fee and court costs relating to or regarding Escrow Holder's compliance with and implementation of the provisions and terms of Sections 2a and 2c for the release to Seller of the Initial Deposit and/or the Additional Deposit.

17. **AS IS PURCHASE.** As a material inducement to the execution and delivery of this Contract by Seller and the performance by Seller of its duties and obligations hereunder,

Buyer does hereby acknowledge, represent, warrant and agree to and with Seller that except for the limited specific representations and warranties of Seller set forth in this Contract: (a) Buyer is purchasing the Property in an "AS-IS," "WITH-ALL-FAULTS" condition as of the Closing with respect to any facts, circumstances, statutory compliance matters, conditions and defects of the Property (including, but not limited to, any patent or latent defects, statutory requirements, or conditions affecting or relating to the Property); (b) Seller has no obligation to repair or correct any such facts, circumstances, statutory compliance matters, conditions or defects (including, without limitation, any patent or latent defects or conditions affecting or relating to the Property) or to compensate Buyer for same; (c) by the Closing, Buyer shall have undertaken all such physical inspections and examinations of the Property (and any adjoining property) and of the Property Documents as Buyer deems necessary or appropriate under the circumstances and, that based upon its inspection and examination of the Property and of the Property Documents, Buyer is and will be relying strictly and solely upon such inspections and examinations; (d) based on the advice and counsel of its agents, employees and contractors, Buyer is and will be fully satisfied that the Purchase Price is fair and adequate consideration for the Property; (e) except as expressly set forth herein, neither Seller, nor its agents, is making, and has made, any warranty or representation with respect to all or any part of the Property (including, but not limited to, the physical or financial condition of the Property) or any matters contained in the Property Documents or any other documents made available or delivered to Buyer in connection with this Contract; (f) the Property Documents and all other documents and information provided to Buyer were obtained from a variety of sources and neither Seller, nor its agents, have made any investigation or verification of such information and makes no representations as to the accuracy or completeness of such information; and (g) by reason of all of the foregoing, Buyer shall assume the full risk of any loss or damage occasioned by any fact, circumstance, condition or defect pertaining to the physical or financial condition of the Property or any surrounding property, including, but not limited to, the presence of power lines and/or any Hazardous Materials (defined below) in, on, under or about the Property.

18. **BUYER'S RELEASE AND WAIVER.** Except for the specific representations and warranties of Seller set forth in this Contract, Buyer hereby expressly and unconditionally waives, releases, acquits, and forever discharges Seller and its executors, successors, heirs, assigns, shareholders, directors, officers, members, managers, partners, employees, agents, beneficiaries, trustors and trustees, and each of them (individually and collectively, the "**Released Parties**") from and against any and all rights, claims, third party claims, losses, damages, actions, demands, liabilities, costs and expenses, including, but not limited to, attorneys' fees, expert fee and court costs (collectively, "**Claims**") which have arisen or may arise in the future with respect to the condition or status of the Property, regardless of whether Buyer or any Released Party is presently aware of any such matters, including, without limitation, any contribution claims, indemnity rights and other rights and claims of Buyer under common law, the Federal Comprehensive Environmental Response, Compensation and Liability Act ("**CERCLA**"), Superfund Amendments and Reauthorization Act of 1986 ("**SARA**"), the Federal Resource Conservation and Recovery Act ("**RCRA**"), the Federal Water Pollution Control Act ("**WPCA**"), or the Carpenter-Presley-Tanner Hazardous Substance Account Act ("**CPT Act**"), or any other law with respect to Hazardous Materials, each as re-authorized or amended from time to time, or any similar or successor laws, or any federal or state law

equivalent. Without limiting the generality of the foregoing, Buyer hereby expressly and unconditionally waives, releases, acquits, and forever discharges the Released Parties from (a) all remediation, cleanup, removal, mitigation, restoration, response, investigation, monitoring and all other types of costs and expenses (including, but not limited to, attorneys' fees, expert fees and court costs) arising for any reason whatsoever, including, but not limited to, those arising under common law, CERCLA, SARA, RCRA, WPCA, CPT Act or otherwise at law or in equity, relating to the existence at any time of any Hazardous Materials in, on, under, or about the Property, including, but not limited to, Hazardous Materials referenced in the Property Documents, (b) all contribution and indemnity rights and claims that Buyer has or may have under common law, CERCLA, SARA, RCRA, WPCA, CPT Act or that are otherwise available to Buyer at law or in equity against any of the Released Parties relating to any Hazardous Materials in, on, under, or about the Property, including, but not limited to, Hazardous Materials referenced in the Property Documents, and (c) all Claims relating to the physical or financial condition of the Property or any adjoining property. In no event whatsoever shall any of the Released Parties be obligated to investigate, monitor, remove, cleanup, mitigate, or otherwise remediate any Hazardous Materials at any time located in, on, under, or about the Property, including, but not limited to, Hazardous Materials referenced in the Property Documents, or to pay for any of the foregoing, or to reimburse or indemnify, defend or hold harmless Buyer for any of the foregoing. Buyer acknowledges and agrees that the foregoing release and waiver includes all rights and Claims of Buyer against the Released Parties pertaining to the condition of the Property, whether heretofore or now existing or hereafter arising, or which could, might, or may be claimed to exist, of whatever kind or nature, whether known or unknown, suspected or unsuspected, liquidated or unliquidated, which in any way arise out of, or are connected with, or relate to, the condition of the Property. For purposes hereof, the term "Hazardous Materials" shall mean any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State or the United States Government, including, without limitation, any material or substance which is (A) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. section 6901 et seq. (42 U.S.C. § 6903), (B) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. section 9601 et seq. (42 U.S.C. § 9601), (C) asbestos, or (D) petroleum. Without limiting the generality of the foregoing, Buyer hereby acknowledges and waives California Civil Code Section 1542 which states:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS or her FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM or her MUST HAVE MATERIALLY AFFECTED HIS or her SETTLEMENT WITH THE DEBTOR."

BY INITIALING THIS SECTION, BUYER ACKNOWLEDGES THAT IT HAS READ, AND IS FAMILIAR WITH, CALIFORNIA CIVIL CODE SECTION 1542, AND HEREBY EXPRESSLY WAIVES ANY RIGHT IT MAY HAVE THEREUNDER, AS WELL AS UNDER ANY OTHER STATUTE OR COMMON LAW PRINCIPLE OF SIMILAR EFFECT.

Buyer's Initials

19. **WORK PRODUCT.** If for any reason, other than Seller's material default hereunder, the Closing does not occur, Buyer shall deliver or cause to be delivered to Seller within ten (10) days after Seller's written request, at no cost to Seller, all Work Product (as defined herein) relating to the Property. The term "**Work Product**" includes all of Buyer's right, title and interest in and to all engineering and architectural plans; studies and reports by consultants, such as soils reports, environmental reports, preliminary plans and specifications and feasibility studies; all permits and approvals for work of any kind concerning the Property; the Property Documents; and all other reports, studies and documents prepared by third parties. Work Product does not include Buyer's internal confidential memoranda relative to the Property.
20. **GENERAL PROVISIONS.**
- a. **Damage to Property.** If, prior to Closing, all or any portion of the Property is damaged by fire or other casualty (collectively "**Damage**"), then the following procedures shall apply:
 - i. **Less than \$100,000.** If the estimated aggregate cost of repair and/or replacement of the Damage is One Hundred Thousand Dollars (\$100,000.00) or less, as reasonably determined by Seller, Buyer shall: (A) proceed with the Closing and take the Property subject to such Damage; (B) be entitled to receive any insurance proceeds for such Damage; and (C) be entitled to a reduction in the Purchase Price equal to the cost of repairing such Damage which is not covered by the insurance proceeds actually received by Buyer.
 - ii. **Greater than \$100,000.** If the estimated aggregate cost of repair and/or replacement of the Damage is greater than One Hundred Thousand Dollars (\$100,000.00), as reasonably determined by Seller, Buyer may elect to either: (A) terminate this Contract by written notice to Seller, and neither party shall have any further liability to the other hereunder, except as otherwise provided herein; or (B) proceed with the Closing and take the Property subject to such Damage by giving written notice to Seller within thirty (30) days after the date of such Damage, in which case Buyer shall be entitled to receive any insurance proceeds for such Damage, and shall be entitled to a reduction in the Purchase Price equal to the cost of repairing such Damage which is not covered by the insurance proceeds actually received by Buyer. If Buyer fails to make an election within the time period stated in this subsection, Buyer shall be deemed to have elected to proceed with the Closing.
 - b. **Condemnation.** If any portion of the Property shall be taken or appropriated by a public or quasi-public authority exercising the power of eminent domain, Buyer shall have the right, at its option, to (i) terminate this Contract and receive a

- refund of the Deposit(s), or (ii) proceed with the purchase of the Property and receive all the award or payment made in connection with such taking.
- c. **Notices.** All notices, demands, requests or other communications required or permitted hereunder (collectively, "**Notices**") shall be in writing, shall be addressed to the receiving party, with a copy to such party's counsel, if any, as provided in the Defined Terms Section above, and shall be personally delivered, sent by overnight mail (FedEx® or another carrier that provides receipts for all deliveries), sent by certified mail, postage prepaid, return receipt requested or sent by facsimile transmission (provided that a successful transmission report is received). All Notices shall be effective upon receipt at the appropriate address. Notice of change of address shall be given by written notice in the manner detailed in this Section. Rejection or other refusal to accept or the inability to deliver due to changed address or facsimile number of which no Notice in accordance with this Section was given shall be deemed to constitute receipt of such Notice. Any operational failure of a Notice recipient's facsimile equipment shall extend the time for giving of Notice during such period up to a maximum delay of forty-eight (48) hours. The providing of copies of Notices to the parties' respective counsel is for information only, is not required for valid Notice and does not alone constitute Notice hereunder. Buyer and Seller agree that Notices may be given hereunder by the parties' respective counsel, and that, if any communication is to be given hereunder by Buyer's or Seller's counsel, such counsel may communicate directly with all principals as required to comply with the provisions of this Section.
- d. **Legal Fees.** If either Buyer or Seller brings any action or suit against the other for any matter relating to or arising out of this Contract, or if either party appears in any bankruptcy proceeding relating to the other party arising from a dispute under this Contract, then the prevailing party in such action, suit or proceeding, whether by final judgment or out of court settlement, shall be entitled to recover from the other party all costs and expenses of suit, including actual expert witnesses fees and costs and attorneys' fees. Any judgment or order entered in any final judgment shall contain a specific provision providing for the recovery of all costs and expenses of suit, including actual attorneys' fees incurred in enforcing, perfecting and executing such judgment. For the purposes of this Section, such costs and expenses shall include, but not be limited to, in-house and outside attorneys' fees, costs and expenses incurred in such action, suit or proceeding, including, but not limited to the following: (i) post-judgment motions; (ii) contempt proceedings; (iii) garnishment, levy, and debtor and third party examinations; (iv) discovery; (iv) bankruptcy proceeding and litigation (including post-petition proceedings); and (vi) appeals.
- e. **Assignment.** Buyer may not assign its rights or obligations under this Contract without Seller's prior written consent, such consent not to be unreasonably withheld, delayed or conditioned. Notwithstanding the foregoing, Buyer shall have the right to assign its position in this transaction to a single asset entity such as an LLC or Subchapter S Corporation whose member or sole shareholder is the Buyer. Upon Seller's acceptance of Buyer's assignment and provided that Buyer's assignee accepts Buyer's obligations under this Contract, Buyer shall be released from such obligations as of the date of such assignment.
- f. **Cooperation.** Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required in order to

consummate the purchase and sale herein contemplated and shall use all reasonable efforts to accomplish the Closing in accordance with the provisions hereof.

- g. **Computation of Time Periods.** Time is of the essence of every provision herein contained. All references herein to a particular time of day shall be deemed to refer to California time. In the computation of any period of time provided for in this Contract or by law, the day of the act or event from which said period of time runs shall be excluded, and the last day of such period shall be included, unless it is a Saturday, Sunday, or State of California legal holiday, in which case the period shall be deemed to run until 7:00 p.m. of the next day that is not a Saturday, Sunday, or State of California legal holiday. The term "business day" as used herein shall mean each day other than a Saturday, Sunday, or State of California legal holiday. Except as otherwise expressly provided herein, all time periods expiring on a specified date or period herein shall be deemed to expire at 7:00 p.m. on such specified date or period.
- h. **Counterparts; Facsimile Signatures.** This Contract may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument. A facsimile signature shall be deemed an original signature.
- i. **Captions.** Any captions to, or headings of, the sections or subsections of this Contract are solely for the convenience of the parties hereto, are not a part of this Contract, and shall not be used for the interpretation or determination of the validity of this Contract or any provision hereof.
- j. **No Obligations to Third Parties.** Except as otherwise expressly provided herein, the execution and delivery of this Contract shall not be deemed to confer any rights upon, nor obligate any of the parties to this Contract to, any person or entity other than the parties hereto.
- k. **Exhibits and Schedules; Section References.** The exhibits and schedules attached hereto are incorporated herein by this reference for all purposes. References to numbered sections are references to sections of this Contract unless otherwise indicated.
- l. **Amendment to this Contract.** The terms of this Contract may not be modified or amended except by an instrument in writing executed by each of the Parties hereto.
- m. **Waiver.** The waiver or failure to enforce any provision of this Contract shall not operate as a waiver of any future breach of any such provision or any other provision hereof.
- n. **Applicable Law.** This Contract shall be governed by and construed in accordance with the local law of the State of California. This Contract was made in and is to be performed entirely within the State of California, and its interpretation, its construction and the remedies for its enforcement or breach are to be applied pursuant to, and in accordance with, the laws of the State of California for contracts made and to be performed therein.
- o. **Arbitration, Venue and Jurisdiction.** The Parties expressly agree that any and all disputes of whatsoever nature between or among Buyer and Seller arising out of or in connection with the execution, interpretation and performance of this Contract (including the validity, scope, applicability and enforceability of this arbitration provision) shall be solely and finally settled by arbitration pursuant to the Federal Arbitration Act. The arbitration shall be

administered by JAMS pursuant to its Streamlined Arbitration Rules and Procedures, together with the right of each party to conduct up to three (3) depositions of witnesses subject to reasonable limitations on such depositions as applied by the Arbitrator. Judgment on the award by the Arbitrator may be entered in any court having jurisdiction.

- i. The Parties understand and agree that by initialing the space below they are waiving any and all rights to have any dispute resolved or litigated in a court and by a jury trial.
- ii. The arbitration proceedings shall be held in San Diego, California. The arbitration shall be conducted by a sole arbitrator appointed by JAMS, who shall be a retired or former judge from a court located in California (the "Arbitrator") and the parties agree to select an Arbitrator within ten (10) Business Days from the receipt of the Arbitration Notice by JAMS. The parties agree to shorten the time period to disqualify a potential arbitrator under CCP 1281.91 to ten (10) Business Days after receipt of a disclosure statement from a potential arbitrator. The parties shall diligently and timely pursue an arbitration hearing date in the dispute, which hearing shall occur no later than 90 calendar days after an arbitration proceeding is filed with JAMS, unless good cause for additional time to conduct the arbitration hearing is found by the arbitrator.
- iii. The prevailing party in any arbitration, or court proceeding in the case of an equitable remedy only under this Contract, will be entitled to recover its fees and costs incurred in the arbitration or proceeding (including attorneys and arbitration fees and costs) from the non-prevailing party, provided that the arbitrator or judge has the discretion to determine that there is no prevailing party or to eliminate or reduce the prevailing party's recovery of its costs and fees to the extent that the arbitrator or judge determines that full recovery thereof would be unreasonable or disproportionate to the harm suffered by the prevailing party. "Costs and fees" mean all reasonable pre-award expenses of the arbitration, including the arbitrators' fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees, expert costs and fees, and attorneys' fees. In absence of a determination of a prevailing party, the parties shall split equally all expenses of the arbitration and shall bear their own attorneys', expert, and witness fees and costs.

The parties have read and understand this Arbitration provision and agree to submit all disputes arising out of or relating to the matters described above to binding neutral arbitration.

Buyer's Initials

Seller's Initials

- p. NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES. This notice is being provided simply to inform you that information

about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at <http://www.npms.phmsa.dot.gov/>. To seek further information about possible transmission pipelines near the property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Web site.

- q. **Entire Contract.** This Contract supersedes any prior Contracts, negotiations and communications, oral or written, and contains the entire Contract between, and the final expression of, Buyer and Seller with respect to the subject matter hereof. No subsequent Contract, representation or promise made by either party hereto, or by or to an employee, officer, agent or representative of either party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.
- r. **Construction.** The parties hereby acknowledge and agree that (i) each party hereto is of equal bargaining strength; (ii) each party has actively participated in the drafting, preparation and negotiation of this Contract; (iii) each party has consulted with such party's own independent counsel and such other professional advisors as such party has deemed appropriate, relating to any and all matters contemplated under this Contract; (iv) each party and such party's counsel and advisors have reviewed this Contract; (v) each party has agreed to enter into this Contract following such review and the rendering of such advice; and (vi) any rule of construction to the effect that ambiguities are to be resolved against the drafting parties shall not apply in the interpretation of this Contract, or any portions hereof, or any amendments hereto.
- s. **Possession.** Possession of the Property shall be delivered to Buyer on the Closing.

The Parties hereto have executed this Contract as of the Effective Date.

SELLER:

SANTEE SCHOOL DISTRICT

By: _____
Karl Christensen
Assistant Superintendent,
Business Services

BUYER:

_____,
a California _____

By: _____

Its: President

ACCEPTANCE BY ESCROW HOLDER

FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation, hereby acknowledges that it has received a fully executed original of the foregoing Purchase and Sale Agreement and Joint Escrow Instructions by and between the Santee School District, as Seller, and _____, a California _____, as Buyer, and agrees to act as Escrow Holder thereunder and to be bound by and strictly perform the terms thereof as such terms apply to Escrow Holder. Escrow Holder shall execute two (2) originals of this Acceptance by Escrow Holder and deliver one (1) original to Seller and Buyer promptly following the opening of Escrow.

Dated: _____, 2013

FIRST AMERICAN TITLE INSURANCE COMPANY,
a California corporation

By: _____

Name: _____

Title: _____

EXHIBIT A

FORM OF DEED

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

Santee School District
9625 Cuyamaca Street
Santee, CA 92071
Attention: Karl Christensen

(Space Above for Recorder's Use)

MAIL TAX STATEMENTS TO:

**DOCUMENTARY TRANSFER TAX:
NOT OF PUBLIC RECORD**

Attention: _____

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Santee School District ("**Grantor**"), hereby grants _____, a California _____ ("**Grantee**"), all right, title and interests in the real property (the "**Property**") in the County of San Diego, State of California, described as follows:

See Schedule 1 attached hereto and incorporated herein by reference.

SUBJECT TO:

1. All non-delinquent real property taxes and unpaid general and special assessments.
2. Zoning, building, access, environmental and other similar restrictions imposed by laws, ordinances, rules, requirements, resolutions, policy statements and regulations of governmental and quasi-governmental authorities claiming jurisdiction over the Property.
3. Rights and obligations of parties in possession.
4. All matters of record or which would be disclosed by an inspection of the Property or a survey of the Property.
5. Private, public and utility easements.
6. Roads and highways, if any.
7. Rights-of-way.
8. Drainage ditches, feeders, laterals, drain tile, pipes or other conduit.
9. All acts and/or omissions of Grantee and those acting by, through or under Grantee.

Grantor has caused this Grant Deed to be duly executed on _____, 2013.

GRANTOR:

SANTEE SCHOOL DISTRICT

BY: _____
KARL CHRISTENSEN, ASST. SUPERINTENDENT

ACKNOWLEDGMENT

State of California
County of San Diego

On _____ before me, _____,
(here insert name and title of the notary)

personally appeared Karl Christensen who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal) _____

SCHEDULE 1

LEGAL DESCRIPTION

[TO BE ATTACHED]

EXHIBIT B

TRANSFEROR'S CERTIFICATE OF NON-FOREIGN STATUS

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. To inform _____, a California _____ ("**Transferee**"), the transferee of the real property described on **Schedule I** (the "**Property**") attached hereto and incorporated herein by this reference, that withholding of tax is not required upon the disposition of the Property by the Estate of Eileen Gambs ("**Transferor**"), the undersigned hereby declares the following on behalf of Transferor:

1. Transferor is not a foreign person, foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations).

2. Transferor's U.S. employer identification number is _____.

3. Transferor's office address is:

4. Transferor understands that this certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalty of perjury, the undersigned declares that he/she has the authority to execute this certification on behalf of Transferor and further declares that he/she has examined this certification, and to the best of his/her knowledge and belief, this certification is true, correct and complete.

Executed this ____ day of _____, 2013.

SANTEE SCHOOL DISTRICT

BY: _____
KARL CHRISTENSEN ASST. SUPERINTENDENT

SCHEDULE 1

LEGAL DESCRIPTION

[TO BE ATTACHED]

BOARD COMMUNICATION AND ORGANIZATIONAL BUSINESS Item F.

Agenda Item F.

CLOSED SESSION Item G.

Citizens wishing to address the Board about a Closed Session item are requested to submit a Request to Speak card in advance. The Board invites citizens at this time to address the Board about any of the items listed under Closed Session

The Board will go into Closed Session to discuss:

1. **Conference with Labor Negotiator** (Govt. Code § 54956.8)
*Agency Negotiators: Karl Christensen, Assistant Superintendent,
Tim Larson, Assistant Superintendent
Employee Organization: Santee Teachers Association (STA)*
2. **Conference with Labor Negotiator** (Govt. Code § 54956.8)
*Agency Negotiators: Karl Christensen, Assistant Superintendent
Tim Larson, Assistant Superintendent
Employee Organizations: Classified School Employees Association (CSEA)*
3. **Conference with Real Property Negotiators** (Govt. Code § 54956.8)
Property Addresses:
 - *Parcels 383-112-05 and 383-112-28 located on the north side of Prospect Avenue east of Marrokal Lane (known as the Renzulli Site)**Agency Negotiator: Karl Christensen, Assistant Superintendent*

RECONVENE TO PUBLIC SESSION Item H.

ADJOURNMENT Item I.