
Should you need special accommodations to participate in the meeting, please contact the Superintendent's Office at 650.329.3737 or kruegsegger@pausd.org. Community members wishing to address the Board are allotted THREE minutes per speaker. Should more than 20 people wish to address any one topic, the Board may elect to allot a shorter time per speaker. Materials presented at the Board meeting will be copied and provided to Board members after the meeting.

Additional instructions are listed on the back page of this agenda.

I. CLOSED SESSION

A. Call to Order

B. Recess to Closed Session (Conference Room A) 5:00 p.m. Action

Anyone wishing to address the Board regarding Closed Session items may do so at this time. Items listed below may be discussed in closed session. Items [✓] marked are scheduled for discussion at this meeting. All proceedings are reported to the public in open session where action is taken or staff is given direction.

[✓] 1. Employee Appointment / Employment / Evaluation pursuant to Government Code §54957 – Associate Superintendent, Chief Business Officer, Bond Manager, Principals

[ ] 2. Conference with Legal Counsel – Anticipated Litigation pursuant to Government Code Section 54956.9

[✓] 3. Liability Claims pursuant to Government Code § 54957.1 - Student v PAUSD

[✓] 4. Conference with Labor Negotiator, Dr. Scott Bowers, regarding PEA, CSEA, and Non-represented groups pursuant to Government Code §54957.6

[✓] 5. Conference with Real Property Negotiator pursuant to Government Code §54956 - Negotiators: Dr. Kevin Skelly, Mrs. Cathy Mak, Dr. Robert Golton Property: Cubberley; 4000 Middlefield Rd., Palo Alto, CA 94301 Parties: City of Palo Alto and PAUSD Regarding: Instruction regarding price and terms of payment; and Property: Garland School; 870 N. California Ave., Palo Alto, CA; Parties: Stratford School, Inc. and PAUSD; Regarding: Instruction regarding price and terms of payment


[ ] 7. Student Discipline
II. OPEN SESSION / REPORTS

A. Approval of Agenda Order

B. Student Board Representative Reports

C. Superintendent's Report

D. Student and Staff Successes

III. APPROVAL OF CONSENT CALENDAR

These items are considered routine and will be approved in one action without discussion. If a Board member requests an item be removed from the Calendar or a citizen wishes to speak to an item, it will be considered under Action Items.

A. Certificated Personnel Actions

It is recommended the Board approve the certificated personnel actions as presented.

B. Classified Personnel Actions

It is recommended the Board approve the classified personnel actions as presented.

C. Board Policy Updates

It is recommended the Board approve the final versions of Board Policies discussed at their meetings of March 25 and April 22, 2014. There are several Administrative Regulations included with this set of updates from the California School Boards Association.

D. Authorization to Solicit Bids for Jordan Athletic Site Improvements

It is recommended the Board accept a $250,000 donation to fund the Jordan projects and authorizing staff to solicit bids for those projects, which include a walk path around the fields, long jump pit, par-q course, and replacement of basketball poles, backboards, and tennis court poles. This item was discussed at the April 22, 2014, meeting.

E. Approval of New High School Courses for 2014-15

It is recommended the Board approve the Computer Science Principles course and the Computer Science Capstone Project course for Palo Alto High School. This item was discussed at the April 22, 2014, meeting.

F. Appointment of Independent Auditors for 2013-14

It is recommended the Board approve the appointment of Vavrinek, Trine, Day & Co as the district independent auditor for the District’s financial audit for 2013-14 and the appointment of Christy White Accountancy Corporation to perform the 2013-14 performance audit and financial audit of the Strong Schools Program. This item was discussed at the April 22, 2014, meeting.

G. Documentation for November 4, 2014, Board Election

Currently, two seats on the Board of Education will be subject to election/reelection in November. The Board must make several determinations so the correct information is provided to candidates. This item was discussed at the April 22, 2014, meeting.

IV. OPEN FORUM

Anyone wishing to address the Board on non-agenda items may do so at this time. Comments will be taken after the Consent Calendar. Community members wishing to address the Board are allotted THREE minutes per speaker. Please note the speaking time cannot be delegated to another person. Should more than 20 people wish to address any one topic, the Board may elect to allot TWO minutes per speaker. Without taking action, Board members or district staff members may briefly respond to statements made or to questions posed by the public about items not appearing on the agenda.

V. ACTION / DISCUSSION / INFORMATION ITEMS

A. Update on the Secondary Schools Counseling Program

Staff will present an update on progress of the Secondary School Counseling Program, including an update on the activities and outcomes outlined in the Logic Model.

B. 2014 Summer School Program Dates and Locations

The Board will consider approving the dates and locations as presented.

C. Adult School 2014 Midterm WASC Report

The Board will discuss approval of the Adult School 2014 Midterm WASC Report.

D. Common Core State Standards (CCSS) Budget

The Board will consider approving the CCSS Budget.
E. Memorandum of Understanding (MOU) with Palo Alto Management Association (PAMA)  
15 m  
The Board will discuss approval of the MOU between the District and PAMA, effective July 1, 2013, through June 30, 2016.

F. Resolution Authorizing the Issuance and Sale of Bonds in an Amount Not to Exceed $40,000,000  
5 m  
The Board will consider adopting the resolution for the sale of bonds. This item was discussed at the April 22, 2014, meeting.

G. Authorization to Award Contracts for Summer Maintenance Projects  
5 m  
The Board will consider awarding contracts for summer maintenance projects which include El Carmelo, Terman, Briones, Jordan, and Hoover.

H. Award of Contract for the Renovation of E and K Buildings at Gunn High School  
5 m  
The Board will consider awarding a contract to B Bros Construction, Inc. for the renovation of E and K buildings at Gunn in the amount of $1,150,000 and authorizing the Superintendent or his designee to execute change orders in the amount of 10% or $115,000.

VI. BOARD MEMBERS’ REPORTS / CORRESPONDENCE / BOARD OPERATIONS / RECOGNITION

9:00 p  
This is an opportunity for Board members to address activities, correspondence, and operations and to acknowledge or recognize specific programs, activities, or personnel.

A. Reports
B. Correspondence
C. Operations
   • Possible Future Board Agenda Items
      Board members may suggest items for placement on future agendas.
D. Acknowledgements and Recognition
E. Board Calendar
   A Closed Session is planned for May 15 from 8:00 a.m. – 6:00 p.m. for interviews of candidates for the position of Superintendent. If needed, closed session will continue on May 16 from 8:00 a.m. – 12:00p.m. The meetings will occur off site; site is yet to be determined.
   The next regular meeting is scheduled for May 20, 2014. Agenda items may include:
      • Report Cards
      • Bullying Prevention Policy
      • Strategic Plan Survey Results
      • LCAP

VII. ADJOURN  
Consensus
Board of Education

Palo Alto Unified School District

TO: Board of Education

FROM: Kevin Skelly, Ph. D., Superintendent
Prepared by Tabitha Kappeler Hurley

SUBJECT: Staff and Students Successes

Strategic Plan Initiative
Governance and Communication

Caroline Bailey, Palo Alto High School sophomore, earned a national silver medal in the National Scholastic Awards competition in the science fiction/fantasy category for her piece titled, "Tarnished Silver, Tarnished Souls." She will join other award-winning Paly students in early June to receive her medal at a ceremony in Carnegie Hall.

Daniel Cohen Wang (11), Luke Liao (11), Jared Filseth (12), and Grace Lin (12) Palo Alto High School’s exceptional mathematics students, qualified for the USA Math Olympiad. These students will now compete with 256 students nationwide for the 6 seats on the USA International Math Olympiad Team.

Emily Tomz, Samantha McBride, Peter King, and Nick Blonstein, Jordan Middle School JTV producers, collaborated with the City of Palo Alto in a community outreach effort asking Palo Alto residents what core values they believe the City Council should use when making decisions on behalf of the community. The professional and enthusiastic students interviewed people at Avenidas, Lytton Plaza, Palo Alto City Hall, Palo Alto Library, and Jordan Middle School. The final product, a seven minute segment, will be viewed at the City Council Retreat and on the Mid-Peninsula Media Center’s Channel 28.

Patricia Lin, Gunn High School junior, earned National recognition in the 2014 Scholastic Art & Writing Award. Her painting won American Visions Medal, titled The Tainted Trinity. This year, almost 255,000 works of art and writing were submitted. Only the top 1% were recognized at the national level. She has been invited to attend a national ceremony at the world-famous Carnegie Hall on Friday, June 6.

Palo Alto High School’s Madrigal Singers and Beginning Choir performed at the California Music Educators Association (CMEA) festival at Hillsdale High School on Friday, April 11. Madrigal Singers received Unanimous Superior Ratings on performance and sight-singing with an average score of 96 out of 100 from four judges. Beginning Choir received a Superior Rating just missing a Unanimous Superior by a total of 9 points.
JLS Middle School students placed very well at the 2014 Synopsys Science Fair on Sunday, April 6. Five students were invited to attend the 2014 California State Science Fair in Los Angeles on April 28 and 29. JLS Middle School was one of three middle schools named an Outstanding School by the Synopsys Science Fair Committee.

- **Callum Edward Day Ham** - CO2 in a Plants Environment (Botany), 1st Award, Botany Category, $100 and Certificate of Achievement, Trimble Navigation, Ltd.
- **Carmel Baharav** - What Makes an Effective Sports Drink? (Chemistry), 1st Award, Chemistry Category
- **Noga Hurwitz** What Makes an Effective Sports Drink? (Chemistry), 1st Award, Chemistry Category
- **Anna Yu** - How to Better Control a Tennis Ball (Physics), 1st Award, Physics Category
- **Nicholas Turlough Padmanabhan** - The Effect of Angle on Burn Time (Physics), 1st Award, Physics Category
- **Divya Tadimeti** - The Effect of Golf Ball Temperature on Shot Distance (Physics), 2nd Award, Physics Category
- **Isabel Sperandio** - How do you improve the solar panels? (Physics), 2nd Award, Physics Category
- **Gautam Mittal** Encryption Algorithms: Speed versus Strength (Computers / Mathematics), 2nd Award, Computers / Mathematics Category
- **Shannon Ashley Lin** - Exploring the Ice Wedging Phenomenon (Earth/Space Sciences), Certificate of Excellence from National Association of Women Geoscientists Association for Women Geoscientists, San Francisco Bay Area Chapter
- **Rishi Ratnam Sanka** - Polynomial Equation Solver (Computers/Mathematics), Honorable Mention Student Award, $40 and Certificate of Achievement, Association for Computing Machinery, San Francisco Bay Area Professional Chapter
- **Edward Ross** - Balloon Acoustics II: Why Do Balloons Make a Loud Noise When they Pop? (Physics), Castro Family Award for Best Physical Science Projects - Trip to State Science Fair, Plaque, and $100 Cash, Santa Clara Valley Science & Engineering Fair Association - Board of Directors Awards - Middle School, Middle School Finalist Letter, The Synopsys Outreach Foundation + 1st Prize, 1st Award, Physics Category, 3rd place student - $25 and Certificate of Achievement, American Vacuum Society, Northern California Chapter

Gunn High School’s 2014 Gunn@Your Service Awards were given to the following students and projects:

**Sophomores:**
- **Samia Islam** will purchase an Android tablet that she will load with English and math videos she creates in Bengali for the students at Utsho, a boarding school for underprivileged children of single working mothers in Bangladesh and to raise awareness about their situation.
- **Micah Roschelle** will purchase Folic Acid and Hemoxide that she will deliver to doctors and clinics in Cameroon working to prevent Sickle Cell Anemia, a disease which affects 1 in 4 West Africans and is fatal to 80% of children afflicted with the disease. The vitamins will be free.
• **Eleanor Su** will buy ingredients for bake sales that will generate funds for the Schools for Africa Fund that will, in turn, build a school in Sierra Leone and help provide epilepsy treatment.

• **Rick Wytmar** will purchase all the materials needed to build a permanent message board to help the Ohlone Elementary School farm supervisor communicate the farm's daily needs to teachers and students.

• **Justin Yang** will build the solar heating component of the Cluck Bucket, a solar-powered egg incubator, to combat malnutrition and enable economic opportunities in developing countries.

**Juniors:**

• **Gabriel Alon** will print postcards created by Gunn photography students for others to fill out expressing their positive feelings toward Gunn and Palo Alto to counter negativity that they've heard. These cards will be sent to the community and were inspired by a Gunn TEDx speaker who started a similar campaign in San Francisco to alter perceptions and to break down barriers.

• **Ian Cramer** will offset the substantial cost of materials to build a fully-stocked “fix-it” station that Gunn's 800+ daily bike commuters can use to maintain and repair their bikes and to promote the health and environmental benefits of biking.

• **Aitan Grossman** will purchase materials needed to build a working prototype of his energy-saving regenerative bicycle brake that gives riders a boost to encourage people to select biking as their transportation mode of choice worldwide.

• **Irene Jeong** will buy sheet music and accessories, rent instruments, and pay for instrument repair for low-income music students attending Gunn Music @ Costano classes taught by Gunn students in East Palo Alto. The Music @ Costano program was started six years ago by two Gunn students.

• **Auston Lee** will purchase math manipulatives and games for Buddies4Math, a math program started by a Gunn student in 2010. Buddies4Math student volunteers teach at Mountain View's Castro Elementary School.

• **Minku Lee** will purchase musical instruments and pay for printing music for homeless East Palo Alto students living in the InnVision shelter who have not yet been exposed to music instruction.

• **Klaire Tan** will publish East Palo Alto middle school students' works written in her after-school writing and journalism workshops and to cover student transportation costs to places and organizations that they are writing about.

• **Leland Wei** will purchase materials needed to build guards to protect plants and make signs for the Gamble Garden.

• **Rachel Wu** and **Tony Zunino** will purchase supplies for and promote Gunn students' Bay Area Youth in Computer Science project. Gunn BAYCS volunteers create computer science curriculum which they teach to middle and high school students.

**Gunn High School** was ranked seventeenth in the nation by the *US News and World Report 2014 Best Public High Schools* Ranking on Tuesday, April 22.
Gunn High School took multiple bands to Southern California to compete in the Heritage World Strides Music Festival on March 28-29. The Gunn Symphonic Band and Concert Band combined to form a large concert band along with the Gunn Wind Ensemble and Gunn Big Band Jazz Ensemble. All three groups performed at Fullerton College for a panel of adjudicators. There were over 60 ensembles from 4 states competing in the festival. Below are the results from a variety of competitions:

- Silver Rating and 2nd place Instrumental Ensemble went to the combined Gunn Symphonic Band and Concert Band,
- Gold Rating and 1st place Instrumental Ensemble went to the Gunn Wind Ensemble,
- Gold Rating and 1st place Jazz Ensemble went to the Gunn Big Band Jazz Ensemble,
- Instrumental Sweepstakes Award for the school with the overall outstanding instrumental ensembles went to Gunn High School,
- Adjudicator Award for overall Outstanding Musical Excellence went to the Gunn Wind Ensemble and the Gunn Big Band Jazz Ensemble, and
- Katherine Berry, senior trumpet, and Nathan Chandra, junior pianist, received Outstanding Soloists awards.

Palo Alto High School’s Band and Orchestra participated in the Heritage Festival in Anaheim on March 15 and 16 to perform for and to be adjudicated by nationally prominent music educators. Both groups received the highest possible rating of Gold and the Paly Band won their division receiving the highest score of all the bands in all of the divisions.

The Gunn High School Foundation was established in 1968 to provide needs-based scholarships to graduating Gunn seniors in their pursuit of college or other post-secondary training or schooling. The endowment is supported by donations from parents, alumni, Gunn staff, community members, and community organizations. This year, the Gunn Foundation will be distributing a total of $78,000 to 31 deserving graduates. A luncheon was held for all the recipients on Tuesday, April 29.
## ACTION ITEMS:

### I. APPOINTMENTS

<table>
<thead>
<tr>
<th>NAME</th>
<th>EFF. DATE</th>
<th>ASSIGNMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Substitutes</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>None</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Hourly</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alvarez-Holley, Maria</td>
<td>3/14/14</td>
<td>Teacher—Adult School</td>
</tr>
<tr>
<td>DeLima, Kerry</td>
<td>1/6/14</td>
<td>Teacher—Adult School</td>
</tr>
<tr>
<td>Hampel, Sharon</td>
<td>3/27/14</td>
<td>Teacher—Adult School</td>
</tr>
<tr>
<td>Lubarov, Rosemary</td>
<td>1/13/14</td>
<td>Teacher—Adult School</td>
</tr>
<tr>
<td><strong>Short Term Assignment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>None</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Temporary 0</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>None</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Temporary</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allen, Anthonia</td>
<td>8/14/14</td>
<td>Teacher on Special Assignment—Educational Services</td>
</tr>
<tr>
<td>Bautista, Michael</td>
<td>8/14/14</td>
<td>Teacher—Gunn</td>
</tr>
<tr>
<td>Bresnan, Alice</td>
<td>8/14/14</td>
<td>Teacher—Hoover</td>
</tr>
<tr>
<td>Chen, Elsa</td>
<td>8/14/14</td>
<td>Teacher—Hoover</td>
</tr>
<tr>
<td>Cleland, Heather</td>
<td>8/14/14</td>
<td>Teacher—Fairmeadow</td>
</tr>
<tr>
<td>Colchen, Bruno</td>
<td>8/14/14</td>
<td>Teacher—El Carmelo</td>
</tr>
<tr>
<td>Easton, Laura</td>
<td>8/14/14</td>
<td>Teacher—J. L. Stanford</td>
</tr>
<tr>
<td>Gómez, Sonia</td>
<td>8/14/14</td>
<td>Counselor—J. L. Stanford</td>
</tr>
<tr>
<td>Halter, Ethan</td>
<td>8/14/14</td>
<td>Teacher—Gunn</td>
</tr>
<tr>
<td>Hamilton, Caroline</td>
<td>8/14/14</td>
<td>Teacher—Hoover</td>
</tr>
<tr>
<td>Hora, Shaina</td>
<td>8/14/14</td>
<td>Teacher—Gunn</td>
</tr>
<tr>
<td>Jantzi, Kyle</td>
<td>8/14/14</td>
<td>Teacher—El Carmelo</td>
</tr>
<tr>
<td>Johanson, Derek</td>
<td>8/14/14</td>
<td>Counselor—Gunn</td>
</tr>
<tr>
<td>Jones, Deanna</td>
<td>8/14/14</td>
<td>Teacher—Terman</td>
</tr>
<tr>
<td>Junod, Michelle</td>
<td>8/14/14</td>
<td>Teacher/Special Education—J. L. Stanford</td>
</tr>
<tr>
<td>Ketchum, David</td>
<td>8/14/14</td>
<td>Teacher—Ohlone</td>
</tr>
<tr>
<td>Kitada, Terence</td>
<td>8/14/14</td>
<td>Teacher—Gunn</td>
</tr>
<tr>
<td>Kraska, Ellen</td>
<td>8/14/14</td>
<td>Teacher on Special Assignment—Educational Services</td>
</tr>
<tr>
<td>Laughlin, Eileen</td>
<td>8/14/14</td>
<td>Teacher—El Carmelo</td>
</tr>
<tr>
<td>Lew, Angie</td>
<td>8/14/14</td>
<td>Teacher on Special Assignment—Educational Services</td>
</tr>
<tr>
<td>Michael, Challis</td>
<td>8/14/14</td>
<td>Counselor—Gunn</td>
</tr>
<tr>
<td>Michaelis, Molly</td>
<td>8/14/14</td>
<td>Counselor—Gunn</td>
</tr>
<tr>
<td>Mitchell, Lee</td>
<td>8/14/14</td>
<td>Teacher—Addison</td>
</tr>
<tr>
<td>Natarajan, Sindhu</td>
<td>8/14/14</td>
<td>Teacher—Fairmeadow</td>
</tr>
<tr>
<td>Prehn, Michael</td>
<td>8/14/14</td>
<td>Resource Specialist/Special Education—Terman</td>
</tr>
<tr>
<td>Salley-Mistele, Deanna</td>
<td>8/14/14</td>
<td>Counselor—Gunn</td>
</tr>
<tr>
<td>Stone, Heather</td>
<td>8/14/14</td>
<td>Teacher—El Carmelo</td>
</tr>
<tr>
<td><strong>Probationary 0</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Griffin, Julie</td>
<td>8/14/14</td>
<td>Library Media Teacher—Briones</td>
</tr>
</tbody>
</table>

*NOTE: Probationary appointments are for a maximum of one year.*
### Probationary I
None

### Probationary II
None

<table>
<thead>
<tr>
<th>NAME</th>
<th>EFF. DATE</th>
<th>ASSIGNMENT</th>
<th>TIME</th>
<th>EXP.</th>
<th>DEGREE</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Administrative</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fanciulla, Jaime</td>
<td>8/7/14</td>
<td>Psychologist—Palo Alto</td>
<td>100%</td>
<td>10</td>
<td>MS</td>
<td>N</td>
</tr>
<tr>
<td>Minter, Julie</td>
<td>8/7/14</td>
<td>Psychologist—Student Services</td>
<td>100%</td>
<td>10</td>
<td>MS</td>
<td>N</td>
</tr>
</tbody>
</table>

### Other
None

### II. LEAVES

<table>
<thead>
<tr>
<th>NAME</th>
<th>POSITION</th>
<th>DURATION</th>
<th>TYPE</th>
<th>REASON</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reed, Selena</td>
<td>Teacher—J. L. Stanford</td>
<td>8/14/14 – 6/5/15</td>
<td>Straight</td>
<td>Another Position</td>
</tr>
<tr>
<td>Salmon, Judith</td>
<td>Teacher—Terman</td>
<td>8/14/14 – 6/5/15</td>
<td>Straight</td>
<td>Personal</td>
</tr>
<tr>
<td>Soong, Stacey</td>
<td>Teacher—J. L. Stanford</td>
<td>8/14/14 – 6/5/15</td>
<td>Straight</td>
<td>Personal</td>
</tr>
</tbody>
</table>

### III. RESIGNATIONS ACCEPTED

<table>
<thead>
<tr>
<th>NAME</th>
<th>EFF. DATE</th>
<th>ASSIGNMENT</th>
<th>REASON</th>
<th>YRS. OF SERVICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jacobs, Terry</td>
<td>5/30/14</td>
<td>Resource Specialist/Special Education—Gunn</td>
<td>Retirement</td>
<td>13 Yrs.</td>
</tr>
<tr>
<td>Powers, Ronald</td>
<td>5/30/14</td>
<td>Teacher—Hays</td>
<td>Leaving Area</td>
<td>2 Yrs.</td>
</tr>
</tbody>
</table>

### IV. REDUCTION IN CONTRACT

None

### V. RELEASE OF TEMPORARY EMPLOYEES

None

### VI. RELEASE OF PROBATIONARY EMPLOYEES

None

### INFORMATION ITEMS:

#### I. CHANGE OF STATUS

<table>
<thead>
<tr>
<th>NAME</th>
<th>PRESENT STATUS</th>
<th>NEW STATUS</th>
<th>EFFECTIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lindner, Matthew</td>
<td>Teacher on Special Assignment/Educational Services—100%</td>
<td>Assistant Principal/Jordan—100%</td>
<td>7/1/14</td>
</tr>
</tbody>
</table>

### RECOMMENDATIONS:

The Administration recommends approval of Certificated Personnel Action Items as presented.
### I. APPOINTMENTS

<table>
<thead>
<tr>
<th>NAME</th>
<th>EFF. DATE</th>
<th>ASSIGNMENT</th>
<th>TIME</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regular</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Okuda, Lyndsey</td>
<td>4/21/14</td>
<td>Health Technician—Terman</td>
<td>6 Hrs./Day</td>
<td>N</td>
</tr>
<tr>
<td>Picazo, Ana Cecilia</td>
<td>4/21/14</td>
<td>Instructional Aide GE—Addison</td>
<td>1 Hr./Day</td>
<td>N</td>
</tr>
<tr>
<td><strong>Short-Term Assignments</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budelli, Robert</td>
<td>2/3/14 – 5/30/14</td>
<td>Non-credentialed Coach—Palo Alto</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Garcia, Danielle</td>
<td>2/3/14 – 5/30/14</td>
<td>Non-credentialed Coach—Palo Alto</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Khan, Taimur</td>
<td>2/3/14 – 5/30/14</td>
<td>Non-credentialed Coach—Palo Alto</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Laskey, William</td>
<td>2/3/14 – 5/30/14</td>
<td>Non-credentialed Coach—Palo Alto</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monts, Taylor</td>
<td>2/3/14 – 5/30/14</td>
<td>Non-credentialed Coach—Palo Alto</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roscoe, Lizabeth</td>
<td>2/3/14 – 5/30/14</td>
<td>Non-credentialed Coach—Palo Alto</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Hourly</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arinaga, Anthony</td>
<td>2/19/14</td>
<td>Workability—Career-Vocational Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bato, Normalyn</td>
<td>2/3/14</td>
<td>Substitute Food Services Assistant—Food Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brosnan, Thomas</td>
<td>2/10/14</td>
<td>Substitute Custodian—Maintenance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cain, Maria</td>
<td>1/9/14</td>
<td>Work Development Trainee—Career-Vocational Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Castro, Christine</td>
<td>3/17/14</td>
<td>Instructional Aide—Hays</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chatman, Gertrude</td>
<td>1/21/14</td>
<td>Substitute Food Services Assistant—Food Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clark, Barbara</td>
<td>2/6/14</td>
<td>Instructional Aide—Hays</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dondero, Simeon</td>
<td>3/19/14</td>
<td>Substitute Campus Supervisor—Various</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gaglione, Anthony</td>
<td>2/4/14</td>
<td>Student Attendant—Special Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gardiner, Taylor</td>
<td>3/3/14</td>
<td>Instructional Aide—Gunn</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jenkins, Camille</td>
<td>4/8/14</td>
<td>Proctor—Palo Alto</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kraft, Amanda</td>
<td>2/27/14</td>
<td>Student Attendant—Special Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kumar, Adit</td>
<td>2/7/14</td>
<td>Work Development Trainee—Career-Vocational Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kutlu, Aysen</td>
<td>1/15/14</td>
<td>Instructional Aide—Fairmeadow</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malone, Aidan</td>
<td>1/22/14</td>
<td>Work Development Trainee—Career-Vocational Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Park, HeeWon</td>
<td>3/14/14</td>
<td>Instructional Aide—Briones</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poon, Roger</td>
<td>4/8/14</td>
<td>Workability—Career-Vocational Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rivas-Beltran, Fabiola</td>
<td>2/25/14</td>
<td>Substitute Lunch Server-Record Keeper—Food Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russ-Navarro, Ryan</td>
<td>1/22/14</td>
<td>Work Development Trainee—Career-Vocational Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sanchez, Jose</td>
<td>3/7/14</td>
<td>Substitute Custodian—Maintenance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shiue, Linda</td>
<td>3/13/14</td>
<td>Instructor—Adult Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short, Marlon</td>
<td>1/29/14</td>
<td>Work Development Trainee—Career-Vocational Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sirkin, Dalia</td>
<td>12/11/13</td>
<td>Primary Language Tutor—Briones</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Treharne, Idyn</td>
<td>1/28/14</td>
<td>Work Development Trainee—Career-Vocational Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Varvayev, Ilya</td>
<td>4/7/14</td>
<td>Substitute Bus Driver—Transportation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Velasquez, Gerardo Jr.</td>
<td>3/15/14</td>
<td>WWP Crew Leader—Maintenance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Viller, Kiana</td>
<td>1/16/14</td>
<td>Work Development Trainee—Career-Vocational Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Viller, Sierra</td>
<td>1/16/14</td>
<td>Work Development Trainee—Career-Vocational Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Williams, Samantha</td>
<td>1/31/14</td>
<td>Work Development Trainee—Career-Vocational Education</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### II. LEAVES

<table>
<thead>
<tr>
<th>NAME</th>
<th>POSITION</th>
<th>DURATION</th>
<th>REASON</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## III. TERMINATIONS

<table>
<thead>
<tr>
<th>NAME</th>
<th>EFF. DATE</th>
<th>ASSIGNMENT</th>
<th>REASON</th>
<th>YRS. OF SERVICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cooper, Mari</td>
<td>5/29/14</td>
<td>Instructional Aide/ Special Education—Terman</td>
<td>Retirement</td>
<td>26 Yrs., 5 Mos.</td>
</tr>
<tr>
<td>Nguyen, Nha Trang</td>
<td>5/29/14</td>
<td>Instructional Aide GE—Nixon</td>
<td>To Study</td>
<td>9 Mos.</td>
</tr>
<tr>
<td>Sagayaga, Federico</td>
<td>7/7/14</td>
<td>Custodian I—Terman</td>
<td>Retirement</td>
<td>9 Yrs., 6 Mos.</td>
</tr>
</tbody>
</table>

**RECOMMENDATIONS:**

The Administration recommends approval of Classified Personnel Action Items as presented.

**INFORMATION ITEMS:**

### I. CHANGE OF STATUS

<table>
<thead>
<tr>
<th>NAME</th>
<th>EFF. DATE</th>
<th>STATUS</th>
<th>ASSIGNMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hymes, Norma</td>
<td>8/15/13</td>
<td>From: Instructional Aide GE—Jordan—4.8 Hrs./Day</td>
<td>Campus Supervisor-Secondary/Jordan—4.8 Hrs./Day</td>
</tr>
<tr>
<td></td>
<td></td>
<td>To: Outreach Specialist/Jordan—7 Hrs./Day</td>
<td>Campus Supervisor-Secondary/Jordan—1 Hr./Day</td>
</tr>
<tr>
<td>Nelson, Zachary</td>
<td>4/28/14</td>
<td>From: Student Attendant/ Special Education/Jordan—6 Hrs./Day</td>
<td>Student Attendant/ Special Education/Jordan—4.5 Hrs./Day</td>
</tr>
<tr>
<td>Plumb, Sierra</td>
<td>4/21/14</td>
<td>From: Secretary II/Student Services—4 Hrs./Day</td>
<td>Secretary II/Student Services—6 Hrs./Day</td>
</tr>
</tbody>
</table>
This report has been partially rewritten from what was presented at the March 25 and April 22, 2014 meetings.

STRATEGIC PLAN INITIATIVE
Governance and Communication

RECOMMENDATION
The Board of Education discussed Board Policy (BP) and Administrative Regulation (AR) updates at the March 25 and April 22, 2014, regular meetings.

BACKGROUND
The Board of Education adopted a set of new policies from the California School Boards Association (CSBA) in January 2010. Since that time, updated policies are presented several times per year to comply with changes in legislation.

The attached materials include BPs and/or ARs updated by CSBA in December 2013 and February 2014. They are presented without review remarks (clean). Review was completed by the 2014 Board Policy Review Committee (BPRC) which includes Camille Townsend, Heidi Emberling, Kevin Skelly, and Kathleen Ruegsegger, after first being examined by appropriate staff members for recommendations (staff member indicated by each policy).

RECOMMENDED POLICIES AND REGULATIONS

BP 0410 – Nondiscrimination in District Programs and Activities
Kevin Skelly – BP ADOPTION RECOMMENDED
Note: Staff is also reviewing of BP 4030 – Nondiscrimination in Employment.
MANDATED policy updated to generally reflect NEW LAW (AB 1266) which requires districts to permit a student to participate in sex-segregated school programs and activities, including athletic teams and competitions, and to use facilities consistent with the student's gender identity, regardless of his/her gender as listed on his/her educational records. Policy also references NEW LAW (AB 556) which prohibits employers from discriminating against employees and job applicants based on their military or veteran status.
BP 2210 – Administrative Discretion Regarding Board Policy
Kevin Skelly – BP ADOPTION RECOMMENDED
(BP revised) Policy updated to delete section on "Tier 3 Categorical Flexibility" since NEW LAW (AB 97) repealed law granting flexibility in the use of Tier 3 categorical program funding and redirected that funding into the local control funding formula (LCFF). Policy also adds consultation with legal counsel, the chief business official, or other district staff as necessary regarding the exercise of the superintendent's authority to act on behalf of the district.

BP and AR 3551 – Food Service Operations/Cafeteria Fund
Cathy Mak – BP ADOPTION RECOMMENDED; AR CHANGES RECOMMENDED.
(BP/AR revised) Policy updated to (1) clarify requirement for districts participating in the National School Lunch and/or Breakfast Program to ensure that appropriate personnel receive annual training on administrative practices, (2) reflect the U.S. Department of Agriculture's guidance on indirect costs, and (3) add new section on "Program Monitoring and Evaluation" reflecting new state Administrative Review process.

Regulation updated to (1) provide for use of an alternative tracking system when a student reports an excessive number of lost or stolen meal tickets, (2) add measures to prevent potential identity theft in food services accounts, (3) reflect NEW LAW (AB 86) which repealed law authorizing the establishment of a cafeteria equipment reserve fund, and (4) add material on indirect costs and on limitations for net cash resources in the nonprofit school food service.

AR 3554 – Other Food Sales
Cathy Mak – AR CHANGES RECOMMENDED
(AR revised) MANDATED regulation updated to reflect NEW LAW (AB 626) addressing the circumstances under which foods and beverages that do not comply with state nutrition standards may be sold outside of the district's food services program. Regulation also reflects NEW FEDERAL REGULATIONS (78 Fed. Reg. 125) applicable to districts participating in the National School Lunch and/or Breakfast Program which, effective July 1, 2014, require all foods sold on campus at any time of the school day to comply with applicable nutrition standards.

BP and AR 4131 – Staff Development
Charles Young – BP ADOPTION RECOMMENDED; BPRC RECOMMENDS KEEPING AR DELETED BY CSBA
(BP revised; AR deleted) Policy updated to reflect the self-repeal of the Math and Reading Professional Development program and to reflect NEW LAW (AB 97) which redirects funding for the Professional Development Block Grant into the LCFF. Goals for staff development expanded to include ability to meet the needs of foster youth.

Regulation deleted since the Math and Reading Professional Development program was self-repealed.
BP and AR 4231 – Staff Development
Charles Young - BP ADOPTION RECOMMENDED; BPRC RECOMMENDS KEEPING AR DELETED BY CSBA
(BP revised; AR deleted) Policy updated to reflect NEW LAW (SB 590) which (1) requires any district that expends funds for staff development for any school site staff to consider the staff development needs of its classified school employees and (2) lists topics that may be included in staff development for classified staff. Policy also adds optional paragraph re: staff development for classroom instructional aides and reflects NEW LAW (AB 97) which redirects funding for the Professional Development Block Grant into the LCFF.

Unnecessary regulation deleted.

BP and AR 4331 – Staff Development
Charles Young - BP ADOPTION RECOMMENDED; BPRC RECOMMENDS KEEPING AR DELETED BY CSBA
(BP revised; AR deleted) Policy updated to reflect the self-repeal of the Administrator Training Program and the redirection of that funding into the LCFF pursuant to NEW LAW (AB 97). Policy also adds topics for staff development for district and school administrators.

Regulation deleted since the Administrator Training Program self-repealed; key concepts moved to BP.

BP and AR 5123 – Promotion/Acceleration/Retention
Charles Young – BP ADOPTION RECOMMENDED. AR CHANGES RECOMMENDED.
(BP/AR revised) MANDATED policy updated to reflect mandate that the policy provide for students to be identified for retention as early in the school year, and as early in their school careers, as possible. Policy reflects NEW LAW (AB 484) which establishes a new state assessment system, impacting the indicators that may be used to identify a student for retention. Policy also reflects NEW LAW (AB 97) which redirects into the LCFF funding for supplemental instruction for students in grades 2-9 who have been retained or recommended for retention (without eliminating the district's responsibility to provide supplemental instruction for such students) and for students in grades 2-6 who have been identified as being at risk of retention. Policy contains material formerly in AR re: grade levels at which students will be identified for retention, subjects that will be used as the basis for identifying students for retention, responsibility for retention decision when the student has more than one teacher, and requirement for an appeals process.

MANDATED regulation updated to reflect California Department of Education (CDE) recommendation re: the timing of approving a student's continuation in kindergarten for an additional year and to clarify the process for parent/guardian appeal of a teacher's decision to promote or retain a student.
BP and AR 5141.21 – Administering Medication and Monitoring Health Conditions
Charles Young – BP ADOPTION RECOMMENDED. AR CHANGES RECOMMENDED.
(BP/AR revised) Policy updated to reflect NEW COURT DECISION which held that state law
permits trained, nonmedical school personnel to administer insulin to students in school in
accordance with a written health care provider statement and parental consent. Policy also
updated to reflect Title 5 regulations related to the administration of emergency antiseizure
medication.

Regulation updated to reflect Title 5 regulations related to the administration of emergency
antiseizure medication, including requirement for school employees who volunteer to administer
medication to be supervised by a licensed health care professional.

BP and AR 5146 – Married/Pregnant/Parenting Students
Charles Young – BP ADOPTION RECOMMENDED. BPRC RECOMMENDS KEEPING AR
DELETED BY CSBA.
(BP revised; AR deleted) Policy updated to reflect NEW LAW (AB 97) which redirects funding for
the California School Age Families Education (Cal-SAFE) program into the LCFF and thereby
eliminates the mandate for program participants to adopt related policy. Material related to
pregnancy prevention also deleted since the issue is appropriately addressed in other policies. In
addition, policy revised to (1) require the use of uniform complaint procedures for complaints
regarding discrimination on the basis of a student's marital, pregnancy, or parental status; (2) add
material on program evaluation; (3) reflect NEW U.S. DEPARTMENT OF EDUCATION
GUIDANCE re: reasonable accommodations to enable pregnant and parenting students to access
the educational program; and (4) reflect federal regulations addressing the circumstances under
which a student may be required to obtain medical certification in order to participate in a program
or activity.

Regulation deleted since funding for the Cal-SAFE program was redirected into the LCFF pursuant
to NEW LAW (AB 97).

BP 6142.6 – Visual and Performing Arts Education
Charles Young – BP ADOPTION RECOMMENDED
Policy updated to delete program requirements related to Arts and Music Block Grants since NEW
LAW (AB 97) redirects funding for these grants into the LCFF. Revised policy also reflects law
which allows the district to select non-SBE-approved instructional materials for grades K-8
provided the materials are aligned to state standards and selected through a process involving a
majority of teachers.
BP and AR 6142.91 – Reading/Language Arts Instruction
Charles Young – BP REWRITTEN; ADOPTION RECOMMENDED. AR DELETION RECOMMENDED (see page 8).
(BP revised; AR deleted) Policy updated to align the district’s reading/language arts program with Common Core State Standards for English language arts. In addition, material related to the Professional Development Block Grant, the Math and Reading Professional Development Block Grant, and the intensive reading program for grades K-4 funded through the Pupil Retention Block Grant deleted since NEW LAW (AB 97) redirects funding for those programs into the LCFF.

AR 6145.2 – Athletic Competition
Kevin Skelly – AR CHANGES RECOMMENDED
Regulation updated to reflect NEW LAW (AB 1266) which requires districts to permit a student to participate in sex-segregated school programs and activities, including athletic teams and competitions, and to use facilities consistent with the student's gender identity, regardless of his/her gender as listed on his/her educational records. Regulation also reflects updated California Interscholastic Federation (CIF) bylaws which allow students to participate in interscholastic athletic programs consistent with their gender identity and CIF procedures for addressing student complaints regarding gender identity-based participation in interscholastic sports.

BP and AR 6162.51 – State Academic Achievement Tests
Charles Young – BP REWRITTEN; ADOPTION RECOMMENDED. AR CHANGES RECOMMENDED.
(BP/AR revised) Retitled policy updated to reflect NEW LAW (AB 484) which establishes a new state assessment system, designated by the CDE as the California Assessment of Student Performance and Progress (CAASPP), beginning in the 2013-14 school year. Policy also reflects NEW LAW (SB 247) which requires the CDE to identify existing tests that may be used by classroom teachers for diagnostic purposes in grade 2. Policy reflects NEW LAW (AB 97) which repealed law that encouraged boards to examine state assessment results by school, grade, and student subgroup during their annual discussion of each school's Academic Performance Index, but which still requires demonstration of comparable improvement in academic achievement by numerically significant student subgroups.

Retitled regulation updated to reflect the tests that are included in the CAASPP state assessment system established by NEW LAW (AB 484), including, but not limited to, 2013-14 field tests of the Smarter Balanced Assessment Consortium tests in English language arts and mathematics. Regulation also reflects the SBE's authorization to use the Standards-Based Test in Spanish (STS) to assess students in a dual language immersion program. Details of allowable testing variations deleted pending the adoption of revised Title 5 regulations, but reference added to related guidelines from Smarter Balanced Assessment Consortium.
BP and AR 6164.2 – Guidance/Counseling Services
Charles Young – BP ADOPTION RECOMMENDED; AR DELETION RECOMMENDED (see page 9).
MANDATED policy updated to reflect NEW LAW (AB 97) which redirects funding into the LCFF for the Supplemental School Counseling Program for grades 7-12 and for the 10th-grade counseling program formerly funded through the Pupil Retention Block Grant. Policy also expands material on (1) the qualifications of employees providing school counseling, school psychology, and/or school social work services; (2) mental health counseling; and (3) the teacher-based advisory program. Regulation deleted since funding for the Supplemental School Counseling Program was redirected into the LCFF pursuant to NEW LAW (AB 97). Some material moved from AR to BP.

BP and AR 6173.1 – Education for Foster Youth
Charles Young – BP ADOPTION RECOMMENDED. AR CHANGES RECOMMENDED.
Policy updated to reflect NEW LAW (AB 97 and SB 97) which provides grants within the LCFF based on the number and concentration of unduplicated counts of foster youth, English learners, and low-income students and requires the district's local control and accountability plan (LCAP) to include annual goals for all students and each "numerically significant" student subgroup including foster youth.

Regulation updated to reflect NEW LAW (AB 97) which defines "foster youth" and requires districts to monitor the educational progress of foster youth. Regulation also reflects NEW LAW (AB 216) which requires districts to exempt from any district-adopted graduation requirements a foster youth who transfers into the district or between district high schools after completing the second year of high school, except under specified circumstances. Section on "Transfer of Coursework and Credits" updated to reflect California Child Welfare Council recommendations regarding the calculation of partial credits.

BP and AR 6176 – Weekend/Saturday Classes
Charles Young – BP ADOPTION RECOMMENDED. AR DELETION RECOMMENDED (see page 9).
Updated policy reflects NEW LAW (AB 97) which redirects funding that could be used for Saturday programs, including supplemental instruction programs and intensive reading and algebra programs funded through the Pupil Retention Block Grant, into the LCFF. Policy also adds material re: assignment of teachers to weekend classes and provision of meals during Saturday session.

BP 6177 – Summer Learning Programs
Charles Young – BP ADOPTION RECOMMENDED
Updated policy reflects NEW LAW (AB 97) which redirects funding that could be used for summer school, including supplemental instruction programs and intensive reading and algebra programs funded through the Pupil Retention Block Grant, into the LCFF. Revised policy also provides for alignment of summer programs with goals in the district's LCAP.
See BP 6177
BP and AR 6179 – Supplemental Instruction
Charles Young – BP ADOPTION RECOMMENDED. AR DELETION RECOMMENDED (see page 9).
MANDATED policy updated to reflect NEW LAW (AB 97) which redirects funding for supplemental instruction programs into the LCFF. Policy also clarifies which programs are still required by law and which are discretionary, and reflects NEW LAW (AB 484) which establishes a new state assessment system, thereby affecting the criteria that may be used to determine student eligibility for supplemental instruction based on lack of sufficient progress toward passing the high school exit exam.

BP and AR 7214 – General Obligation Bonds
Robert Golton – BP ADOPTION RECOMMENDED. AR CHANGES RECOMMENDED.
Policy updated to reflect NEW LAW (AB 182) which requires greater transparency for the use of capital appreciation bonds and other bonds that allow for compounding of interest. Policy also reflects NEW LAW (SB 581) which requires that performance and financial audits be submitted to the citizens' oversight committee at the same time they are submitted to the district and requires the board to respond to all findings, recommendations, and concerns within three months of receiving the audits.

Regulation updated to delete requirement for certain reports repealed pursuant to NEW LAW (AB 97).

POLICIES AND REGULATIONS NOT RECOMMENDED OR DELETED
(not included in packet)

BP 0420.43 – Charter School Revocation
Kevin Skelly – OPTIONAL; NOT RECOMMENDED
(BP revised) Policy updated to reflect NEW LAW (AB 97) which requires a board to consider revocation of a charter whenever the California Collaborative for Educational Excellence advises and assists the charter school and subsequently makes specified findings to the board. Policy also reflects provision of AB 97 authorizing the State Board of Education (SBE), even if it is not the chartering authority, to revoke the charter of any charter school if it finds that the school failed to improve student outcomes across multiple state and school priorities identified in the charter. Policy reflects NEW COURT DECISION confirming that the revocation process prescribed in the Education Code provides a charter school with sufficient due process.

BP 3311 – Deferred Maintenance Funds
Kevin Skelly – DELETE AS RECOMMENDED BY CSBA
(BP deleted) Policy deleted since NEW LAW (AB 97) repealed sections of law containing requirements pertaining to deferred maintenance categorical funds. Pursuant to AB 97, such funds have been redirected into the LCFF and the board has exclusive authority over the use of the funds.
BP 4111 / 4211 / 4311 – Recruitment and Selection
Scott Bowers – OPTIONAL; NOT RECOMMENDED
(BP revised) Policy updated to delete material reflecting requirements for recruitment incentives under the Professional Development Block Grant, as the funding for that block grant has been redirected into the LCFF pursuant to NEW LAW (AB 97). New optional material authorizes the superintendent, with board approval, to provide incentives to recruit teachers, administrators, or other employees to work in low-performing schools or in hard-to-fill positions.

AR 5148.1 – Child Care Services for Parenting Students
Kevin Skelly – AR DELETED BY CSBA; PAUSD does not have this AR.
(AR deleted) Regulation deleted since NEW LAW (AB 97) redirects funding for the Cal-SAFE program into the LCFF. Child care for parenting students also may be addressed in BP 5146 - Married/Pregnant/Parenting Students and BP/AR 5148 - Child Care and Development.

AR 6142.91 – Reading/Language Arts Instruction
Charles Young – AR DELETED BY CSBA; PAUSD does not have this regulation
Regulation deleted since NEW LAW (AB 97) redirects Pupil Retention Block Grant funding for the grade K-4 intensive reading program into the LCFF, and the federal Reading First program is no longer funded.

BP 6146.1 – High School Graduation Requirements
Charles Young – NO CHANGES REQUIRED TO CURRENT POLICY
(BP revised) Policy updated to reflect NEW LAW (AB 216) which requires districts to exempt from any district-adopted graduation requirements a foster youth who transfers into the district or between district high schools after completing his/her second year of high school, unless the district finds that the youth is reasonably able to complete the requirements in time to graduate by the end of his/her fourth year of high school. Policy also reflects NEW LAW (AB 97) which redirects into the LCFF funding for supplemental instruction for students who do not demonstrate "sufficient progress" toward passing the high school exit examination (without eliminating the district's responsibility to provide supplemental instruction for such students) and funding for intensive intervention and services for students who have not passed one or both parts of the exit exam by the end of grade 12.

AR 6159.4 – Behavioral Interventions for Special Education Students
Charles Young – OPTIONAL; NOT RECOMMENDED; Covered by SELPA
(AR revised) Regulation updated to reflect NEW LAW (AB 86) which, in effect, repeals specified state regulations pertaining to behavioral interventions for special education students, deletes the requirement for a "behavioral intervention plan" when a student with a disability exhibits a "serious behavioral problem" that significantly interferes with the implementation of the goals and objectives of his/her individualized education program, and instead requires the district to address any student behavior that impedes the student's own learning or the learning of other students.
AR 6164.2 – Guidance/Counseling Services
AR DELETED.
Regulation deleted since funding for the Supplemental School Counseling Program was redirected into the LCFF pursuant to NEW LAW (AB 97). Some material moved from AR to BP.

AR 6176 – Weekend/Saturday Classes
AR DELETED.
Regulation deleted and concepts moved to BP.

AR 6179 – Supplemental Instruction
AR DELETED.
Regulation deleted since funding for supplemental instruction programs was redirected into the LCFF pursuant to NEW LAW (AB 97). Some concepts moved from AR to BP.

POLICIES AND RECOMMENDATIONS POSTPONED
(not included in packet)

BP 4030 – Nondiscrimination in Employment
Staff has been asked to review this policy by the BPRC based on changes to BP 0410 – Nondiscrimination in District Programs and Activities. If updates are required, the policy will be brought to the Board Policy Review Committee (BPRC) at a meeting planned for May 13, 2014. Pending that review, it will be presented for a first read to the Board of Education on May 20, 2014.

BP 4119.21 – Professional Standards
Kevin Skelly
This policy has been under review. Updates will be brought to the Board Policy Review Committee (BPRC) at a meeting planned for May 13, 2014. Pending that review, it will be presented for a first read to the Board of Education on May 20, 2014.

BP and AR 5131.2 – Bullying Prevention
This new BP and AR have been under review by staff, the community, and legal counsel. The latest iteration will be brought to the Board Policy Review Committee (BPRC) at a meeting planned for May 13, 2014. Pending that review, it will be presented for a first read to the Board of Education on May 20, 2014.
AR 5145.3 – Nondiscrimination/Harassment
Kevin Skelly – Legal Counsel has recommended further review of this AR.
New MANDATED regulation contains material formerly in BP regarding the designation of a district Coordinator for Nondiscrimination, provision of training and information about the district’s nondiscrimination policy, and grievance procedures. Regulation also includes best practices recommended for addressing the unique circumstances and considerations that may arise when a student asserts a different gender from his/her gender at birth, consistent with NEW LAW (AB 1266). Regardless of whether a referendum qualifies for the ballot to attempt to overturn this law, this material may be used to meet the district’s responsibility to ensure nondiscrimination based on gender identity. Updates will be brought to the Board Policy Review Committee (BPRC) at a meeting planned for May 13, 2014. Pending that review, it will be presented for a first read to the Board of Education on May 20, 2014.

BP and AR 5144 - Discipline
Kevin Skelly – POLICY CHANGES RECOMMENDED.
Review of BP and AR for compliance with CCR found a CSBA update from November 2012. “5 CCR §352. Detention during recess or noon intermission. A pupil shall not be required to remain in school during the intermission at noon, or during any recess.”
In amending Education Code 48900 through AB 1729 (Ch. 425, Statutes of 2012), the legislature declared that the public policy guiding the development of discipline policies for California schools should be for the creation of a safe, positive, supportive, and equitable school environment which enables students to learn rather than unnecessary exclusion of students from instruction and other school activities. As amended, Education Code 48900 authorizes the use of age-appropriate alternatives to suspension and expulsion of students. In addition, Education Code 48900.5, as amended by AB 1729, provides alternative methods of discipline that should be considered before suspension is imposed. Such alternative methods include conferences with the student and his/her parents/guardians, use of study teams, and participation in restorative justice programs. Education Code 48900.5 also authorizes a district to document in a student’s records other means of correction that may have been used to address the student's behavior.

BB9250 – Remuneration, Reimbursement, and Other Benefits
BPRC has recommended the inclusion of health benefits for Board members.
Bylaw updated to delete material requiring the district to establish a minimum percentage of the Board meeting that must be attended in order for a Board member to receive compensation, add statement clarifying that student Board members do not receive compensation, and reflect legal requirement to announce any additional compensation received whenever a quorum of Board members serves as another legislative body which will meet simultaneously or in serial order to a Board meeting. Section on "Reimbursement of Expenses" revised to give examples of authorized travel and to prohibit use of district credit card for personal expenses even if the Board member intends to reimburse the district. Material on health and welfare benefits updated to (1) reflect current law which provides that the age at which a person ceases to be a dependent child is age 26 years or higher as specified in the health plan and (2) clarify the circumstances under which the district may offer health and welfare benefits to former Board members. This Board Bylaw was discussed at the April 22, 2014, regular Board meeting. Action on this Bylaw has been postponed to the May 20, 2014, regular meeting.
BOARD POLICY
Philosophy, Goals, Objectives, and Comprehensive Plans

NONDISCRIMINATION IN DISTRICT PROGRAMS AND ACTIVITIES  BP 0410

The Board of Education is committed to equal opportunity for all individuals in education. District programs, activities, and practices shall be free from discrimination based on gender, sex, race, color, religion, ancestry, national origin, ethnic group identification, age, marital or parental status, physical or mental disability, sexual orientation, gender identity or expression, or genetic information, the perception of one or more of such characteristics; or association with a person or group with one or more of these actual or perceived characteristics.

(cf. 4030 - Nondiscrimination in Employment)
(cf. 4032 - Reasonable Accommodation)
(cf. 4119.11/4219.11/4319.11 - Sexual Harassment)
(cf. 5145.3 - Nondiscrimination/Harassment)
(cf. 5145.7 - Sexual Harassment)
(cf. 5146 - Married/Pregnant/Parenting Students)
(cf. 6145.2 - Athletic Competition)
(cf. 6164.4 - Identification and Evaluation of Individuals for Special Education)
(cf. 6164.6 - Identification and Education Under Section 504)
(cf. 6178 - Career Technical Education)
(cf. 6200 - Adult Education)

Annually, the Superintendent or designee shall review district programs and activities to ensure the removal of any barrier that may unlawfully prevent an individual or group in any of the protected categories stated above from accessing district programs and activities, including the use of facilities. S/he shall take prompt, reasonable actions to remove any identified barrier. The Superintendent or designee shall report his/her findings and recommendations to the Board after each review.

Notification
Pursuant to 34 CFR 104.8 and 34 CFR 106.9, the Superintendent or designee shall notify students, parents/guardians, employees, employee organizations, applicants for admission and employment, and sources of referral for applicants about the district's policy on nondiscrimination and related complaint procedures. Such notification shall be included in each announcement, bulletin, catalog, handbook, application form, or other materials distributed to these groups.

(cf. 1312.3 – Uniform Complaint Procedures)
(cf. 4031 – Complaints Concerning Discrimination in Employment)
(cf. 4112.9/4212.9/4312.9 – Employee Notifications)
(cf. 5145.6 – Parental Notifications)

The district's nondiscrimination policy and related informational materials shall be published in a format that parents/guardians can understand. In addition, when 15 percent or more of a school’s students speak a single primary language other than English, those materials shall be translated into that other language.
Nondiscrimination in District Programs and Activities

Access for Individuals with Disabilities
District programs and facilities, viewed in their entirety, shall be in compliance with the Americans with Disabilities Act (ADA) and any implementing standards and/or regulations.

The Superintendent or designee shall ensure that the district provides auxiliary aids and services when necessary to afford individuals with disabilities equal opportunity to participate in or enjoy the benefits of a service, program or activity. These aids and services may include, but are not limited to, qualified interpreters or readers, assistive listening devices, note takers, written materials, taped text, and Braille or large print materials.

(cf. 6020 - Parent Involvement)

Individuals with disabilities shall notify the Superintendent or principal if they have a disability that requires special assistance or services. Reasonable notification should be given prior to the school-sponsored function, program, or meeting.

(cf. 9320 - Meetings and Notices)
(cf. 9322 - Agenda/Meeting Materials)

Legal Reference:
EDUCATION CODE
200-262.4 Prohibition of discrimination
48985 Notices to parents in language other than English
51007 Legislative intent: state policy
GOVERNMENT CODE
11000 Definitions
11135 Nondiscrimination in programs or activities funded by state
11138 Rules and regulations
12900-12996 Fair Employment and Housing Act
54953.2 Brown Act compliance with Americans with Disabilities Act
PENAL CODE
422.55 Definition of hate crime
422.6 Interference with constitutional right or privilege
CODE OF REGULATIONS, TITLE 5
4600-4687 Uniform complaint procedures
4900-4965 Nondiscrimination in elementary and secondary education programs
UNITED STATES CODE, TITLE 20
1400-1482 Individuals with Disabilities in Education Act
1681-1688 Discrimination based on sex or blindness, Title IX
2301-2415 Carl D. Perkins Vocational and Applied Technology Act
6311 State plans
6312 Local education agency plans
UNITED STATES CODE, TITLE 29
794 Section 504 of the Rehabilitation Act of 1973
UNITED STATES CODE, TITLE 42
2000d-2000d-7 Title VI, Civil Rights Act of 1964
2000e-2000e-17 Title VII, Civil Rights Act of 1964 as amended
2000h-2000h-6 Title IX
12101-12213 Americans with Disabilities Act
Nondiscrimination in District Programs and Activities

CODE OF FEDERAL REGULATIONS, TITLE 28
35.101-35.190 Americans with Disabilities Act
36.303 Auxiliary aids and services

CODE OF FEDERAL REGULATIONS, TITLE 34
100.1-100.13 Nondiscrimination in federal programs, effectuating Title VI
104.1-104.39 Section 504 of the Rehabilitation Act of 1973
106.1-106.61 Discrimination on the basis of sex, effectuating Title IX, especially:
106.9 Dissemination of policy

Management Resources:
CSBA PUBLICATIONS
Providing a Safe, Nondiscriminatory School Environment for Transgender and Gender-Nonconforming Students, Policy Brief, February 2014
Interim Guidance Regarding Transgender Students, Privacy, and Facilities, September 27, 2013
Safe Schools: Strategies for Governing Boards to Ensure Student Success, 2011

U.S. DEPARTMENT OF EDUCATION, OFFICE FOR CIVIL RIGHTS PUBLICATIONS
Notice of Non-Discrimination, January 1999
Protecting Students from Harassment and Hate Crime, January 1999

U.S. DEPARTMENT OF JUSTICE PUBLICATIONS
2010 ADA Standards for Accessible Design, September 2010
WEB SITES
CSBA: http://www.csba.org
California Department of Education: http://www.cde.ca.gov
Safe Schools Coalition: http://www.safeschoolscoalition.org
Pacific ADA Center: http://www.adapacific.org
U.S. Department of Education, Office for Civil Rights: http://www.ed.gov/about/offices/list/ocr
U.S. Department of Justice, Civil Rights Division, Americans with Disabilities Act: http://www.ada.gov

Policy
adopted: 01.12.10, 10.09.12, &
ADMINISTRATIVE DISCRETION REGARDING BOARD POLICY

The Board of Education desires to be proactive in communicating its philosophy, priorities, and expectations for the district; clarifying the roles and responsibilities of the Board, Superintendent, and other senior administrators; and setting direction for the district through written policies. However, the Board recognizes that, in the course of operating district schools or implementing district programs, situations may arise which may not be addressed in written policies.

(cf. 0000 - Vision)
(cf. 0100 - Philosophy)
(cf. 0200 - Goals for the School District)
(cf. 0460 - Local Control and Accountability Plan)
(cf. 2110 - Superintendent Responsibilities and Duties)
(cf. 9000 - Role of the Board)
(cf. 9310 - Board Policies)

In any situation in which immediate action is needed to avoid any risk to the safety or security of district students, staff, or property or disruption to student learning, the Superintendent or designee shall have the authority to act on behalf of the district.

As necessary, the Superintendent or designee shall consult with other district staff, including the legal counsel and/or the chief business official, regarding the exercise of this authority.

(cf. 0450 - Comprehensive Safety Plan)
(cf. 3516.5 - Emergency Schedules)

The Superintendent or designee shall notify the Board as soon as practicable after he/she exercises this authority. The Board president and the Superintendent shall schedule a review of the action at the next regular Board meeting. If the action indicates the need for additions or revisions to Board policies, the Superintendent or designee shall make the necessary recommendations to the Board.

(cf. 9320 - Meetings and Notices)
(cf. 9322 - Agenda/Meeting Materials)
ADMINISTRATIVE DISCRETION REGARDING BOARD POLICY

Legal Reference:
EDUCATION CODE
35010  Control of district, prescription and enforcement of rules
35035  Powers and duties of superintendent
35160  Authority of governing boards
35161 Powers and duties; authority to delegate
35163  Official actions, minutes and journal

Management Resources:
CSBA PUBLICATIONS
Impact of Local Control Funding Formula on Board Policies, Policy Brief, November 2013
WEB SITES
CSBA: http://www.csba.org
California Department of Education: http://www.cde.ca.gov

Policy adopted: 01.12.10, 09.28.10, &

PALO ALTO UNIFIED SCHOOL DISTRICT
Palo Alto, California
BOARD POLICY
Business and Noninstructional Operations

FOOD SERVICE OPERATIONS/CAFETERIA FUND

The Board of Education intends that school food services shall be a self-supporting, nonprofit program. To ensure program quality and increase cost effectiveness, the Superintendent or designee shall centralize and direct the purchasing of foods and supplies, the planning of menus, and the auditing of all food service accounts for the district.

(cf. 3100 - Budget)
(cf. 3300 - Expenditures and Purchases)
(cf. 3311 - Bids)
(cf. 3550 - Food Service/Child Nutrition Program)
(cf. 3552 - Summer Meal Program)
(cf. 5030 - Student Wellness)

The Superintendent or designee shall ensure that all food service personnel possess appropriate qualifications and receive ongoing professional development related to the effective management and implementation of the district's food service program.

(cf. 4231 - Staff Development)
(cf. 4331 - Staff Development)

At least once each year, food service administrators, other appropriate personnel who conduct or oversee administrative procedures, and other food service personnel shall receive training provided by the California Department of Education (CDE). (42 USC 1776)

Meal Sales
Meals may be sold to students, district employees, Board members, and employees or members of the fund or association maintaining the cafeteria. (Education Code 38082)

Meal prices, as recommended by the Superintendent or designee and approved by the Board, shall be based on the costs of providing food services and consistent with Education Code 38084 and 42 USC 1760.

Students who are enrolled in the free or reduced-price meal program shall receive meals free of charge or at a reduced price in accordance with law, Board policy, and administrative regulation.

(cf. 3553 - Free and Reduced Price Meals)

Meals may be sold to nonstudents, including parents/guardians, volunteers, students' siblings, or other individuals, who are on campus for a legitimate purpose. Any meals served to nonstudents shall not be subsidized by federal or state reimbursements, food service revenues, or U.S. Department of Agriculture (USDA) foods.
Cafeteria Fund
The Superintendent or designee shall establish a cafeteria fund independent of the district's general fund.

The wages, salaries, and benefits of food service employees shall be paid from the cafeteria fund. (Education Code 38103)

The Superintendent or designee shall ensure that state and federal funds provided through school meal programs are allocated only for purposes related to the operation or improvement of food services and reasonable and necessary indirect program costs as allowed by law.
(cf. 3400 - Management of District Assets/Accounts)
(cf. 3460 - Financial Reports and Accountability)

Contracts with Outside Services/Providers
With Board approval, the district may enter into a contract for food service consulting services or management services in one or more district schools. (Education Code 45103.5; 42 USC 1758; 7 CFR 210.16)
(cf. 3312 - Contracts)
(cf. 3600 - Consultants)

Program Monitoring and Evaluation
The Superintendent or designee shall present to the Board, at least annually, financial reports regarding revenues and expenditures related to the food service program.

The Superintendent or designee shall provide all necessary documentation required for the Administrative Review conducted by the CDE to ensure compliance of the district's food service program with federal requirements related to maintenance of the nonprofit school food service account, paid lunch equity, revenue from nonprogram goods, indirect costs, and USDA foods.
(cf. 3555 - Nutrition Program Compliance)
Legal Reference:

EDUCATION CODE
38080-38086 Cafeteria, establishment and use
38090-38095 Cafeterias, funds and accounts
38100-38103 Cafeterias, allocation of charges
42646 Alternate payroll procedure
45103.5 Contracts for management consulting services; restrictions
49490-49493 School breakfast and lunch programs
49500-49505 School meals
49554 Contract for services

HEALTH AND SAFETY CODE
113700-114437 California Retail Food Code

CODE OF REGULATIONS, TITLE 5
15550-15565 School lunch and breakfast programs

UNITED STATES CODE, TITLE 42
1751-1769j School lunch programs
1771-1791 Child nutrition, including:
1773 School breakfast program

CODE OF FEDERAL REGULATIONS, TITLE 2
225 Cost Principles for State, Local, and Indian Tribal Governments

CODE OF FEDERAL REGULATIONS, TITLE 7
210.1-210.31 National School Lunch Program
220.1-220.21 National School Breakfast Program
250.1-250.70 USDA foods

Management Resources:

CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS
California School Accounting Manual
Food Distribution Program Administrative Manual
Cafeteria Funds--Allowable Uses, Management Bulletin NSD-SNP-07-2013, May 2013
Paid Lunch Equity Requirement, Management Bulletin USDA-SNP-16-2012, October 2012
Storage and Inventory Management of United States Department of Agriculture (USDA) Donated Foods, Management Bulletin USDA-FDP-02-2010, August 2010
Clarification for the Use of Alternate Meals in the National School Lunch and School Breakfast Programs; and the Handling of Unpaid Meal Charges, Management Bulletin USDA-SNP-01-2008, February 2008
Adult and Sibling Meals in the National School Lunch and School Breakfast Programs, Management Bulletin 00-111, July 2000

U.S. DEPARTMENT OF AGRICULTURE PUBLICATIONS
Financial Management of the School Meal Programs, Correspondence, August 30, 2013
Indirect Costs: Guidance for State Agencies and School Food Authorities, 2011

U.S. DEPARTMENT OF EDUCATION GUIDANCE
FAQs About School Meals
WEB SITES
California Department of Education, Nutrition Services Division: http://www.cde.ca.gov/ls/nu
California School Nutrition Association: http://www.calsna.org

Policy
adopted: 01.12.10 &

PALO ALTO UNIFIED SCHOOL DISTRICT
Palo Alto, California
Administrative Regulation
Business and Noninstructional Operations

FOOD SERVICE OPERATIONS/CAFETERIA FUND

Payments
With the exception of students who are eligible to receive meals at no cost, students may pay on a per-meal basis or may submit payments in advance. The Superintendent or designee shall maintain a system for accurately recording payments received and tracking meals provided to each student.
(cf. 3550 - Food Service/Child Nutrition Program)
(cf. 3552 - Summer Meal Program)
(cf. 3553 - Free and Reduced Price Meals)
(cf. 3555 - Nutrition Program Compliance)

At the beginning of the school year, parents/guardians shall be notified of the district's meal payment policies and encouraged to prepay for meals whenever possible.
(cf. 1113 - District and School Web Sites)

Students and their parents/guardians shall be notified whenever their account has a $16 balance. When a student's account has an unpaid balance of $20 or more, alternative reimbursable meals are provided until full payment is received.

In cases of repeated nonpayment by a student, the Superintendent or designee may contact parents/guardians to discuss the reasons for the nonpayment. The Superintendent or designee may evaluate individual circumstances to determine if the student's parents/guardians need assistance completing an application for free or reduced-price meals or need referral to social services.

In order to avoid potential misuse of a student's food service account by someone other than the student in whose name the account has been established, the Superintendent or designee shall verify a student's identity when setting up the account and when charging any meal to the account. The Superintendent or designee shall investigate any claim that a bill does not belong to a student or is inaccurate, shall not require a student to pay a bill that appears to be the result of identity theft, and shall open a new account with a new account number for a student who appears to be the subject of identity theft.
(cf. 1340 - Access to District Records)
(cf. 3580 - District Records)

Reimbursement Claims
The Superintendent or designee shall maintain records of the number of meals served each day by school site and by category of free, reduced-price, and full-price meals. The Superintendent or designee shall submit reimbursement claims for school meals to the California Department of Education (CDE) using the online Child Nutrition Information and Payment System.
Cafeteria Fund
All proceeds from food sales and other services offered by the cafeteria shall be deposited in the cafeteria fund as provided by law. The income and expenditures of any cafeteria revolving account established by the Board of Education shall be recorded as income and expenditures of the cafeteria fund. (Education Code 38090, 38091, 38092)
(cf. 3100 - Budget)
(cf. 3300 - Expenditures and Purchases)

The cafeteria fund shall be used only for those expenditures authorized by the Board as necessary for the operation of school cafeterias in accordance with Education Code 38100-38103, 2 CFR 225, and the California School Accounting Manual. (Education Code 38091, 38101; 2 CFR 225)

Any charges to, or transfers from, a food service program shall be dated and accompanied by a written explanation of the expenditure's purpose and basis. (Education Code 38101)
(cf. 3110 - Transfer of Funds)

Net cash resources in the nonprofit school food service shall not exceed three months average expenditures. (2 CFR 210.14)

U.S. Department of Agriculture Foods
The Superintendent or designee shall ensure that foods received through the U.S. Department of Agriculture (USDA) are handled, stored, and distributed in facilities which: (7 CFR 250.14)

1. Are sanitary and free from rodent, bird, insect, and other animal infestation
2. Safeguard foods against theft, spoilage, and other loss
3. Maintain foods at proper storage temperatures
4. Store foods off the floor in a manner to allow for adequate ventilation
5. Take other protective measures as may be necessary

The Superintendent or designee shall maintain inventories of USDA foods in accordance with 7 CFR 250.59 and CDE procedures, and shall ensure that foods are used before their expiration dates.

USDA foods shall be used in school lunches as far as practicable. USDA foods also may be used in other nonprofit food service activities, including, but not limited to, school breakfasts or other meals, a la carte foods sold to students, meals served to adults directly involved in the operation and administration of the food service and to other school staff, and training in nutrition, health, food service, or general home economics instruction for students, provided that any revenues from such activities accrue to the district's nonprofit food service account. (7 CFR 250.60)
Contracts with Outside Services/Providers
The term of any contract for food service management or consulting services shall not exceed one year. Any renewal of the contract or further requests for proposals to provide such services shall be considered on a year-to-year basis. (Education Code 45103.5)

Any contract for management of the food service operation shall be approved by CDE and comply with the conditions in Education Code 49554 and 7 CFR 210.16 as applicable. The district shall retain control of the quality, extent, and general nature of its food services, including prices to be charged to students for meals, and shall monitor the food service operation through periodic on-site visits. The district shall not enter into a contract with a food service company to provide a la carte food services only, unless the company agrees to offer free, reduced-price, and full-price reimbursable meals to all eligible students. (Education Code 49554; 42 USC 1758; 7 CFR 210.16)

Any contract for consulting services shall not result in the supervision of food service classified staff by the management consultant, nor shall it result in the elimination of any food service classified staff or position or have any adverse effect on the wages, benefits, or other terms and conditions of employment of classified food service staff or positions. All persons providing consulting services shall be subject to applicable employment conditions related to health and safety as listed in Education Code 45103.5. (Education Code 45103.5)
(cf. 3312 - Contracts)
(cf. 3513.6 - Criminal Background Checks for Contractors)
(cf. 3600 - Consultants)
(cf. 4112.4/4212.4/4312.4 - Health Examinations)
(cf. 4212 - Appointments and Conditions of Employment)
OTHER FOOD SALES

Nutritional Standards for Foods and Beverages

OTHER FOOD SALES

Requirements for Schools Participating in the Federal Meal Program
For any district school participating in the National School Lunch and/or Breakfast Program, food and beverage sales conducted outside the district's food service program on school campuses during the school day shall comply with applicable nutritional standards specified in 7 CFR 210.11 and 220.12 or with state nutrition standards in Education Code 49431-49431.7 and 5 CCR 15500-15501 and 15575-15578, whichever rule is stricter.

In middle or high schools, a student organization may be approved to sell food items during or after the school day if all of the following conditions are met: (5 CCR 15501)

1. Only one student organization conducts a food sale on a given school day and the organization sells no more than three types of food or beverage items, except that up to four days during the school year may be designated on which any number of organizations may conduct the sale of any food items.

2. The specific nutritious food items are approved by the Superintendent or designee.

3. Food items sold during the regular school day are not prepared on the premises.

4. The food items sold are not those sold in the district's food service program at that school during that school day.

The Superintendent or designee shall maintain records, or shall require organizations selling foods and beverages to maintain records, to document compliance with federal nutrition standards for all competitive foods and beverages sold through and outside the district's food services program. At a minimum, these records shall include receipts, nutrition labels, and/or product specifications. (7 CFR 210.11)
The Board of Education believes that, in order to maximize student learning and achievement, certificated staff members must be continuously learning and improving their skills. The Superintendent or designee shall develop a program of ongoing professional development which includes opportunities for teachers to enhance their instructional and classroom management skills and become informed about changes in pedagogy and subject matter.
(cf. 6111 - School Calendar)

The Superintendent or designee shall involve teachers, site, and district administrators, and others, as appropriate, in the development of the district’s staff development program. He/she shall ensure that the district’s staff development program is aligned with district priorities for student achievement, school improvement objectives, the local control and accountability plan, and other district and school plans.
(cf. 0000 - Vision)
(cf. 0200 - Goals for the School District)
(cf. 0420 - School Plans/Site Councils)
(cf. 0420.1 - School-Based Program Coordination)
(cf. 0460 – Local Control and Accountability Plan)
(cf. 0520.1 - High Priority Schools Grant Program)
(cf. 0520.2 - Title I Program Improvement Schools)
(cf. 0520.3 - Title I Program Improvement Districts)
(cf. 0520.4 - Quality Education Investment Schools)

The district's staff development program shall assist certificated staff in developing knowledge and skills, including, but not limited to:

1. Mastery of discipline-based knowledge, including academic content in the core curriculum and academic standards
(cf. 6011 - Academic Standards)
(cf. 6142.1 - Sexual Health and HIV/AIDS Prevention Instruction)
(cf. 6142.3 - Civic Education)
(cf. 6142.5 - Environmental Education)
(cf. 6142.6 - Visual and Performing Arts Education)
(cf. 6142.7 - Physical Education)
(cf. 6142.8 - Comprehensive Health Education)
(cf. 6142.91 - Reading/Language Arts Instruction)
(cf. 6142.92 - Mathematics Instruction)
(cf. 6142.93 - Science Instruction)

2. Use of effective, subject-specific teaching methods, strategies, and skills

3. Use of technologies to enhance instruction
(cf. 0440 - District Technology Plan)
STAFF DEVELOPMENT (continued) BP 4131

4. Sensitivity to and ability to meet the needs of diverse student populations, including, but not limited to, students of various racial and ethnic groups, students with disabilities, English language learners, economically disadvantaged students, gifted and talented students, and at-risk students
   (cf. 4112.22 - Staff Teaching Students of Limited English Proficiency)
   (cf. 4112.23 - Special Education Staff)
   (cf. 5147 - Dropout Prevention)
   (cf. 5149 - At-Risk Students)
   (cf. 6141.5 - Advanced Placement)
   (cf. 6171 - Title I Programs)
   (cf. 6172 - Gifted and Talented Student Program)
   (cf. 6173 - Education for Homeless Children)
   (cf. 6173.1 - Education for Foster Youth)
   (cf. 6174 - Education for English Language Learners)
   (cf. 6175 - Migrant Education Program)

5. Understanding of how academic and career technical instruction can be integrated and implemented to increase student learning
   (cf. 6178 - Career Technical Education)

6. Knowledge of strategies that enable parents/guardians to participate fully and effectively in their children's education
   (cf. 1240 - Volunteer Assistance)
   (cf. 5020 - Parent Rights and Responsibilities)
   (cf. 6020 - Parent Involvement)

7. Effective classroom management skills and strategies for establishing a climate that promotes respect, fairness, and discipline, including conflict resolution and intolerance and hatred prevention
   (cf. 5137 - Positive School Climate)
   (cf. 5138 - Conflict Resolution/Peer Mediation)
   (cf. 5145.9 - Hate-Motivated Behavior)

8. Ability to relate to students, understand their various stages of growth and development, and motivate them to learn

9. Ability to interpret and use data and assessment results to guide instruction
   (cf. 5121 - Grades/Evaluation of Student Achievement)
   (cf. 6162.5 - Student Assessment)

10. Knowledge of topics related to student health, safety, and welfare
    (cf. 0450 - Comprehensive Safety Plan)
    (cf. 3515.5 - Sex Offender Notification)
    (cf. 5030 - Student Wellness)
    (cf. 5131.6 - Alcohol and Other Drugs)
    (cf. 5131.63 - Steroids)
    (cf. 5141.21 - Administering Medication and Monitoring Health Conditions)
    (cf. 5141.4 - Child Abuse Prevention and Reporting)
(cf. 5141.52 - Suicide Prevention)
(cf. 5145.3 - Nondiscrimination/Harassment)
(cf. 5145.7 - Sexual Harassment)

11. Knowledge of topics related to employee health, safety, and security
(cf. 4119.11/4219.11/4319.11 - Sexual Harassment)
(cf. 4119.42/4219.42/4319.42- Exposure Control Plan for Bloodborne Pathogens)
(cf. 4119.43/4219.43/4319.43 - Universal Precautions)
(cf. 4157/4257/4357 - Employee Safety)
(cf. 4158/4258/4358 - Employee Security)

The Superintendent or designee may, in conjunction with individual teachers and interns, develop an individualized program of professional growth which contributes to competence, performance, and effectiveness in teaching and classroom assignments and, as necessary, assists them in meeting state or federal requirements to be fully qualified for their positions.
(cf. 4112.2 - Certification)
(cf. 4112.21 - Interns)
(cf. 4112.24 - Teacher Qualifications Under the No Child Left Behind Act)
(cf. 4131.1 - Beginning Teacher Support/Induction)
(cf. 4138 - Mentor Teachers)

The district's staff evaluation process may be used to recommend additional staff development for individual employees.
(cf. 4115 - Evaluation/Supervision)
(cf. 4139 - Peer Assistance and Review)

The Board may budget funds for actual and reasonable expenses incurred by staff who participate in staff development activities.
(cf. 3100 - Budget)
(cf. 3350 - Travel Expenses)

The Superintendent or designee shall provide a means for continual evaluation of the benefit of staff development activities to both staff and students and shall regularly report to the Board regarding the effectiveness of the staff development program. Based on the Superintendent's report, the Board may revise the program as necessary to ensure that the staff development program supports the district's priorities for student achievement.
(cf. 0500 - Accountability)
Legal Reference:

**EDUCATION CODE**

41520-41522 Teacher Credentialing Block Grant, including beginning teacher support
41530-41533 Professional Development Block Grant
44032 Travel expense payment
44259.5 Standards for teacher preparation
44277 Professional growth programs for individual teachers
44279.1-44279.7 Beginning Teacher Support and Assessment Program
44325-44329.5 District interns
44450-44468 University internship program
44560-44562 Certificated Staff Mentoring Program
44570-44578 Inservice training, secondary education
44580-44591 Inservice training, elementary teachers
44630-44643 Professional Development and Program Improvement Act of 1968
44700-44705 Classroom teacher instructional improvement program
44735 Teaching as a Priority Block Grant; teacher recruitment and retention in high-priority schools
45028 Salary schedule and exceptions
48980 Notification of parents/guardians: schedule of minimum days
50255.600-52055.662 High Priority Schools Grant Program
56240-56245 Staff development; service to persons with disabilities
99200-99206 Subject matter projects
99220-99227 California Professional Development Institutes
99230-99242 Mathematics and Reading Professional Development Program

**REPEALED EDUCATION CODE FOR CATEGORICAL PROGRAMS**

44579-44579.6 Instructional Time and Staff Development Reform Program

**GOVERNMENT CODE**

3543.2 Scope of representation of employee organization

**CODE OF REGULATIONS, TITLE 5**

11980-11985.6 Mathematics and Reading Professional Development Program
13025-13044 Professional development and program improvement

**UNITED STATES CODE, TITLE 20**

6319 Highly qualified teachers
6601-6702 Preparing, Training and Recruiting High Quality Teachers and Principals

**PUBLIC EMPLOYMENT RELATIONS BOARD DECISIONS**

United Faculty of Contra Costa Community College District v. Contra Costa Community College District, (1990) PERB Order No. 804, 14 PERC P21, 085

Management Resources:

**CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS**

State Board of Education Guidelines and Criteria for Approval of Training Providers, March 2008

**COMMISSION ON TEACHER CREDENTIALING PUBLICATIONS**

California Standards for the Teaching Profession, 1997

**WEB SITES**

Beginning Teacher Support and Assessment: http://www.btsa.ca.gov
California Commission on Teacher Credentialing: http://www.ctc.ca.gov
California Department of Education, Professional Development: http://www.cde.ca.gov/pd
California Subject Matter Projects: http://csmp.ucop.edu
STAFF DEVELOPMENT

Approved Activities
The Superintendent or designee shall ensure that certificated staff members have opportunities to learn both from outside sources and from each other. These opportunities may include, but are not limited to:

1. Visits to other classrooms and other schools to observe and analyze teaching
2. Attendance at professional education conferences or committee meetings
3. Classes/workshops offered by the district, county office of education, state projects, private organizations, or other appropriate agencies
4. Courses in regionally accredited institutions of higher education, including courses delivered through online technologies
5. Participation in professional development networks that promote inquiry and allow staff to analyze and evaluate each other's work
6. Peer conferences and/or joint staff preparation time
7. Participation in curriculum development projects
   (cf. 6141 - Curriculum Development and Evaluation)
8. Participation in educational research or innovation efforts
9. Assistance from or service as a mentor teacher or consulting teacher
   (cf. 4112.21 - Interns)
   (cf. 4131.1 - Beginning Teacher Support/Induction)
   (cf. 4138 - Mentor Teachers)
   (cf. 4139 - Peer Assistance and Review)
10. Service in a leadership role in a professional organization
11. Discussions and/or internships with business and community agencies for the purpose of identifying the skills, knowledge, and aptitudes necessary for specific career paths and developing meaningful career-related, work-based learning experiences
   (cf. 1700 - Relations Between Private Industry and the Schools)
   (cf. 6178 - Career Technical Education)
   (cf. 6178 - Work Experience Education)
   (cf. 6178.2 - Regional Occupational Center/Program)
12. Travel, study, and research in subject-matter content and effective educational practices
   (cf. 4161.3 - Professional Leaves)
13. Follow-up activities that help staff to implement newly acquired skills

The Superintendent or designee shall approve the participation of individual staff members in district-provided or external staff development activities which may require release time, leave of absence, or other district resources.
The Board of Education recognizes that classified staff does essential work that supports a healthy school environment and the educational program. Classified staff shall have opportunities to participate in staff development activities in order to improve job skills, learn best practices, retrain as appropriate in order to meet changing conditions in the district, and/or enhance personal growth.

(cf. 3100 - Budget)
(cf. 3350 - Travel Expenses)
(cf. 4200 - Classified Personnel)
(cf. 4261.3 - Professional Leaves)

The Superintendent or designee shall involve classified staff, site and district administrators, and others, as appropriate, in the development of the district's staff development program. He/she shall ensure that the district's staff development program is aligned with district goals, school improvement objectives, the local control and accountability plan, and other district and school plans.

(cf. 0000 - Vision)
(cf. 0200 - Goals for the School District)
(cf. 0420 - School Plans/Site Councils)
(cf. 0420.1 - School-Based Program Coordination)
(cf. 0460 - Local Control and Accountability Plan)
(cf. 0520.2 - Title I Program Improvement Schools)
(cf. 0520.3 - Title I Program Improvement Districts)

Staff development may address general workplace skills and/or skills and knowledge specific to the duties of each classified position, including, but not limited to, the following topics: (Education Code 45391)

1. Student learning and achievement
   a. How paraprofessionals can assist teachers and administrators to improve the academic achievement of students
   b. Alignment of curriculum and instructional materials with Common Core State Standards
   c. The management and use of state and local student data to improve student learning
   d. Best practices in appropriate interventions and assistance to at-risk students

(cf. 4222 - Teacher Aides/Paraprofessionals)
(cf. 5121 - Grades/Evaluation of Student Achievement)
(cf. 5123 - Promotion/Acceleration/Retention)
(cf. 5149 - At-Risk Students)
(cf. 6011 - Academic Standards)
(cf. 6141 - Curriculum Development and Evaluation)
(cf. 6143 - Courses of Study)
(cf. 6161.1 - Selection and Evaluation of Instructional Materials)
(cf. 6162.5 - Student Assessment)
(cf. 6162.51 - State Academic Achievement Tests)
2. **Student and campus safety**  
(cf. 0450 - Comprehensive Safety Plan)  
(cf. 3515.3 - District Police/Security Department)  
(cf. 3515.5 - Sex Offender Notification)  
(cf. 4119.11/4219.11/4319.11 - Sexual Harassment)  
(cf. 4119.43/4219.43/4319.43 - Universal Precautions)  
(cf. 4157/4257/4357 - Employee Safety)  
(cf. 4158/4258/4358 - Employee Security)  
(cf. 5131 - Conduct)  
(cf. 5131.2 - Bullying)  
(cf. 5137 - Positive School Climate)  
(cf. 5138 - Conflict Resolution/Peer Mediation)  
(cf. 5145.9 - Hate-Motivated Behavior)  
(cf. 5145.3 - Nondiscrimination/Harassment)  
(cf. 5145.7 - Sexual Harassment)  

3. **Education technology, including management strategies and best practices regarding the use of education technology to improve student performance**  
(cf. 0440 - District Technology Plan)  
(cf. 1114 - District-Sponsored Social Media)  
(cf. 4040 - Employee Use of Technology)  
(cf. 6163.4 - Student Use of Technology)  

4. **School facility maintenance and operations, including new research and best practices in the operation and maintenance of school facilities, such as green technology and energy efficiency, that help reduce the use and cost of energy at school sites**  
(cf. 3510 - Green School Operations)  
(cf. 3511 - Energy and Water Management)  

5. **Special education, including best practices to meet the needs of special education students and to comply with any new state and federal mandates**  
(cf. 6159 - Individualized Education Program)  
(cf. 6159.1 - Procedural Safeguards and Complaints for Special Education)  
(cf. 6164.4 - Identification and Evaluation of Individuals for Special Education)  
(cf. 6164.6 - Identification and Education Under Section 504)  

6. **School transportation and bus safety**  
(cf. 3540 - Transportation)  
(cf. 3541 - Transportation for School-Related Trips)  
(cf. 3541.2 - Transportation for Students with Disabilities)  
(cf. 3542 - Bus Drivers)  
(cf. 3543 - Transportation Safety and Emergencies)  

7. **Parent involvement, including ways to increase parent involvement at school sites**  
(cf. 1240 - Volunteer Assistance)  
(cf. 6020 - Parent Involvement)
8. **Food service, including new research on food preparation to provide nutritional meals and food management**  
(cf. 3550 - Food Service/Child Nutrition Program)  
(cf. 3551 - Food Service Operations/Cafeteria Fund)  
(cf. 3555 - Nutrition Program Compliance)

9. **Health, counseling, and nursing services**  
(cf. 5141 - Health Care and Emergencies)  
(cf. 5141.21 - Administering Medication and Monitoring Health Conditions)  
(cf. 5141.22 - Infectious Diseases)  
(cf. 5141.23 - Asthma Management)  
(cf. 5141.24 - Specialized Health Care Services)  
(cf. 5141.26 - Tuberculosis Testing)  
(cf. 5141.27 - Food Allergies/Special Dietary Needs)  
(cf. 5141.3 - Health Examinations)  
(cf. 5141.52 - Suicide Prevention)  
(cf. 5141.6 - School Health Services)  
(cf. 6164.2 - Guidance/Counseling Services)

10. **Environmental safety, including pesticides and other possibly toxic substances so that they may be safely used at school sites**  
(cf. 3514 - Environmental Safety)  
(cf. 3514.1 - Hazardous Substances)  
(cf. 3514.2 - Integrated Pest Management)  
(cf. 6161.3 - Toxic Art Supplies)

For classroom instructional aides, staff development activities may also include academic content of the core curriculum, teaching strategies, classroom management, or other training designed to improve student performance, conflict resolution, and relationships among students.  
(cf. 4131 - Staff Development)

The district's staff evaluation process may be used to recommend additional individualized staff development for individual employees.  
(cf. 4215 - Evaluation/Supervision)

The Superintendent or designee shall provide a means for continual evaluation of the benefit of staff development activities to staff and students and shall regularly report to the Board regarding the effectiveness of the staff development program.  
(cf. 0500 - Accountability)
Legal Reference:
EDUCATION CODE
41530-41533  Professional Development Block Grant
44032  Travel expense payment
45380-45387  Retraining and study leave (classified employees)
45390-45392  Professional development for classified school employees
52060-52077  Local control and accountability plan
56240-56245  Staff development; service to persons with disabilities
GOVERNMENT CODE
3543.2  Scope of representation of employee organization
PUBLIC EMPLOYMENT RELATIONS BOARD DECISIONS
United Faculty of Contra Costa Community College District v. Contra Costa Community College District, (1990)
PERB Order No. 804, 14 PERC P21, 085
Management Resources:
WEB SITES
California Association of School Business Officials:  http://www.casbo.org
California School Employees Association: http://www.csea.com

Policy
adopted:  01.12.10 &

Palo Alto, California
STAFF DEVELOPMENT

Upon approval of the Superintendent or designee, classified staff members may participate in staff development opportunities which may include, but are not limited to:

1. Orientation and support for new employees
2. Visits to other schools and school districts
3. Attendance at professional conferences or committee meetings
4. Classes and workshops offered by the district, county office of education, institutions of higher education, private organizations, or other appropriate agencies
   
   (cf. 4261.3 - Professional Leaves)
5. Joint staff preparation time and staff meetings
6. Follow-up activities that help staff implement newly acquired skills
STAFF DEVELOPMENT

The Board of Education recognizes that professional development enhances employee effectiveness and contributes to personal growth. Staff development for administrative and supervisory personnel shall be designed to guide institutional improvement, build leadership skills, and enhance overall management efficiency.

(cf. 4119.21/4219.21/4319.21 - Professional Standards)

The Superintendent or designee shall develop a plan for administrator support and development activities based on a systematic assessment of the needs of district students and staff and aligned to the district's vision, goals, local control and accountability plan, and other comprehensive plans.

(cf. 0000 - Vision)
(cf. 0200 - Goals for the School District)
(cf. 0420 - School Plans/Site Councils)
(cf. 0420.1 - School-Based Program Coordination)
(cf. 0460 - Local Control and Accountability Plan)
(cf. 0520.2 - Title I Program Improvement Schools)
(cf. 0520.3 - Title I Program Improvement Districts)
(cf. 0520.4 - Quality Education Investment Schools)

The district's staff development program for district and school administrators may include, but is not limited to, the following topics:

1. Personnel management, including best practices on hiring, recruitment, assignment, and retention of staff
   (cf. 4111/4211/4311 - Recruitment and Selection)
   (cf. 4112.24 - Teacher Qualifications Under the No Child Left Behind Act)
   (cf. 4113 - Assignment)

2. Effective fiscal management and accountability practices
   (cf. 3100 - Budget)
   (cf. 3460 - Financial Reports and Accountability)

3. Academic standards and standards-aligned curriculum and instructional materials
   (cf. 6011 - Academic Standards)
   (cf. 6141 - Curriculum Development and Evaluation)
   (cf. 6161.1 - Selection and Evaluation of Instructional Materials)

4. Leadership training to improve the academic achievement of all students, including capacity building in pedagogies of learning, instructional strategies that meet the varied learning needs of students, and student motivation
5. The use of student assessments, including analysis of disaggregated assessment results to identify needs and progress of student subgroups
   (cf. 6162.5 - Student Assessment)
   (cf. 6162.51 - State Academic Achievement Tests)
   (cf. 6162.52 - High School Exit Examination)

6. The use of technology to improve student performance and district operations
   (cf. 0440 - District Technology Plan)

7. Creation of safe and inclusive school environments
   (cf. 0410 - Nondiscrimination in District Programs and Activities)
   (cf. 5137 - Positive School Climate)

8. Parental involvement and community collaboration
   (cf. 1240 - Volunteer Assistance)
   (cf. 6020 - Parent Involvement)

9. Employee relations

10. Effective school and district planning processes

The district's staff evaluation process may be used to recommend additional staff development for individual employees.
   (cf. 4315 - Evaluation/Supervision)

The Superintendent or designee shall evaluate the benefit to staff and students of professional development activities.
   (cf. 0500 - Accountability)

Legal Reference:
EDUCATION CODE
44681-44689.2 Administrator training and evaluation
52060-52077 Local control and accountability plan
Management Resources:
WESTED AND ASSOCIATION OF CALIFORNIA SCHOOL ADMINISTRATORS PUBLICATIONS
California Professional Standards for Educational Leaders, 2001
WEB SITES
Association of California School Administrators: http://www.acsa.org
California Department of Education: http://www.cde.ca.gov
California School Leadership Academy: http://www.csla.org
Commission on Teacher Credentialing: http://www.ctc.ca.gov
WestEd: http://www.wested.org
Within budget parameters, the Superintendent or designee may approve participation in activities that will benefit individual administrators and enhance their contributions to the district.
   (cf. 3350 - Travel Expenses)

Policy
adopted: 01.12.10 &

PALO ALTO UNIFIED SCHOOL DISTRICT
Palo Alto, California
STAFF DEVELOPMENT

Staff development activities may include but are not limited to:

1. Professional education conferences or committee meetings
2. Courses offered by institutions of higher education
3. Workshops offered by the district, county office of education, or state
4. Small-group activities
5. Self-directed learning
6. Observation of other schools
7. Follow-up activities that help staff implement newly acquired skills
   (cf. 3350 - Travel Expenses)
   (cf. 4161/4261/4361 - Leaves)
The Board of Education expects students to progress through each grade level within one school year. To accomplish this, instruction should accommodate the variety of ways that students learn and include strategies for addressing academic deficiencies when needed.

Students shall progress through the grade levels by demonstrating growth in learning and meeting grade-level standards of expected student achievement.

(cf. 6011 - Academic Standards)
(cf. 6146.1 - High School Graduation Requirements)
(cf. 6146.5 - Elementary/Middle School Graduation Requirements)
(cf. 6162.52 - High School Exit Examination)

When high academic achievement is evident, the Superintendent or designee may recommend a student for acceleration into a higher grade level. The student’s maturity level shall be taken into consideration in making a determination to accelerate a student.

Teachers shall identify students who should be retained or who are at risk of being retained at their current grade level as early as possible in the school year and as early in their school careers as practicable. Such students may be identified in grades kindergarten through the start of ninth grade: (Education Code 48070.5)

Students shall be identified for retention on the basis of failure to meet minimum levels of proficiency, as indicated by progress on the report card and the following additional indicators of academic achievement:

(cf. 5121 - Grades/Evaluation of Student Achievement)
(cf. 5149 - At-Risk Students)

- State and or district assessments
- Portfolio of student work samples in reading, writing, and math

Students between grades 2 and 3 and grades 3 and 4 shall be identified primarily on the basis of their level of proficiency in reading. Proficiency in reading, English language arts, and mathematics shall be the basis for identifying students between grades 4 and 5, 5 and 6, 6 and 7, 7 and 8, and 8 and 9. (Education Code 48070.5)

(cf. 6142.91 - Reading/Language Arts Instruction)
(cf. 6142.92 - Mathematics Instruction)

If a student does not have a single regular classroom teacher, the Superintendent or designee shall specify the teacher(s) responsible for the decision to promote or retain the student. (Education Code 48070.5)
The teacher's decision to promote or retain a student may be appealed in accordance with AR 5123 - Promotion/Acceleration/Retention.

When a student is recommended for retention or is identified as being at risk for retention, the Superintendent or designee shall offer an appropriate program of remedial instruction to assist the student in meeting grade-level expectations. (Education Code 48070.5) (cf. 6176 - Weekend/Saturday Classes) (cf. 6177 - Summer Learning Programs) (cf. 6179 - Supplemental Instruction)

Legal Reference:
EDUCATION CODE
37252-37254.1 Supplemental instruction
41505-41508 Pupil Retention Block Grant
46300 Method of computing average daily attendance
48010 Admission to first grade
48011 Promotion/Retention following one year of kindergarten
48070-48070.5 Promotion and retention
56345 Elements of individualized education plan
60640-60649 California Assessment of Student Performance and Progress
60850-60859 Exit examination
CODE OF REGULATIONS, TITLE 5
200-202 Admission and exclusion of students

Management Resources:
CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS
FAQs Promotion, Retention, and Grading (students with disabilities)
FAQs Pupil Promotion and Retention
Kindergarten Continuance Form
WEB SITES
CSBA: http://www.csba.org
California Department of Education: http://www.cde.ca.gov
Acceleration from Kindergarten to First Grade
Any student who meets the age eligibility requirement and has completed one year of kindergarten shall be admitted to first grade unless the parent/guardian and the Superintendent or designee agree that the student shall continue in kindergarten. (Education Code 48010, 48011)
(cf. 5111 - Admission)

A student who does not meet the age eligibility requirement may be admitted to first grade at the discretion of the Superintendent or designee and with the consent of the parent/guardian upon determination that the student is ready for first-grade work, subject to the following minimum criteria: (Education Code 48011; 5 CCR 200)

1. The student is at least five years of age.
2. The student has attended kindergarten in PAUSD for a long enough time to enable school personnel to evaluate his/her ability.
3. A school team that includes the student’s teacher, a first grade teacher, the principal, a school psychologist, and any other staff identified as appropriate to support the decision making process collaborate to assess the student’s academic readiness for first grade based on a review of progress reports, portfolio for student work in reading, writing, math, and in consultation with the parent/guardian. Student must demonstrate ability to perform comparable to first grade peers.
4. The physical development and social maturity of the student are consistent with his/her advanced mental ability.
5. The parent/guardian of the student has filed a written statement with the school district approving the placement in first grade.

Retention in Kindergarten
Whenever the Superintendent or designee and the parents/guardians agree that a student shall continue in kindergarten for an additional year, the Superintendent or designee shall secure an agreement, signed by the parent/guardian, stating that the student shall continue in kindergarten for not more than one additional school year. (Education Code 46300, 48011)

The Superintendent or designee shall not approve a student's continuation in kindergarten until the student has been enrolled in kindergarten for close to one school year.
Retention at Other Grade Levels
If a student is identified as performing below the minimum standard for promotion to the next grade level based on the indicators specified in Board policy, the student may be retained in his/her current grade level. The student’s teacher, principal, and school psychologist must agree that retention is not the appropriate intervention for the student's academic deficiencies. This determination shall specify the reasons that retention is that were implemented to assist the student in attaining acceptable levels of academic achievement prior to the decision to retain. (Education Code 48070.5)
(cf. 5121 - Grades/Evaluation of Student Achievement)
(cf. 6162.5 - Student Assessment)
(cf. 6162.51 - State Academic Achievement Tests)

If the teacher's recommendation to promote is contingent on the student's participation in a summer school or interim session remediation program, the student's academic performance shall be reassessed at the end of the remediation program, and the decision to retain or promote the student shall be reevaluated at that time. The teacher's evaluation shall be provided to and discussed with the student's parents/guardians and the principal before any final determination of retention or promotion. (Education Code 48070.5)
(cf. 6176 - Weekend/Saturday Classes)
(cf. 6177 - Summer Learning Programs)
(cf. 6179 - Supplemental Instruction)

When a student is identified as being at risk of retention, the teacher shall so notify the student's parent/guardian as early in the school year as practicable. The student's parent/guardian shall be provided an opportunity to consult with the teacher(s) to discuss intervention strategies that will be implemented prior to making a final determination as to whether or not retention is appropriate. (Education Code 48070.5)
(cf. 5145.6 - Parental Notifications)

Appeal Process
Whenever a student's parent/guardian appeals the school team’s decision to promote or retain a student, the burden shall be on the parent/guardian to show why the school team’s decision should be overruled. (Education Code 48070.5)

To appeal a school team’s decision, the parent/guardian shall submit a written request to the Superintendent or designee specifying the reasons that the school team’s decision should be overruled. The appeal must be initiated within 10 school days of the determination of retention or promotion.

The school teams shall be provided an opportunity to state orally and/or in writing the criteria on which their decision was based.
Within 30 days of receiving the request, the Superintendent or designee shall determine whether or not to overrule the school team’s decision. Prior to making this determination, the Superintendent or designee may meet with the parent/guardian and the school team. If the Superintendent or designee determines that the parent/guardian has overwhelmingly proven that the school team’s decision should be overruled, he/she shall overrule the school team’s decision.

If the final decision is unfavorable to the parent/guardian, he/she shall have the right to submit a written statement of objections which shall become part of the student's record.

(cf. 5125 - Student Records)
(cf. 5125.3 - Challenging Student Records)
ADMINISTERING MEDICATION AND MONITORING HEALTH CONDITIONS

The Board of Education believes that regular school attendance is critical to student learning and that students who need to take medication prescribed or ordered for them by their authorized health care providers should have an opportunity to participate in the educational program.
(cf. 5113 - Absences and Excuses)
(cf. 5113.1 - Chronic Absence and Truancy)

Any medication prescribed for a student with a disability who is qualified to receive services under the Individuals with Disabilities Education Act or Section 504 of the Rehabilitation Act of 1973 shall be administered in accordance with the student's individualized education program or Section 504 services plan as applicable.
(cf. 6159 - Individualized Education Program)
(cf. 6164.6 - Identification and Education Under Section 504)

For the administration of medication to other students during school or school-related activities, the Superintendent or designee shall develop protocols which shall include options for allowing a parent/guardian to administer medication to his/her child at school, designate other individuals to do so on his/her behalf, and, with the child's authorized health care provider's approval, request the district's permission for his/her child to self-administer a medication or self-monitor and/or self-test for a medical condition. Such processes shall be implemented in a manner that preserves campus security, minimizes instructional interruptions, and promotes student safety and privacy.
(cf. 1250 - Visitors/Outsiders)
(cf. 5141 - Health Care and Emergencies)
(cf. 5141.22 - Infectious Diseases)
(cf. 5141.23 - Asthma Management)
(cf. 5141.27 - Food Allergies/Special Dietary Needs)
(cf. 6116 - Classroom Interruptions)

Administration of Medication by School Personnel
Any medication prescribed by an authorized health care provider, including, but not limited to, emergency antiseizure medication for a student who suffers epileptic seizures, auto-injectable epinephrine, insulin, or glucagon, may be administered by the school nurse or other designated school personnel only when the Superintendent or designee has received written statements from both the student's parent/guardian and authorized health care provider. (Education Code 49414.7, 49423; 5 CCR 600)
When medically unlicensed school personnel are authorized by law to administer any medication to students, such as emergency antiseizure medication, auto-injectable epinephrine, insulin, or glucagon, the Superintendent or designee shall ensure that school personnel designated to administer any medication receive appropriate training and, as necessary, retraining from qualified medical personnel before any medication is administered. At a minimum, the training shall cover how and when such medication should be administered, the recognition of symptoms and treatment, emergency follow-up procedures, and the proper documentation and storage of medication. Such trained, unlicensed designated school personnel shall be supervised by, and provided with immediate communication access to, a school nurse, physician, or other appropriate individual. (Education Code 49414, 49414.5, 49414.7, 49423, 49423.1)

The Superintendent or designee shall maintain documentation of the training and ongoing supervision, as well as annual written verification of competency of other designated school personnel.
(cf. 4131 - Staff Development)
(cf. 4231 - Staff Development)
(cf. 4331 - Staff Development)

School nurses and other designated school personnel shall administer medications to students in accordance with law, Board policy, and administrative regulation and shall be afforded appropriate liability protection.
(cf. 3530 - Risk Management/Insurance)
(cf. 4119.42/4219.42/4319.42 - Exposure Control Plan for Bloodborne Pathogens)
(cf. 4119.43/4219.43/4319.43 - Universal Precautions)

Legal Reference:
EDUCATION CODE
48980 Notification at beginning of term
49407 Liability for treatment
49408 Emergency information
49414 Emergency epinephrine auto-injectors
49414.5 Providing school personnel with voluntary emergency training
49414.7 Emergency medical assistance: administration of epilepsy medication
49422-49427 Employment of medical personnel, especially:
49423 Administration of prescribed medication for student
49423.1 Inhaled asthma medication
49480 Continuing medication regimen; notice
Legal reference: (continued)
BUSINESS AND PROFESSIONS CODE
2700-2837 Nursing, especially:
2726 Authority not conferred
2727 Exceptions in general
3501 Definitions
CODE OF REGULATIONS, TITLE 5
600-611 Administering medication to students
620-627 Administration of emergency antiseizure medication by trained volunteer nonmedical school personnel
UNITED STATES CODE, TITLE 20
1232g Family Educational Rights and Privacy Act of 1974
1400-1482 Individuals with Disabilities Education Act
UNITED STATES CODE, TITLE 29
794 Rehabilitation Act of 1973, Section 504
COURT DECISIONS

Management Resources:
CSBA PUBLICATIONS
Pandemic Influenza, Fact Sheet, September 2007
AMERICAN DIABETES ASSOCIATION PUBLICATIONS
CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS
Legal Advisory on Rights of Students with Diabetes in California's K-12 Public Schools, August 2007
Training Standards for the Administration of Epinephrine Auto-Injectors, December 2004
NATIONAL DIABETES EDUCATION PROGRAM PUBLICATIONS
WEB SITES
CSBA: http://www.csba.org
American Diabetes Association: http://www.diabetes.org
California Department of Education, Health Services and School Nursing: http://www.cde.ca.gov/ls/he/hn
U.S. Department of Health and Human Services, National Institutes of Health, Blood Institute, asthma information: http://www.nhlbi.nih.gov/health/public/lung/index.htm#asthma
Administrative Regulation

Students

AR 5141.21

Administering Medication and Monitoring Health Conditions

Definitions

Authorized health care provider means an individual who is licensed by the State of California to prescribe or order medication, including, but not limited to, a physician or physician assistant. (Education Code 49423; 5 CCR 601)

Other designated school personnel means any individual employed by the district, including a nonmedical school employee, who has volunteered or consented to administer the medication or otherwise assist the student and who may legally administer the medication to the student or assist the student in the administration of the medication. (5 CCR 601, 621)

Medication may include not only a substance dispensed in the United States by prescription, but also a substance that does not require a prescription, such as over-the-counter remedies, nutritional supplements, and herbal remedies. (5 CCR 601)

Emergency medical assistance for a student suffering an epileptic seizure means the administration of an emergency antiseizure medication such as diazepam rectal gel and other emergency medications approved by the federal Food and Drug Administration for patients suffering from epileptic seizures. (Education Code 49414.7; 5 CCR 621)

Notifications to Parents/Guardians

At the beginning of each school year, the Superintendent or designee shall notify parents/guardians that students who need to take prescribed medication during the school day may be assisted by a school nurse or designated school personnel or allowed to self-administer certain medication as long as the district receives written statements from the student’s physician and parent/guardian in accordance with law, Board policy and administrative regulation. (Education Code 48980, 49423)

(cf. 5145.6 - Parental Notifications)

The Superintendent or designee shall inform the parents/guardians of any student on a continuing medication regimen for a nonepisodic condition of the following requirements: (Education Code 49480)

1. The parent/guardian is required to inform the school nurse or other designated employee of the medication being taken, the current dosage and the name of the supervising physician.
2. With the parent/guardian's consent, the school nurse or other designated employee may communicate with the student's physician regarding the medication and its effects, and may counsel school personnel regarding the possible effects of the medication on the student's physical, intellectual and social behavior, as well as possible behavioral signs and symptoms of adverse side effects, omission or overdose.

Parent/Guardian Responsibilities
The responsibilities of the parent/guardian of any student who may need medication during the school day shall include, but are not limited to:

1. Each school year, providing parent/guardian and authorized health care provider written statements as described in the sections "Parent/Guardian Statement" and "Health Care Provider Statement" below. In addition, the parent/guardian shall provide a new authorized health care provider's statement if the medication, dosage, frequency of administration, or reason for administration changes. (Education Code 49414.5, 49414.7, 49423, 49423.1; 5 CCR 600, 626)
2. If the student is on a continuing medication regimen for a nonepisodic condition, informing the school nurse or other designated certificated employee of the medication being taken, the current dosage, and the name of the supervising physician. (Education Code 49480)
3. If the student suffers from epilepsy, notifying the principal or designee whenever the student has had an emergency antiseizure medication administered to him/her within four hours before a school day. (Education Code 49414.7)
4. Providing medications in properly labeled, original containers along with the authorized health care provider's instructions. For prescribed or ordered medication, the container also shall bear the name and telephone number of the pharmacy, the student's identification, and the name and phone number of the authorized health care provider. (5 CCR 606)

Parent/Guardian Statement
When district employees are to administer medication to a student, the parent/guardian's written statement shall:

1. Identify the student
2. Grant permission for an authorized district representative to communicate directly with the student's authorized health care provider and pharmacist, as may be necessary, regarding the authorized health care provider's written statement or any other questions that may arise with regard to the medication
3. Contain an acknowledgment that the parent/guardian understands how district employees will administer or otherwise assist the student in the administration of medication
4. Contain an acknowledgment that the parent/guardian understands his/her responsibilities to enable district employees to administer or otherwise assist the student in the administration of medication including, but not limited to, the parent/guardian's responsibility to provide a written statement from the authorized health care provider, to ensure that the medication is delivered to the school in a proper container by an individual legally authorized to be in possession of the medication, and to provide all necessary supplies and equipment.

5. Contain an acknowledgment that the parent/guardian may terminate consent for such administration at any time.

In addition to the requirements in items #1-5 above, if a parent/guardian has requested that his/her child be allowed to carry and self-administer prescription auto-injectable epinephrine or prescription inhaled asthma medication, the parent/guardian's written statement shall: (Education Code 49423, 49423.1)

1. Consent to the self-administration
2. Release the district and school personnel from civil liability if the student suffers an adverse reaction as a result of self-administering the medication.

In addition to the requirements in items #1-5 above, if a parent/guardian wishes to designate an individual who is not an employee of the district to administer medication to his/her child, the parent/guardian's written statement shall clearly identify the individual and shall state:

1. The individual's willingness to accept the designation
2. That the individual is permitted to be on the school site
3. Any limitations on the individual's authority

**Health Care Provider Statement**

When district employees are to administer medication to a student or when a student is to be allowed to carry and self-administer prescription diabetes medication, auto-injectable epinephrine, or prescription inhaled asthma medication during school hours, the authorized health care provider's written statement shall include:

1. Clear identification of the student (Education Code 49414.7, 49423, 49423.1; 5 CCR 602)
2. The name of the medication (Education Code 49414.7, 49423, 49423.1; 5 CCR 602)
3. The method, amount, and time schedules by which the medication is to be taken (Education Code 49414.7, 49423, 49423.1; 5 CCR 602)
4. If a parent/guardian has requested that his/her child be allowed to self-administer medication, confirmation that the student is able to self-administer the medication (Education Code 49423, 49423.1; 5 CCR 602)

(cf. 5141.23 - Asthma Management)
(cf. 5141.27 - Food Allergies/Special Dietary Needs)
5. For medication that is to be administered on an as-needed basis, the specific symptoms that would necessitate administration of the medication, allowable frequency for administration, and indications for referral for medical evaluation
6. Possible side effects of the medication
7. Name, address, telephone number, and signature of the student's authorized health care provider

When authorizing a district employee to administer emergency antiseizure medication to a student, the authorized health care provider's written statement shall also include the following: (Education Code 49414.7, 5 CCR 626)

1. Detailed seizure symptoms, including frequency, type, or length of seizures that identify when the administration of the medication becomes necessary
2. Any potential adverse responses by the student and recommended mitigation actions, including when to call emergency services
3. A protocol for observing the student after a seizure, including, but not limited to, whether he/she should rest in the school office or return to his/her class and the length of time he/she should be under direct observation
4. A statement that following a seizure, a school administrator or other staff member shall contact the school nurse and the student's parent/guardian to continue the observation plan

**District Responsibilities**
The school nurse or other designated school personnel shall:

1. Administer or assist in administering medications in accordance with the authorized health care provider's written statement
2. Accept delivery of medications from parents/guardians and count and record them upon receipt
3. Maintain a list of students needing medication during the school day, including those authorized to self-administer medications, and note on the list the type of medication and the times and dosage to be administered
4. Maintain a medication log which may:
   a. Specify the student's name, medication, dose, method of administration, time of administration during the regular school day, date(s) on which the student is required to take the medication, and the authorized health care provider's name and contact information
   b. Contain space for daily recording of the date, time, and amount of medication administered, and the signature of the individual administering the medication
5. Maintain a medication record which may include the authorized health care provider's written statement, the parent/guardian's written statement, the medication log, and any other written documentation related to the administration of medication to the student

6. Ensure that student confidentiality is appropriately maintained

7. Coordinate the administration of medication during field trips and after-school activities

8. Report to the parent/guardian and the site administrator any refusal by the student to take his/her medication

9. Keep all medication to be administered by the district in a locked drawer or cabinet

10. As needed, communicate with the authorized health care provider and pharmacist regarding the medication and its effects

11. Counsel other designated school personnel regarding the possible effects of the medication on the student's physical, intellectual, and social behavior, as well as possible behavioral signs and symptoms of adverse side effects, omission, or overdose

12. Ensure that unused, discontinued, or outdated medication is returned to the student's parent/guardian at the end of the school year or, if the medication cannot be returned, dispose of it in accordance with state laws and local ordinances

13. Provide immediate medical assistance, if needed, and report to the site administrator and parent/guardian instances when the medication is not administered properly, including administration of the wrong medication or failure to administer the medication in accordance with authorized health care provider's written statement

Upon receiving such notification, the site administrator may notify the student's authorized health care provider and shall document the error in the medication log.

**Additional Requirements for Management of Epileptic Seizures**

In addition to applicable provisions in the sections above, the Superintendent or designee shall make arrangements for assisting students with epilepsy who may suffer a seizure at school. Such arrangements shall include the following: (Education Code 49414.7, 5 CCR 620-627)

1. Whenever a parent/guardian requests that a nonmedical district employee be trained to provide emergency medical assistance to his/her child, notification to the parent/guardian that the child may qualify for services or accommodations pursuant to 20 USC 1400-1482, the Individuals with Disabilities Education Act (IDEA), or 29 USC 794, Section 504 of the federal Rehabilitation Act of 1973 (Section 504).
Administering Medication and Monitoring Health Conditions

The Superintendent or designee shall assist the parent/guardian to explore that option and shall encourage him/her to adopt the option if the student is determined to be eligible for such service or accommodation.

2. The creation of an individualized health plan, seizure action plan, or other appropriate health plan designed to acknowledge and prepare for the student's health care needs in school, if his/her parent/guardian refuses to have him/her assessed for services or accommodations under IDEA or Section 504.

(cf. 6159 - Individualized Education Program)

3. The distribution of an electronic notice to school staff no more than twice per school year, for each student whose parent/guardian has requested provision of emergency medical assistance pursuant to Education Code 49414.7. The notice shall be in bold print and, in accordance with Education Code 49414.7, shall contain a description of the request for a volunteer school employee, the training that such volunteer school employee will receive, the voluntary nature of the program, and the timelines for the volunteer school employee to rescind his/her offer.

If no employee volunteers to administer emergency antiseizure medication to a student, the Superintendent or designee shall again notify the student's parent/guardian of the option to have the student assessed for services and accommodations under IDEA or Section 504.

4. An assurance that any employee who volunteers to administer an emergency antiseizure medication shall receive from a licensed health care professional the training specified in 5 CCR 623 before administering such medication.

When a trained employee has not administered an emergency antiseizure medication to a student within two years after completing the training and a student who may need the administration of an emergency antiseizure medication is enrolled in the school, the employee shall be retrained in order to retain the ability to administer an emergency antiseizure medication.

5. An assurance that any training provided for district employees who volunteer to administer emergency antiseizure medication to students shall include, but is not limited to:
   a. Recognition and treatment of different types of seizures
   b. Administration of an emergency antiseizure medication
   c. Basic emergency follow-up procedures, including, but not limited to, a requirement for the principal or designee to call the emergency 911 telephone number and to contact the student's parent/guardian, but not necessarily to transport the student to an emergency room
   d. Techniques and procedures to ensure student privacy
6. A process for notifying the credentialed school nurse, or the Superintendent or
designee as applicable, whenever an employee administers an emergency
antiseizure medication to a student at a school site.

7. Supervision of volunteer school employees by a licensed health care professional,
in accordance with 5 CCR 627.
The Board of Education recognizes that early marriage, pregnancy, or parenting may disrupt a student’s education and increase the chance of a student dropping out of school. The Board therefore desires to support married, pregnant, and parenting students to continue their education, attain strong academic and parenting skills, and promote the healthy development of their children.

The district shall not discriminate against any student on the basis of the student's marital status, pregnancy, childbirth, false pregnancy, termination of pregnancy, or related recovery. (Education Code 230; 20 USC 1681-1688)

Any education program or activity, including any class or extracurricular activity, that is offered separately to such students shall be comparable to that offered to other district students. A student's participation in such programs shall be voluntary. (34 CFR 106.40)

Any complaint of discrimination on the basis of pregnancy or marital or parental status shall be addressed through the district's uniform complaint procedures in accordance with 5 CCR 4600-4687 and BP/AR 1312.3 - Uniform Complaint Procedures.

For school-related purposes, a married student under the age of 18 years shall have all the rights and privileges of students who are 18 years old, even if the marriage has been dissolved. (Family Code 7002)

The Superintendent or designee shall periodically report to the Board regarding the effectiveness of district strategies to support married, pregnant, and parenting students, which may include data on participation rates in district programs and services, academic achievement, school attendance, graduation rate, and/or student feedback on district programs and services.

10 of 20
Pregnant and Parenting Students

Pregnant and parenting students shall retain the right to participate in any comprehensive school or educational alternative program. The classroom setting shall be the preferred instructional strategy unless an alternative is necessary to meet the needs of the student and/or his/her child.

(cf. 6158 - Independent Study)
(cf. 6181 - Alternative Schools/Programs of Choice)
(cf. 6184 - Continuation Education)
(cf. 6200 - Adult Education)

When necessary, the district shall provide reasonable accommodations to pregnant and parenting students to enable them to access the educational program. A pregnant student shall have access to any services available to other students with temporary disabilities or medical conditions. A lactating student shall have access to a private location, other than a restroom, to breastfeed or express milk for her infant child.

(cf. 6183 - Home and Hospital Instruction)

Legal Reference:
EDUCATION CODE
230 Sex discrimination
8200-8498 Child Care and Development Services Act
48205 Excused absences
48220 Compulsory education requirement
48410 Persons exempted from continuation classes
49553 Nutrition supplements for pregnant/lactating students
51220.5 Parenting skills and education
51745 Independent study
52610.5 Enrollment of pregnant and parenting students in adult education
54740-54749 Cal-SAFE program for pregnant/parenting students and their children
FAMILY CODE
7002 Description of emancipated minor
HEALTH AND SAFETY CODE
104460 Tobacco prevention services for pregnant and parenting students
CODE OF REGULATIONS, TITLE 5
4600-4687 Uniform complaint procedures
4950 Nondiscrimination, marital and parental status
CODE OF REGULATIONS, TITLE 22
101151-101239.2 General licensing requirements for child care centers
101351-101439.1 Infant care centers
UNITED STATES CODE, TITLE 20
1681-1688 Title IX, Education Act Amendments
UNITED STATES CODE, TITLE 42
1786 Special supplemental nutrition program for women, infants, and children
CODE OF FEDERAL REGULATIONS, TITLE 7
246.1-246.28 Special supplemental nutrition program for women, infants, and children
CODE OF FEDERAL REGULATIONS, TITLE 34
106.40 Marital or parental status
ATTORNEY GENERAL OPINIONS

COURT DECISIONS

Management Resources:
CALIFORNIA WOMEN'S LAW CENTER PUBLICATIONS
Educational Rights of Pregnant and Parenting Teens: Title IX and California State Law Requirements
The Civil Rights of Pregnant and Parenting Teens in California Schools, 2002
U.S. DEPARTMENT OF EDUCATION PUBLICATIONS
Supporting the Academic Success of Pregnant and Parenting Students under Title IX of the Education Amendments of 1972, rev. June 2013
WEB SITES
California Department of Education: http://www.cde.ca.gov
California Women's Law Center: http://www.cwlc.org

Policy adopted: 01.12.10 &

Palo Alto Unified School District
Palo Alto, California
MARRIED/PREGNANT/PARENTING STUDENTS

The Superintendent or designee may grant a student a leave of absence due to pregnancy, childbirth or abortion for as long as it is deemed medically necessary. At the conclusion of the leave, the student shall be reinstated to the status she held when the leave began. (34 CFR 106.40)
(cf. 5112.3 - Student Leave of Absence)

A pregnant or parenting student also may request exemption from attendance because of a physical or mental condition or because of personal services that must be rendered to a dependent. (Education Code 48410)
(cf. 5112.1 - Exemptions from Attendance)

The Superintendent or designee may participate in the development of the county service coordination plan for providing educational and related support services to expectant and parenting teens and their children. He/she also may participate in data collection and evaluation of the program. (Education Code 54744, 54745)
(cf. 5148.1 - Child Care Services for Parenting Students)
(cf. 6190 - Evaluation of the Instructional Program)
(cf. 9000 - Role of the Board)
The Board of Education believes that visual and performing arts are essential to a well-rounded educational program and should be an integral part of the course of study offered to students at all grade levels. The district's arts education program may provide opportunities for appreciation, creation, and performance of the arts.

(cf. 6143 - Courses of Study)
(cf. 6146.1 - High School Graduation Requirements)

The Board may adopt academic standards for dance, music, theatre, and visual arts that describe the skills, knowledge, and abilities that students could be expected to possess at each grade level. The district's standards may meet or exceed state content standards for each of these disciplines.

(cf. 6011 - Academic Standards)

The Superintendent or designee may develop a sequential curriculum for dance, music, theatre, and visual arts which is consistent with the state curriculum framework and includes the following strands:

1. Artistic perception: processing, analyzing, and responding to sensory information through the use of language and skills unique to each arts discipline
2. Creative expression: composing, arranging, and performing a work and using a variety of means to communicate meaning and intent in one's own original works
3. Historical and cultural context: understanding the historical contributions and cultural dimensions of an arts discipline
4. Aesthetic valuing: analyzing and critically assessing works of dance, music, theatre, and visual arts
5. Connections, relations, and applications: connecting, comparing, and applying what is learned in one arts discipline to learning in the other arts, other subject areas, and careers

(cf. 6141 - Curriculum Development and Evaluation)

The Board may adopt standards-based instructional materials for visual and performing arts in accordance with applicable law, Board policy, and administrative regulation. In addition, the Board encourages teachers to incorporate a variety of media and technologies into lessons, presentations, and explorations in each of the arts disciplines.

(cf. 0400 - District Technology Plan)
(cf. 1312.2 - Complaints Concerning Instructional Materials)
(cf. 6161 - Equipment, Books and Materials)
(cf. 6161.1 - Selection and Evaluation of Instructional Materials)
(cf. 6161.11 - Supplementary Instructional Materials)
(cf. 6161.3 - Toxic Art Materials)
(cf. 6162.6 - Use of Copyrighted Materials)
(cf. 6163.1 - Library Media Centers)
The Superintendent or designee may provide a standards-based professional development program designed to increase teachers' knowledge of and ability to teach the arts and to implement adopted instructional materials.

(cf. 4131 - Staff Development)

The Superintendent or designee may encourage, as a supplement to teacher instruction, the integration of community arts resources into the educational program. Such resources may include opportunities for students to attend musical and theatrical performances, observe the works of accomplished artists, and work directly with artists-in-residence and volunteers. In addition, the Superintendent or designee may collaborate with community organizations to share resources and seek grant opportunities.

(cf. 1230 - School-Connected Organizations)
(cf. 1240 - Volunteer Assistance)
(cf. 1260 - Educational Foundation)
(cf. 1700 - Relations between Private Industry and the Schools)
(cf. 3290 - Gifts, Grants and Bequests)
(cf. 6020 - Parent Involvement)
(cf. 6153 - School-Sponsored Trips)

The Superintendent or designee may regularly evaluate and report to the Board regarding the implementation of arts education at each grade level and program effectiveness in enabling students to meet academic standards.

(cf. 0500 - Accountability)

Legal Reference:

EDUCATION CODE
8820-8830  Arts Work Visual and Performing Arts Educational Program
8950-8957  California summer school of the arts
32060-32066  Toxic art supplies
35330  Field trips
51210  Course of study, grades 1-6
51220  Course of study, grades 7-12
51225.3  Graduation requirements
58800-58805  Specialized secondary programs
60200-60206  Instructional materials, elementary schools
60400-60411  Instructional materials, high schools
99200-99206  Subject matter projects

UNCODIFIED STATUTE
SB 77, Ch. 171, Statutes of 2007, Item 6110-265-0001 Arts and music block grant
Management Resources:

CSBA PUBLICATIONS
Maximizing School Board Leadership: Curriculum Development, 1996
CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS
Visual and Performing Arts Framework for California Public Schools: Kindergarten through Grade 12, 2004
Visual and Performing Arts Content Standards, January 2001
WEB SITES:
CSBA: http://www.csba.org
Arts Education Partnership: http://aep-arts.org
California Alliance for Arts Education: http://www.artsed411.org
California Arts Council: http://www.cac.ca.gov
California Art Education Association: http://www.caee-erteduction.org
California Association for Music Education: http://www.calmusiced.com
California Dance Education Association: http://www.cdedance.org
California Department of Education, Visual and Performing Arts: http://www.cde.ca.gov/cc/vp
California Educational Theatre Association: http://www.cetoweb.org/ceta_pages
The California Arts Project: http://csmp.ucop.edu/tcap
The Board of Education recognizes that reading and other language arts constitute the basic foundation for learning in other areas of study. The Board desires to offer a comprehensive, balanced reading/language arts program that ensures all students have the skills necessary to read fluently and for meaning and develops students' appreciation for literature. The program shall integrate reading and oral and written language arts activities in order to build effective communication skills.

(cf. 6143 - Courses of Study)

For each grade level, the Board shall adopt academic standards that meet or exceed Common Core State Standards in the following strands:

1. **Reading**: Foundational skills, text complexity and analysis, and the growth of comprehension
2. **Writing**: Text types, responding to reading, production and distribution of writings, and research
3. **Speaking and listening**: Oral language development, comprehension, flexible communication, and collaboration
4. **Language**: Conventions, effective use, knowledge of language, and vocabulary

(cf. 6011 - Academic Standards)

The Superintendent or designee shall ensure that the district's reading/language arts program offers sufficient access to standards-aligned textbooks and other instructional materials. The program shall provide instructional materials of varying levels of difficulty, including fiction and nonfiction works, so that students are continually reading at an appropriate level. In addition, technology should be available to support all areas of literacy.

(cf. 6141 - Curriculum Development and Evaluation)
(cf. 6161.1 - Selection and Evaluation of Instructional Materials)
(cf. 6161.11 - Supplementary Instructional Materials)
(cf. 6163.1 - Library Media Centers)

Teachers are expected to use a variety of instructional strategies to accommodate the needs of beginning readers and the varying abilities of more advanced readers. The program shall provide ongoing diagnosis of students' skills and, as needed, may provide supplementary instruction during the school day and/or outside the regular school session to assist students who are experiencing difficulty learning to read.

(cf. 5148.2 - Before/After School Programs)
(cf. 6174 - Education for English Language Learners)
(cf. 6176 - Weekend/Saturday Classes)
(cf. 6177 - Summer Learning Programs)
(cf. 6179 - Supplemental Instruction)
The Superintendent or designee shall make available professional development opportunities that are designed to provide instructional staff with knowledge about how students develop language skills, the ability to analyze students' literacy levels, and mastery of a variety of instructional strategies and materials.
(cf. 4131 - Staff Development)
(cf. 4222 - Teacher Aides/Paraprofessionals)
(cf. 4231 - Staff Development)
(cf. 4331 - Staff Development)

The Superintendent or designee shall provide the Board with data from state and district reading assessments and program evaluations to enable the Board to monitor program effectiveness.
(cf. 0500 - Accountability)
(cf. 6162.5 - Student Assessment)
(cf. 6162.51 - State Academic Achievement Tests)
(cf. 6162.52 - High School Exit Examination)
(cf. 6190 - Evaluation of the Instructional Program)

Legal Reference:
EDUCATION CODE
41505-41508 Pupil Retention Block Grant
41530-41532 Professional Development Block Grant
44735 Teaching as a Priority Block Grant
44755-44757.5 Teacher Reading Instruction Development Program, K-3
51210 Areas of study, grades 1-6
51220 Areas of study, grades 7-12
60119 Sufficiency of textbooks and instructional materials
60200.4 Fundamental skills
60207 Curriculum frameworks
60350-60352 Core reading program instructional materials
60605 State-adopted content and performance standards in core curricular areas
60605.8 Common Core standards
99220-99221 California Reading Professional Development Institutes
99230-99242 Mathematics and Reading Professional Development Program (AB 466 trainings)
CODE OF REGULATIONS, TITLE 5
9535 Purchase of nonadopted core reading program instructional materials
11980-11985 Mathematics and Reading Professional Development Program (AB 466 trainings)
11991-11991.2 Reading First achievement index
UNITED STATES CODE, TITLE 20
6381-6381k Even Start Family Literacy Program
6383 Improving literacy through school libraries
Management Resources:
CSBA PUBLICATIONS
Governning to the Core, Governance Briefs
CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS
California Common Core State Standards: English Language Arts and Literacy in History/Social Studies, Science, and Technical Subjects, March 2013
Common Core State Standards for English Language Arts, August 2010
English Language Arts/English Language Development Framework for California Public Schools: Kindergarten Through Grade Twelve
Recommended Literature: Kindergarten Through Grade Twelve
WEB SITES
CSBA: http://www.csba.org
California Department of Education, Reading/Language Arts: http://www.cde.ca.gov/ci/rl

Policy
adopted: 01.12.10 &

PALO ALTO UNIFIED SCHOOL DISTRICT
Palo Alto, California
Nondiscrimination and Equivalent Opportunities in the Athletic Program
No student shall be excluded from participation in, be denied the benefits of, be denied equivalent opportunity in, or otherwise be discriminated against in interscholastic, intramural, or club athletics on the basis of actual or perceived sex, sexual orientation, gender, gender expression, ethnic group identification, race, ancestry, national origin, religion, color, mental or physical disability, or any other basis specified in law. (Education Code 220, 230; 5 CCR 4920; 34 CFR 106.41)
(cf. 0410 - Nondiscrimination in District Programs and Activities)
(cf. 5145.3 – Nondiscrimination/Harassment)

The Superintendent or designee may provide single-sex teams where selection for the teams is based on competitive skills. (5 CCR 4921; 34 CFR 106.41)

Each student shall be allowed to participate in any single-sex athletic program or activity consistent with his/her gender identity and for which s/he is otherwise eligible to participate, irrespective of the gender listed on the student’s records.

When a school provides only one team in a particular sport for members of one sex, but provides no team in the same sport for members of the other sex, and athletic opportunities in the total program for that sex have been previously limited, members of the excluded sex shall be allowed to try out and compete with the team. The same standards for eligibility shall be applied to every student trying out for a team, regardless of sex, sexual orientation, gender expression, or other protected group status. (5 CCR 4921; 34 CFR 106.41)

When determining whether equivalent opportunities are available to both sexes in athletic programs, the Superintendent or designee shall consider, among other factors: (5 CCR 4922; 34 CFR 106.41)

1. Whether the selection of sports and levels of competition offered effectively accommodate the interests and abilities of both sexes

The athletic program shall be considered to effectively accommodate the interests and abilities of both sexes if it meets one of the following criteria: (Education Code 230)

a. The interscholastic-level participation opportunities for male and female students are provided in numbers substantially proportionate to their respective enrollments.
b. When the members of one sex have been and are underrepresented among interscholastic athletes, the district can show a history and a continuing practice of program expansion that is demonstrably responsive to the developing interests and abilities of the members of that sex.

c. When the members of one sex are currently underrepresented among interscholastic athletes and the district cannot show a history and continuing practice of program expansion as required in item #b above, the district can demonstrate that the interests and abilities of the members of that sex have been fully and effectively accommodated by the present program.

2. The provision and maintenance of equipment and supplies
3. Scheduling of games and practice times, selection of the season for a sport, and location of the games and practices
4. Travel and per diem allowances
5. Opportunities to receive coaching and academic tutoring
6. Assignment and compensation of coaches and tutors
7. Provision of locker rooms and practice and competitive facilities
8. Provision of medical and training facilities and services
9. Provision of housing and dining facilities and services
10. Publicity
11. Provision of necessary funds

**Health and Safety**
The Superintendent or designee shall annually distribute to student athletes and their parents/guardians an information sheet on concussions and head injuries. The student and parent/guardian shall sign and return the information sheet before the student's initiating practice or competition. (Education Code 49475)
*(cf. 5145.6 - Parental Notifications)*

If a student athlete is suspected of sustaining a concussion or head injury in an athletic activity, he/she shall be immediately removed from the activity for the remainder of the day. The student shall not be permitted to return to the activity until he/she is evaluated by a licensed health care provider trained in the management of concussions and receives the health care provider's written clearance to return to the activity. (Education Code 49475)

The Superintendent or designee shall notify the student's parent/guardian of the date, time, and extent of any injury suffered by the student and any actions taken to treat the student.

The Superintendent or designee shall provide training to coaches, athletic trainers, and/or school nurses regarding concussion symptoms, prevention, and appropriate response.
*(cf. 4127/4227/4327 - Temporary Athletic Team Coaches)*

**Parental Notifications**
Before a student participates in interscholastic athletic activities, the Superintendent or designee shall send a notice to the student's parents/guardians which:
1. Contains information about the procedures for filing a discrimination complaint that arises out of an interscholastic athletic activity, including the name of the district's Title IX Coordinator
(cf. 1312.3 - Uniform Complaint Procedures)
(cf. 5145.3 - Nondiscrimination/Harassment)

2. Includes a copy of the Athletes' Bill of Rights pursuant to Education Code 271

3. Explains that there is an element of risk associated with all athletic competitions and that the district cannot guarantee that students will not be injured, despite a commitment to every participant's health and welfare
(cf. 3530 - Risk Management/Insurance)

4. Provides information about insurance protection pursuant to Education Code 32221.5
(cf. 5143 - Insurance)

5. Requests parental permission for the student to participate in the program and, if appropriate, be transported by the district to and from competitions
(cf. 3541.1 - Transportation for School-Related Trips)

6. States the Board's expectation that students adhere strictly to all safety rules, regulations, and instructions, as well as rules and guidelines related to conduct and sportsmanship
(cf. 5144 - Discipline)
(cf. 5144.1 - Suspension and Expulsion/Due Process)

7. Includes a copy of the local California Interscholastic Federation (CIF) league rules

8. Includes information about the CIF bylaw and district policy requiring any student athlete and his/her parent/guardian to sign a statement that the student will not use steroids or dietary supplements banned by the U.S. Anti-Doping Agency
(cf. 5131.63 - Steroids)
State Academic Achievement Tests

The Board of Education recognizes that state achievement test results provide an indication of student progress in achieving state academic standards and may be used to promote high-quality teaching and learning. The Superintendent or designee shall administer mandatory student assessments within the California Assessment of Student Performance and Progress (CAASPP) as required by law and in accordance with Board policy and administrative regulation.

(cf. 6011 - Academic Standards)
(cf. 6162.5 - Student Assessment)
(cf. 6162.54 - Test Integrity/Test Preparation)
(cf. 9321 - Closed Session Purposes and Agendas)
(cf. 9321.1 - Closed Session Actions and Reports)

The Board strongly encourages all students at the applicable grade levels to participate in the state assessments in order to maximize the usefulness of the data and enable the district to meet participation levels required for state and federal accountability systems. The Superintendent or designee shall notify students and parents/guardians about the importance of these assessments and shall develop strategies to encourage student participation. Students shall be exempted from participation only in accordance with law and administrative regulation.

(cf. 0520.2 - Title I Program Improvement Schools)
(cf. 0520.3 - Title I Program Improvement Districts)

The Board shall annually examine state assessment results by school, grade level, and student subgroup as one measure of the district's progress in attaining its student achievement goals and shall revise the local control and accountability plan and other district or school plans as necessary to improve student achievement for underperforming student groups.

(cf. 0460 - Local Control and Accountability Plan)
(cf. 0500 - Accountability)
Legal Reference:
EDUCATION CODE
49076  Student records; access
51041  Evaluation of educational program
52052  Academic Performance Index; numerically significant student subgroups
52060-52077  Local control and accountability plan
56345  Individualized education program, contents
60600-60630  Assessment of academic achievement
60640-60649  California Assessment of Student Performance and Progress
60660-60663  Electronic learning assessment resources
60810  Assessment of language development
99300-99301  Early Assessment Program
CODE OF REGULATIONS, TITLE 5
850-864  State assessments
UNITED STATES CODE, TITLE 20
1412  Participation of students with disabilities in state assessments
6311  Adequate yearly progress
CODE OF FEDERAL REGULATIONS, TITLE 34
200.1  Standards and assessment

Management Resources:
CSBA PUBLICATIONS
Supporting Student Achievement: Student Assessment System in Flux, Governance Brief, June 2013
CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS
Assembly Bill 484 Questions and Answers
CALIFORNIA STATE UNIVERSITY PUBLICATIONS
The Early Assessment Program: Handbook for School Site Leaders, 2008
SMARTER BALANCED ASSESSMENT CONSORTIUM PUBLICATIONS
Usability, Accessibility, and Accommodations Guidelines, September 2013
U.S. DEPARTMENT OF EDUCATION, OFFICE FOR CIVIL RIGHTS PUBLICATIONS
WEB SITES
CSBA:  http://www.csba.org
California Department of Education, Testing and Accountability:  http://www.cde.ca.gov/ta
California Learning Resources Network: http://clrn.org
California State University, Early Assessment Program: http://www.calstate.edu/eap
Smarter Balanced Assessment Consortium:  http://www.smarterbalanced.org
U.S. Department of Education, Office for Civil Rights: http://www.ed.gov/about/offices/list/ocr
ADMINISTRATIVE REGULATION

Instruction

State Academic Achievement Tests AR 6162.51

The district shall administer the following assessments in the California Assessment of Student Performance and Progress (CAASPP): (Education Code 60640):

1. The Smarter Balanced Assessment Consortium summative assessments for English language arts and mathematics, aligned with Common Core State Standards, in grades 3-8 and 11
   (cf. 6142.91 - Reading/Language Arts Instruction)
   (cf. 6142.92 - Mathematics Instruction)

   All students at the applicable grade levels shall be administered these tests, except that:
   a. English learners who are in their first 12 months of attending a school in the United States shall be exempted from taking the English language arts assessment to the extent allowed by federal law
   b. Students with disabilities may be provided an alternate test in accordance with their individualized education program (IEP), as provided in item #3 below
   (cf. 6159 - Individualized Education Program)
   (cf. 6164.6 - Identification and Education Under Section 504)

2. California Standards Tests in science at grades 5, 8, and 10
   (cf. 6142.93 - Science Instruction)

3. For students with disabilities who are unable to take the tests specified in items #1-2 above even with appropriate accommodations, the California Alternate Performance Assessment (CAPA) in English language arts and mathematics for students in grades 2-11 and either the CAPA or California Modified Assessment in science for students in grades 5, 8, and 10, in accordance with the student's IEP

   Testing Period
   The state achievement tests shall be administered within the testing period established by the State Board of Education (SBE) pursuant to Education Code 60640. Students who are absent during testing shall be provided an opportunity to take the tests during the period of time established by the SBE for make-up testing.

Exemptions
A parent/guardian may submit to the school a written request to excuse his/her child from any or all parts of any test. However, district employees shall not solicit or encourage any written exemption on behalf of any student or group of students. (5 CCR 852)
Testing Variations
Assessments shall be administered in accordance with the manuals or other instructions provided by the test contractor and California Department of Education (CDE), except that students may be provided a tool, support, or accommodation that is specifically allowed pursuant to 5 CCR 853.5.

Accommodations provided to students with disabilities shall be those specified in their IEP or Section 504 plan. (5 CCR 850, 853.5)

Staff Responsibilities
On or before September 30 of each year, the Superintendent or designee shall designate a district coordinator who shall oversee all matters related to the testing program and serve as the district representative and liaison with the test contractor and the CDE. In addition, the Superintendent or designee shall designate a coordinator for each test site. The duties of the district and school site test coordinators shall include those specified in 5 CRR 857-858. (5 CCR 857-858)

The Superintendent or designee also shall appoint test examiner(s) to administer the state assessments. A test examiner shall be an employee or contractor of the district or, for the CAPA, shall be a certificated or licensed employee of the school, district, or county office of education. (5 CCR 850)
(cf. 4112.2 - Certification)
(cf. 4113 - Assignment)

As appropriate, the Superintendent or designee shall assign a specially trained district employee to serve as a test proctor to assist the test examiner; a specially trained district employee, or other person supervised by a district employee, to serve as a translator to translate the test directions into a student's primary language; and a district employee to serve as a scribe to transcribe a student's responses to the format required by the test. A student's parent/guardian shall not be eligible to be that student's translator or scribe. (5 CCR 850)

Test coordinators, examiners, proctors, translators, and scribes shall sign a test security agreement or affidavit. (5 CCR 850, 857-859)

Report of Test Results
For any state assessments that produce valid individual student results, the Superintendent or designee shall provide a written report of the student's results to his/her parents/guardians which includes a clear explanation of the purpose of the test, the student's score, and its intended use by the district. An individual student's scores shall also be reported to his/her school and teacher(s) and shall be included in his/her student record. (Education Code 60641; 5 CCR 863)
(cf. 5125 - Student Records)
(cf. 5145.6 - Parental Notifications)

With parent/guardian consent, the Superintendent or designee may release a student's test results to a postsecondary educational institution for the purposes of credit, placement, determination of readiness for college-level coursework, or admission. (Education Code 60641)
The Superintendent or designee shall present districtwide, school-level, and grade-level results to the Governing Board at a regularly scheduled meeting. The Board shall not receive individual students' scores or the relative position of any individual student. (Education Code 49076, 60641)
The Board of Education recognizes that a comprehensive counseling program can help promote both academic achievement and social emotional health, serving the diverse needs of all district students. School-based counseling staff, including credentialed counselors and supervised advisory staff, shall be available to meet with students to provide academic advising, social-emotional support, and college and career planning. Per Education Code 49600 (c), the Board approves an organized advisory program, supervised by a school district counselor.

The Board recognizes that positive adult role models and supportive, ongoing relationships with caring adults can provide students with valuable guidance and support. Middle schools and high schools shall have standards-based guidance models with structures and practices that provide counseling support for students by grade level and across all three areas of services (academic advising, social-emotional support, and college and career planning). A minimum baseline of services shall be secured for every student which shall not be dependent on individual student or parent initiative. With support from district-level staff, the secondary school guidance teams will collaborate and communicate in an ongoing working relationship in order to shape and maintain a well-articulated and aligned guidance system; monitor and report student, parent and staff feedback on a regular basis; and ensure that students across different school sites experience comparable levels of service, satisfaction and positive outcomes.

**Academic Advising**

The district's academic counseling program shall help students establish immediate and long-range educational plans, achieve academic standards, prepare for the high school exit examination, and complete the required curriculum in accordance with their individual needs, abilities, and interests.

Counseling staff will offer individual and small group support to students in the selection and completion of coursework to meet the individual needs of each student and promote the broadest array of opportunities upon completion of high school. Counseling staff will also assure that students are on track to complete the college preparatory coursework included in the district’s graduation requirements, or any alternative graduation requirements established. See Board Policy 6146.1 – High School Graduation Requirements for further information.

To the extent possible, parents/guardians shall be included when making educational plans.
In addition, targeted academic and college and career guidance programs shall be made available to youth identified as academically at-risk, including but not limited to members of historically under-represented minority or low income groups. 

(cf. 0410 - Nondiscrimination in District Programs and Activities)
(cf. 0420 - School Plans/Site Councils)
(cf. 1220 - Citizen Advisory Committees)
(cf. 6011 - Academic Standards)
(cf. 6020 - Parent Involvement)

No counselor shall unlawfully discriminate against any student. Guidance counseling regarding school programs and career, vocational, or higher education opportunities shall not be differentiated on the basis of any protected category specified in BP 0410 - Nondiscrimination in District Programs and Activities. 

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

In addition, counselors shall affirmatively explore with students the possibility of careers, or courses leading to careers, that are nontraditional for that student's sex. (Education Code 221.5)

For assessing or counseling students, the district shall not use testing or other materials that permit or require impermissible or unlawful differential treatment of students. (5 CCR 4931)

College and Career Planning
Counseling staff shall help all students plan for the future and become aware of their career interests and opportunities. Academic planning for higher education shall include information about courses needed for admission to colleges and universities, standardized admission tests, financial aid, scholarships and other application requirements. Parents should be considered partners in supporting students’ college and career plans. 

(cf. 6141.5 - Advanced Placement)
(cf. 6143 - Courses of Study)
(cf. 6146.1 - High School Graduation Requirements)
(cf. 6146.11 - Alternative Credits Toward Graduation)
(cf. 6146.2 - Certificate of Proficiency/High School Equivalency)

The Superintendent or designee shall establish and maintain a program of guidance, placement, and follow-up for all district students subject to compulsory continuation education. (Education Code 48431)
(cf. 6184 - Continuation Education)

Colleges and prospective employers, including military recruiters, shall have the same access to students for recruiting purposes. (20 USC 7908; 10 USC 503; Education Code 49603). See Board Policy 5125.1 – Release of Directory Information regarding which information is released to recruiters and families’ rights to opt out.
Social-Emotional Support
Counseling staff shall work with students whose personal circumstances or challenges affect their experiences at school. As appropriate, students shall be informed about agencies that offer qualified professional assistance with substance abuse; physical, social or emotional issues; or other personal or health obstacles.
(cf. 1020 - Youth Services)
(cf. 5113 - Absences and Excuses)
(cf. 5113.1 - Truancy)
(cf. 5131.6 - Alcohol and Other Drugs)
(cf. 5137 - Positive School Climate)
(cf. 5138 - Conflict Resolution/Peer Mediation)
(cf. 5141.4 - Child Abuse Prevention and Reporting)
(cf. 5141.6 - School Health Services)
(cf. 5145.9 - Hate-Motivated Behavior)
(cf. 5147 - Dropout Prevention)
(cf. 5149 - At-Risk Students)
(cf. 6164.5 - Student Success Teams)
(cf. 6173 - Education for Homeless Children)
(cf. 6173.1 - Education for Foster Youth)

Written parent/guardian consent shall be obtained before mental health counseling or treatment services are provided to a student, except when the student is authorized to consent to the service pursuant to Family Code 6920-6929, Health and Safety Code 124260, or other applicable law.

Any information of a personal nature disclosed to a school counselor by a student age 12 years or older or by his/her parent/guardian is confidential and shall not become part of the student record without the written consent of the person who disclosed the confidential information. The information shall not be revealed, released, discussed, or referred to except under the limited circumstances specified in Education Code 49602. (Education Code 49602)
(cf. 5022 - Student and Family Privacy Rights)
(cf. 5125 - Student Records)

Counseling staff shall respect student confidentiality as appropriate and shall consult with the Superintendent or designee or with the district's legal counsel whenever unsure of how to respond to a student's personal circumstances. Parent/guardian consultation and consent shall be obtained as appropriate.
(cf. 5125 - Student Records)
(cf. 5022 - Student and Family Privacy Rights)
The Board recognizes the need for a prompt and effective response when students are confronted with a traumatic incident. Credentialed school counselors shall assist in the development of the comprehensive school safety plan, emergency and disaster preparedness plan, and other prevention and intervention practices designed to assist students before and after a crisis.

(cf. 0450 - Comprehensive Safety Plan)
(cf. 3516 - Emergencies and Disaster Preparedness Plan)

In addition, the Superintendent or designee shall identify crisis counseling resources to train district staff in appropriate response techniques and/or to directly help students cope with such crises if they occur.

See also Board Policy 5141.52 - Suicide Prevention and Related Mental Health Promotion.

Counseling staff shall assist in developing early identification and intervention plans to help identify those students who may be at risk so that proactive support may be provided.

(cf. 5131 - Conduct)
(cf. 5136 - Gangs)

Legal Reference:

EDUCATION CODE
221.5 Prohibited sex discrimination
37254 Supplemental instruction based on failure to pass exit exam by end of grade 12
41505-41508 Pupil Retention Block Grant
48431 Establishing and maintaining high school guidance and placement program
49600-49604 Educational counseling
51250 School age military dependents
51513 Personal beliefs
52378-52380 Supplemental School Counseling Program
REPEALED EDUCATION CODE FOR CATEGORICAL PROGRAMS
48431.6 Tenth grade counseling program
PENAL CODE
11166-11170 Reporting known or suspected cases of child abuse
CODE OF REGULATIONS, TITLE 5
4930-4931 Counseling
UNITED STATES CODE, TITLE 10
503 Military recruiter access to directory information
UNITED STATES CODE, TITLE 20
1232g Family Educational Rights and Privacy Act
7908 Armed forces recruiter access to students and student recruiting information
CODE OF FEDERAL REGULATIONS, TITLE 34
99.1-99.67 Family educational rights and privacy
GUIDANCE/COUNSELING SERVICES

Management Resources:

WEB SITES
American School Counseling Association: http://www.schoolcounselor.org
California Association of School Counselors: http://www.schoolcounselor-ca.org
California Department of Education: http://www.cde.ca.gov
U.S. Department of Education, access to military recruiters:

Policy adopted: 05.28.13 &

PALO ALTO UNIFIED SCHOOL DISTRICT
Palo Alto, California
EDUCATION FOR FOSTER YOUTH

The Board of Education recognizes that foster youth may face significant barriers to achieving academic success due to their family circumstances, disruption to their educational program, and their emotional, social, and other health needs. To enable such students to achieve state and district academic standards, the Superintendent or designee shall provide them with full access to the district's educational program and implement strategies identified as necessary for the improvement of the academic achievement of foster youth in the district's local control and accountability plan (LCAP).

(cf. 0460 - Local Control and Accountability Plan)
(cf. 3100 - Budget)
(cf. 5131.6 - Alcohol and Other Drugs)
(cf. 5149 - At-Risk Students)
(cf. 6011 - Academic Standards)
(cf. 6145 - Extracurricular and Co-curricular Activities)
(cf. 6145.2 - Athletic Competition)
(cf. 6164.2 - Guidance/Counseling Services)
(cf. 6173 - Education for Homeless Children)
(cf. 6179 - Supplemental Instruction)

The Superintendent or designee shall ensure that placement decisions for foster youth are based on the students' best interests as defined in law and administrative regulation. To that end, he/she shall designate a staff person as a district liaison for foster youth to help facilitate the enrollment, placement, and transfer of foster youth.

The Superintendent or designee and district liaison shall ensure that all appropriate staff, including, but not limited to, each principal, school registrar, and attendance clerk, receive training regarding the enrollment, placement, and rights of foster youth.

(cf. 4131 - Staff Development)
(cf. 4231 - Staff Development)
(cf. 4331 - Staff Development)

The Board desires to provide foster youth with a safe, positive learning environment that is free from discrimination and harassment and promotes students' self-esteem and academic achievement. The Superintendent or designee shall develop strategies to build students' feelings of connectedness with the school, including, but not limited to, strategies that promote positive discipline and conflict resolution, the development of students' resiliency and interpersonal skills, and the involvement of foster parents, group home administrators, and/or other caretakers in school programs and activities.

(cf. 0410 - Nondiscrimination in District Programs and Activities)
(cf. 0450 - Comprehensive Safety Plan)
(cf. 5131 - Conduct)
(cf. 5137 - Positive School Climate)
(cf. 5138 - Conflict Resolution/Peer Mediation)
(cf. 5145.3 - Nondiscrimination/Harassment)
(cf. 5145.9 - Hate-Motivated Behavior)
(cf. 6020 - Parent Involvement)
To address the needs of foster youth and help ensure the maximum utilization of available funds, the Superintendent or designee may collaborate with local agencies including, but not limited to, the county placing agency, social services, probation officers, juvenile court officers, nonprofit organizations, and advocates. The Superintendent or designee may explore the feasibility of entering into agreements with these groups to coordinate services and protect the rights of foster youth.

(cf. 1020 - Youth Services)

At least annually, and in accordance with the established timelines, the Superintendent or designee shall report to the Board on the outcomes for foster youth regarding the goals and specific actions identified in the LCAP, including, but not limited to, school attendance, student achievement test results, promotion and retention rates by grade level, graduation rates, and suspension/expulsion rates. As necessary, evaluation data shall be used to determine and recommend revisions to the LCAP for improving or increasing services for foster youth.

(cf. 0500 - Accountability)
(cf. 5123 - Promotion/Acceleration/Retention)
(cf. 5144.1 - Suspension and Expulsion/Due Process)
(cf. 5144.2 - Suspension and Expulsion/Due Process (Students with Disabilities))
(cf. 6162.51 - Standardized Testing and Reporting Program)
(cf. 6162.52 - High School Exit Examination)

Legal Reference:
EDUCATION CODE
32228-32228.5 Student safety and violence prevention
42238.01-42238.07 Local control funding formula
42920-42925 Foster children educational services
48645-48646 Juvenile court schools
48850-48859 Educational placement of students residing in licensed children's institutions
48915.5 Suspension and expulsion; students with disabilities, including foster youth
48918.1 Notice of expulsion hearing for foster youth
49061 Student records
49069.5 Foster care students, transfer of records
49076 Access to student records
51225.1 Exemption from district graduation requirements
51225.2 Pupil in foster care defined; acceptance of coursework, credits, retaking of course
51225.3 High school graduation
52060-52077 Local control and accountability plan
56055 Rights of foster parents in special education
60851 High school exit examination
HEALTH AND SAFETY CODE
1522.41 Training and certification of group home administrators
1529.2 Training of licensed foster parents
120341 Foster youth: school placement: immunization records

WELFARE AND INSTITUTIONS CODE
300 Children subject to jurisdiction
309 Investigation and release of child
317 Appointment of legal counsel
361 Limitations on parental or guardian control
366.27 Educational decision by relative providing living arrangements
602 Minors violating law: ward of court
726 Limitations on parental or guardian control
727 Order of care, ward of court
16000-16014 Foster care placement

UNITED STATES CODE, TITLE 20
1415 Procedural safeguards: placement in alternative educational setting

UNITED STATES CODE, TITLE 29
794 Rehabilitation Act of 1973, Section 504

UNITED STATES CODE, TITLE 42
670-679b Federal assistance for foster care programs
11431-11435 McKinney-Vento Homeless Assistance Act

Management Resources:
CSBA PUBLICATIONS
Educating Foster Youth: Best Practices and Board Considerations, Policy Brief, March 2008
AMERICAN BAR ASSOCIATION PUBLICATIONS
Mythbusting: Breaking Down Confidentiality and Decision-Making Barriers to Meet the Education Needs of Children in Foster Care, 2005
CALIFORNIA CHILD WELFARE COUNCIL
Partial Credit Model Policy and Practice Recommendations
CITIES, COUNTIES AND SCHOOLS PARTNERSHIP PUBLICATIONS
Our Children: Emancipating Foster Youth, A Community Action Guide
WEB SITES
CSBA: http://www.csba.org
Management Resources (continued):
American Bar Association: http://www.americanbar.org
California Department of Education, Foster Youth Services: http://www.cde.ca.gov/ls/pf/fy
California Department of Social Services, Foster Youth Ombudsman Office: http://www.fosteryouthhelp.ca.gov
California Youth Connection: http://www.calyouthconn.org/site/cyc
Cities, Counties and Schools Partnership: http://www.ccspartnership.org
Definitions
Foster youth means a child who has been removed from his/her home pursuant to Welfare and Institutions Code 309, is the subject of a petition filed under Welfare and Institutions Code 300 or 602, or has been removed from his/her home and is the subject of a petition filed under Welfare and Institutions Code 300 or 602 or is a nonminor who is under the transition jurisdiction of a juvenile court, as described in Welfare and Institutions Code 450, and satisfies the criteria specified in Education Code 42238.01. (Education Code 42238.01, 48853.5)

*Person holding the right to make educational decisions* means a responsible adult appointed by a court pursuant to Welfare and Institutions Code 361 or 727.

*School of origin* means the school that the foster youth attended when permanently housed or the school in which he/she was last enrolled. If the school the foster youth attended when permanently housed is different from the school in which he/she was last enrolled, or if there is some other school that the foster youth attended within the preceding 15 months and with which the youth is connected, the district liaison shall determine, in consultation with and with the agreement of the foster youth and the person holding the right to make educational decisions for the youth, in the best interest of the foster youth, which school is the school of origin. (Education Code 48853.5)

*Best interests* means that, in making educational and school placement decisions for a foster youth, consideration is given to, among other factors, educational stability, the opportunity to be educated in the least restrictive educational setting necessary to achieve academic progress, and the foster youth's access to academic resources, services, and extracurricular and enrichment activities that are available to all district students. (Education Code 48850, 48853)

**District Liaison**
The Superintendent or designee designates the following position as the district liaison for foster youth: (Education Code 48853.5)

Student Services Coordinator
25 Churchill Avenue
Palo Alto, CA 94306
650-329-3769

(cf. 6173 - Education for Homeless Children)
The district's liaison for foster youth shall:

1. Ensure and facilitate the proper educational placement, enrollment in school, and checkout from school of students in foster care (Education Code 48853.5)

2. Ensure proper transfer of credits, records, and grades when students in foster care transfer from one school to another or from one district to another (Education Code 48645.5, 48853.5)

   When a student in foster care is enrolling in a district school, the liaison shall contact the school last attended by the student to obtain, within two business days, all academic and other records. When a foster youth is transferring to a new school, the liaison shall provide the student's records to the new school within two business days of receiving the new school's request. (Education Code 48853.5)

   (cf. 5125 - Student Records)
   (cf. 6146.3 - Reciprocity of Academic Credit)

3. When required by law, notify the foster youth's attorney and the representative of the appropriate county child welfare agency when the foster youth is undergoing any expulsion or other disciplinary proceeding, including a manifestation determination prior to a change in the foster youth's placement, when he/she is a student with a disability. (Education Code 48853.5, 48911, 48915.5, 48918.1)

   (cf. 5144.1 - Suspension and Expulsion/Due Process)
   (cf. 5144.2 - Suspension and Expulsion/Due Process (Students with Disabilities))
   (cf. 6159.4 - Behavioral Interventions for Special Education Students)

4. As needed, make appropriate referrals to ensure that students in foster care receive necessary special education services and services under Section 504 of the federal Rehabilitation Act of 1973

   (cf. 6164.4 - Identification and Evaluation of Individuals for Special Education)
   (cf. 6164.6 - Identification and Education Under Section 504)

5. As needed, ensure that students in foster care receive appropriate school-based services, such as counseling and health services, supplemental instruction, and after-school services

   (cf. 5141.6 - School Health Services)
   (cf. 5148.2 - Before/After School Programs)
   (cf. 5149 - At-Risk Students)
   (cf. 6164.2 - Guidance/Counseling Services)
   (cf. 6172 - Gifted and Talented Student Program)
   (cf. 6174 - Education for English Language Learners)
   (cf. 6177 - Summer Learning Programs)
   (cf. 6179 - Supplemental Instruction)
6. Develop protocols and procedures for creating awareness for district staff, including principals, school registrars, and attendance clerks, of the requirements for the proper enrollment, placement, and transfer of foster youth
   (cf. 4131 – Staff Development)
   (cf. 4231 – Staff Development)
   (cf. 4331 – Staff Development)

7. Collaborate with the county placing agency, social services, probation officers, juvenile court officers, nonprofit organizations, and advocates to help coordinate services for the district's foster youth
   (cf. 1020 - Youth Services)
   (cf. 1400 - Relations between Other Governmental Agencies and the Schools)

Enrollment
A student placed in a licensed children's institution or foster family home within the district shall attend programs operated by the district unless one of the following circumstances applies: (Education Code 48853, 44853.5)

1. The student has an individualized education program requiring placement in a nonpublic, nonsectarian school or agency or in another local educational agency.
   (cf. 6159 - Individualized Education Program)
   (cf. 6159.2 - Nonpublic Nonsectarian School and Agency Services for Special Education)

2. The parent/guardian or other person holding the right to make educational decisions for the student determines that it is in the best interest of the student to be placed in another educational program and submits a written statement to the district indicating that determination and the he/she is aware of the following:
   a. The student has a right to attend a regular public school in the least restrictive environment.
   b. The alternate educational program is a special education program, if applicable.
   c. The decision to unilaterally remove the student from the district school and to place him/her in an alternate education program may not be financed by the district.
   d. Any attempt to seek reimbursement for the alternate education program may be at the expense of the parent/guardian or other person holding the right to make educational decisions for the student.
   (cf. 5116.1 - Intradistrict Open Enrollment)
   (cf. 5117 - Interdistrict Attendance)
   (cf. 6159.3 - Appointment of Surrogate Parent for Special Education Students)

3. At the initial placement or any subsequent change in placement, the student exercises his/her right to continue in his/her school of origin, as defined above.
a. The student may continue in the school of origin for the duration of the court's jurisdiction.
b. If the court's jurisdiction over a grade K-8 student is terminated prior to the end of a school year, the student may continue in his/her school of origin for the remainder of the school year.
c. If the court's jurisdiction is terminated while the student is in high school, the student may continue in his/her school of origin until he/she graduates.
d. If the student is transitioning between school grade levels, he/she shall be allowed to continue in the district of origin in the same attendance area to provide him/her the benefit of matriculating with his/her peers in accordance with the established feeder patterns of school districts. A student who is transitioning to a middle school or high school shall be allowed to enroll in the school designated for matriculation in another school district.

The district liaison may, in consultation with and with the agreement of the foster youth and the person holding the right to make educational decisions for the youth, recommend that the youth's right to attend the school of origin be waived and he/she be enrolled in any school that students living in the attendance area in which the foster youth resides are eligible to attend. All decisions shall be made in accordance with the foster youth's best interests. (Education Code 48853.5)

Prior to making any recommendation to move a foster youth from his/her school of origin, the liaison shall provide the youth and the person holding the right to make educational decisions for the youth with a written explanation of the basis for the recommendation and how this recommendation serves the youth's best interests. (Education Code 48853.5)

The role of the liaison shall be advisory with respect to placement decisions and determination of the school of origin. (Education Code 48853.5)

If the liaison, in consultation with the foster youth and the person holding the right to make educational decisions for the foster youth, agree that the best interests of the youth would be served by his/her transfer to a school other than the school of origin, the principal or designee of the new school shall immediately enroll the foster youth. The youth shall be immediately enrolled even if he/she

1. Has outstanding fees, fines, textbooks, or other items or monies due to the school last attended
   (cf. 5125.2 - Withholding Grades, Diploma or Transcripts)

2. Does not have clothing normally required by the school, such as school uniforms.
   (Education Code 48853.5)
   (cf. 5132 - Dress and Grooming)
3. Is unable to produce records normally required for enrollment, such as previous academic records, proof of residency, and medical records, including, but not limited to immunization records or other documentation

(cf. 5141.26 - Tuberculosis Testing)
(cf. 5141.31 - Immunizations)
(cf. 5141.32 - Health Screening for School Entry)

If the foster youth or a person with the right to make educational decisions for the foster youth disagrees with the liaison's enrollment recommendation, he/she may appeal the decision to the Superintendent or designee. The Superintendent or designee shall make a determination within 30 calendar days of receipt of the appeal. Within 30 calendar days of receipt of the Superintendent's decision, the parent/guardian or foster youth may appeal that decision to the Board of Education. The Board shall consider the issue at its next regularly scheduled meeting. The Board's decision shall be final.

(cf. 9320 - Meetings and Notices)

If any dispute arises regarding the request of a foster youth to remain in the school of origin, the youth has the right to remain in the school of origin pending resolution of the dispute. (Education Code 48853.5)

**Transportation**

The district shall not be responsible for providing transportation to and from the school of origin.

**Effect of Absences on Grades**

The grades of a student in foster care shall not be lowered for any absence from school that is due to either of the following circumstances: (Education Code 49069.5)

1. A decision by a court or placement agency to change the student's placement, in which case the student's grades shall be calculated as of the date he/she left school
2. A verified court appearance or related court-ordered activity

(cf. 5121 - Grades/Evaluation of Student Achievement)

When a foster youth transfers into a district school, the district shall accept and issue full credit for any coursework that the foster youth has satisfactorily completed while attending another public school, a juvenile court school, or a nonpublic, nonsectarian school or agency and shall not require the foster youth to retake the course. (Education Code 51225.2)
If the foster youth did not complete the entire course, he/she shall be issued partial credit for the coursework completed and shall be required to take the portion of the course that he/she did not complete at his/her previous school. However, the district may require the foster youth to retake the portion of the course completed if, in consultation with the holder of educational rights for the foster youth, the district finds that the foster youth is reasonably able to complete the requirements in time to graduate from high school. Whenever partial credit is issued to a foster youth in any particular course, he/she shall be enrolled in the same or equivalent course, if applicable, so that he/she may continue and complete the entire course. (Education Code 51225.2)

Partial credits shall be awarded on the basis of 0.5 credits for every seven class periods attended per subject. If the school is on a block schedule, each block schedule class period attended shall be equal to two regular class periods per subject. Partial credits and grades earned by a student shall be included on the student's official transcript within two business days of the district's notification of the student's transfer, as required under Education Code 49069.5.

In no event shall the district prevent a foster youth from taking or retaking a course to meet the eligibility requirements for admission to the California State University or the University of California. (Education Code 51225.2)

**Applicability of Graduation Requirements**

To obtain a high school diploma, a foster youth shall pass the high school exit examination in English language and mathematics, complete all courses required by Education Code 51225.3, and fulfill any additional graduation requirement prescribed by the Board.

*(cf. 6146.1 - High School Graduation Requirements)*
*(cf. 6162.52 - High School Exit Examination)*

However, when a foster youth who has completed his/her second year of high school transfers into the district from another school district or transfers between high schools within the district, he/she shall be exempted from all district-adopted coursework and other district-established graduation requirements, unless the district makes a finding that the student is reasonably able to complete the additional requirements in time to graduate from high school by the end of his/her fourth year of high school. Within 30 calendar days of the foster youth's transfer, the Superintendent or designee shall notify the foster youth, the person holding the right to make educational decisions for him/her, and the foster youth's social worker of the availability of the exemption and whether the foster youth qualifies for it. (Education Code 51225.1, 60851)
To determine whether a foster youth is in his/her third or fourth year of high school, the district shall use either the number of credits the foster youth has earned as of the date of the transfer or the length of his/her school enrollment, whichever qualifies him/her for the exemption. (Education Code 51225.1)

The Superintendent or designee shall notify any foster youth who is granted an exemption and the person holding the right to make educational decisions for him/her how any requirements that are waived will affect the foster youth's ability to gain admission to a postsecondary educational institution and shall provide information about transfer opportunities available through the California Community Colleges. (Education Code 51225.1)

The district shall not require or request a foster youth to transfer schools in order to qualify for an exemption and no request for a transfer solely to qualify for an exemption shall be made by a foster youth or any person acting on behalf of a foster youth. (Education Code 51225.1)

Upon making a finding that a foster youth is reasonably able to complete district graduation requirements within his/her fifth year of high school, the Superintendent or designee shall: (Education Code 51225.1)

1. Inform the foster youth and the person holding the right to make educational decisions for him/her of the foster youth's option to remain in school for a fifth year to complete the district's graduation requirements and how that will affect his/her ability to gain admission to a postsecondary educational institution
2. Provide information to the foster youth about transfer opportunities available through the California Community Colleges
3. Upon agreement with the foster youth or, if he/she is under 18 years of age, the person holding the right to make educational decisions for him/her, permit the foster youth to stay in school for a fifth year to complete the district's graduation requirements

Eligibility for Extracurricular Activities
A foster youth whose residence changes pursuant to a court order or decision of a child welfare worker shall be immediately deemed to meet all residency requirements for participation in interscholastic sports or other extracurricular activities. (Education Code 48850)
(cf. 6145 - Extracurricular and Cocurricular Activities)
(cf. 6145.2 - Athletic Competition)
Board Policy
Instruction

Weekend/Saturday Classes  BP 6176

The Board of Education desires to increase educational opportunities outside the regular school week in order to meet student needs and promote academic achievement. When staffing, facilities, and other resources are available, the Board may approve the provision of classes on Saturday and/or Sunday that support and are integrated with other learning opportunities.

(cf. 4113 - Assignment)
(cf. 5148.2 - Before/After School Programs)
(cf. 6111 - School Calendar)

Any class offered on a Saturday or Sunday, except in regional occupational centers or programs (ROC/Ps), shall be one offered Monday through Friday during the regular school week.

(Education Code 37223)

Weekend classes may include, but are not limited to:

1. Continuation classes (Education Code 37223)
   (cf. 6184 - Continuation Education)

2. Special day classes for mentally gifted minors (Education Code 37223)
   (cf. 6172 - Gifted and Talented Student Program)

3. Makeup classes for unexcused absences occurring during the week (Education Code 37223)
   (cf. 5113 - Absences and Excuses)
   (cf. 5113.1 - Chronic Absence and Truancy)
   (cf. 6134 - Homework/Makeup Work)

4. The programs of an ROC/P (Education Code 37223)
   (cf. 6178 - Career Technical Education)
   (cf. 6178.2 - Regional Occupational Center/Program)

5. Supplemental instruction for students who need additional assistance to meet academic standards or requirements
   (cf. 5123 - Promotion/Acceleration/Retention)
   (cf. 6146.1 - High School Graduation Requirements)
   (cf. 6179 - Supplemental Instruction)

6. Enrichment classes in core academic subjects
   (cf. 6142.91 - Reading/Language Arts Instruction)
   (cf. 6142.92 - Mathematics Instruction)
Except in ROC/Ps, weekend attendance shall not result in crediting any student with more than five days of attendance per week. (Education Code 37223)

Attendance at weekend classes offered pursuant to Education Code 37223 shall be voluntary, except that truants, as defined in Education Code 48260, may be required to attend classes on one day of a weekend in order to make up lost instructional time. (Education Code 37223)

A student shall be excused from a weekend class if such attendance would be in conflict with his/her religious beliefs. Such students shall be given priority for enrollment in any other available supplemental instruction offered at a time other than during the weekend.

(cf. 6141.2 - Recognition of Religious Beliefs and Customs)

Unless the requirement is waived by the California Department of Education (CDE), the district shall provide at least one nutritionally adequate meal during the weekend session in accordance with Education Code 49550. CDE’s Management Bulletin NSD-SNP-03-2013 indicates a waiver may be granted if a Saturday session at the school is less than four hours and is completed by noon allowing students to go home during the lunch period; AND if less than 10 percent of the needy students attending the Saturday session are at the school for more than three hours per day.

(cf. 3550 - Food Service/Child Nutrition Program)
(cf. 3553 - Free and Reduced-Price Meals)
(cf. 5030 - Student Wellness)

Legal Reference:
EDUCATION CODE
37223  Weekend classes
37252-37253  Supplemental instruction
41505-41508  Pupil Retention Block Grant
41601  Reports of average daily attendance
42239  Summer school attendance computation
44824  Weekend classes, assignment of certificated employees
48070-48070.5  Promotion and retention, supplemental instruction
48205  Excused absence for personal reasons
48260  Truants, definition
49550  Meals for needy students
52060-52077  Local control and accountability plan

Management Resources:
CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS
Requesting a Summer School Meal Waiver and/or a Saturday School Meal Waiver, Nutrition Services Division
Management Bulletin NSD-SNP-03-2013, February 2013
WEB SITES
California Department of Education: http://www.cde.ca.gov

Policy adopted: 01.12.10 and

PALO ALTO UNIFIED SCHOOL DISTRICT
Palo Alto, California
The Board of Education recognizes that summer school provides valuable opportunities for students to improve their skills and make academic progress. When the need is demonstrated and funds are available, the Superintendent or designee, with Board approval, shall establish summer school day and/or evening classes for purposes of remediation, enrichment, and/or acceleration.

The district shall offer summer instructional programs for graduating high school seniors who need courses for graduation before the beginning of the next school year. (Education Code 41976.5) (cf. 6146.1 - High School Graduation Requirements)

The district’s summer school program may be used to provide supplemental instruction for students failing to meet academic requirements and/or students who desire enrichment in core academic subjects in accordance with law, Board policy, and administrative regulation. (Education Code 37252, 37252.2, 37252.8, 37253, 41505-41506; 5 CCR 11472) (cf. 5123 - Promotion/Acceleration/Retention) (cf. 6011 - Academic Standards) (cf. 6134 - Academic Standards) (cf. 6146.5 - Elementary/Middle School Graduation Requirements) (cf. 6162.52 - High School Exit Examination) (cf. 6176 - Weekend/Saturday Classes) (cf. 6179 - Supplemental Instruction)

Summer programs offered by the district shall be aligned with the district’s local control and accountability plan (LCAP), other applicable district and school plans, and the education program provided during the school year. When feasible, summer programs shall blend high-quality academic instruction in core curricular and/or elective subjects with recreation, nutrition programs, social and emotional development, and support services that encourage attendance, student engagement in learning, and student wellness. (cf. 0200 - Goals for the School District) (cf. 0460 - Local Control and Accountability Plan) (cf. 3552 - Summer Meal Program) (cf. 5030 - Student Wellness) (cf. 5141.6 - School Health Services) (cf. 5148 - Child Care and Development Program) (cf. 6011 - Academic Standards) (cf. 6142.7 - Physical Education and Activity) (cf. 6143 - Courses of Study)

Enrollment Priorities
As appropriate, priority for enrollment in summer school programs shall be given to district students who:
1. Need course credits in order to graduate from high school before the beginning of the next school year
   (cf. 5147 - Dropout Prevention)
   (cf. 6146.1 - High School Graduation Requirements)

2. Have not made sufficient progress toward passing the state exit examination required for high school graduation
   (cf. 6162.52 - High School Exit Examination)

3. Have been retained or are at risk of being retained at their grade level
   (cf. 5123 - Promotion/Acceleration/Retention)

4. Demonstrate academic deficiencies in core curriculum areas
   (cf. 0460 - Local Control and Accountability Plan)

5. Are in targeted student groups identified in the district's LCAP as needing increased or improved services to succeed in the educational program

The remaining openings shall be offered to other district students on a first-come first-served basis.

**Attendance**

Because summer courses cover extensive instructional content in a relatively short time period, students who have more than three absences during a course will be dropped. Three tardies will be counted as one absence.

(cf. 5113 - Absences and Excuses)
(cf. 6154 - Homework/Make-Up Work)

**Rotation of School Sites**

Sites for summer school programs may be rotated in an effort to make summer school programs more accessible to all students, regardless of residence or regular attendance area, and to equalize long-term facility and maintenance needs.

The Superintendent or designee shall annually report to the Board on summer school enrollment in the current year and previous year for the program as a whole and disaggregated by grade level, school that the students attend during the regular school year, and student population. In addition, he/she may report on the extent to which students successfully achieved the outcomes established for the program.

**Additional Summer Learning Opportunities**

The Superintendent or designee may collaborate with parents/guardians, city and county agencies, community organizations, child care providers, and/or other interested persons to develop, implement, and build awareness of organized activities that support summer learning.

(cf. 1020 - Youth Services)
(cf. 1400 - Relations Between Other Governmental Agencies and the Schools)
(cf. 1700 - Relations Between Private Industry and the Schools)
Legal Reference:
EDUCATION CODE
8482-8484.6 After School Education and Safety Program
8484.7-8484.9 21st Century Community Learning Centers
37252-37254.1 Supplemental instruction
39837 Transportation to summer employment programs
41505-41508 Pupil Retention Block Grant
41976.5 Summer school programs, substantially disabled persons or graduating high school seniors
42238.01-42238.07 Local control funding formula
42238.8 Revenue limit per unit of average daily attendance
48070-48070.5 Promotion and retention
51210 Areas of study for elementary schools
51220 Areas of study for grades 1-6
51730-51732 Powers of governing boards (authorization for elementary summer school classes)
52060-52077 Local control and accountability plan
54444.3 Summer program for migrant students
56345 Extended-year program for special education students
58700-58702 Credit towards summer school apportionments for tutoring and homework assistance
58806 Summer school apportionments
60851 Supplemental instruction toward exit examination
CODE OF REGULATIONS, TITLE 5
3043 Extended school year, special education students
11470-11472 Summer school
UNITED STATES CODE, TITLE 20
6311-6322 Improving basic programs for disadvantaged students
7171-7176 21st Century Community Learning Centers

Management Resources:
CSBA PUBLICATIONS
Summer Learning and Wellness Resource Guide
School's Out, Now What? How Summer Programs Are Improving Student Learning and Wellness, Policy Brief, April 2013
NATIONAL SUMMER LEARNING ASSOCIATION PUBLICATIONS
Healthy Summers for Kids: Turning Risk into Opportunity, May 2012
New Vision for Summer School, 2010
RAND CORPORATION PUBLICATIONS
Making Summer Count: How Summer Programs Can Boost Children’s Learning, 2011
WEB SITES
CSBA: http://www.csba.org
California Department of Education: http://www.cde.ca.gov
National Summer Learning Association: http://www.summerlearning.org
Partnership for Children and Youth: http://partnerforchildren.org
RAND Corporation: http://www.rand.org
Summer Matters: http://summermatters2you.net

Policy
adopted: 01.12.10

PALO ALTO UNIFIED SCHOOL DISTRICT
Palo Alto, California
SUPPLEMENTAL INSTRUCTION

The Board of Education recognizes that high-quality supplemental instructional programs can motivate and support students to attain grade-level academic standards, overcome academic deficiencies, and/or acquire critical skills. The district shall offer programs of direct, systematic, and intensive supplemental instruction to meet student needs.

Supplemental instruction may be offered outside the regular school day, including during the summer, before school, after school, on Saturday, and/or during intersessions. It may also be provided during the regular school day provided it does not supplant the student's instruction in the core curriculum areas or physical education.

Supplemental instruction shall be offered to:

1. Eligible students from low-income families whenever the district or a district school receiving federal Title I funds has been identified by the California Department of Education for program improvement for two or more consecutive years (20 USC 6316)
2. Students who have been recommended for retention at their current grade level or are at risk of retention (Education Code 48070.5)
3. Students in grades 7-12 who do not demonstrate "sufficient progress" toward passing the state exit examination required for high school graduation (Education Code 60851)

"Sufficient progress" shall be determined based on a student's grades and the following indicators of academic achievement: local assessments. (cf. 5121 - Grades/Evaluation of Student Achievement)
SUPPLEMENTAL INSTRUCTION

The curriculum of the supplemental instructional program shall reflect state academic content standards to the extent that the district curriculum is aligned with those state standards, and shall be designed to assist students to succeed on the exit exam. (Education Code 60851)

In addition, contingent on the district budget and local control and accountability plan (LCAP), supplemental instruction may be offered to students who:

1. Based on state assessment results, grades, or other indicators, demonstrate academic deficiencies in core curriculum areas that may jeopardize their attainment of academic standards
2. Have not passed one or both parts of the high school exit exam by the end of grade 12
3. Are in targeted student groups identified in the district's LCAP as needing increased or improved services to succeed in the educational program

As appropriate, supplemental instruction may be provided through a classroom setting, individual or small group instruction, technology-based instruction, and/or an arrangement with a community or other external service provider.

When determined to be necessary by the principal or designee, a student may be required to participate in a supplemental instruction.
Legal Reference:
EDUCATION CODE
37200-37202 School calendar
37223 Weekend classes
37252-37254.1 Supplemental instruction, summer school
41505-41508 Pupil Retention Block Grant
42238.01-42238.07 Local control funding formula
46100 Length of school day
48070-48070.5 Promotion and retention
48200 Compulsory education
48985 Translation of notices
51210-51212 Courses of study, elementary schools
51220-51228 Courses of study, secondary schools
52060-52077 Local control and accountability plan
60603 Definitions, core curriculum areas
60640-60649 California Assessment of Student Performance and Progress
60850-60859 High school exit examination
CODE OF REGULATIONS, TITLE 5
11470-11472 Summer school
UNITED STATES CODE, TITLE 20
6316 Program improvement schools and districts

Management Resources:
U.S. DEPARTMENT OF EDUCATION GUIDANCE
Supplemental Educational Services, January 14, 2009
Creating Strong Supplemental Educational Services Programs, May 2004
WEB SITES
CSBA: http://www.csba.org
California Department of Education: http://www.cde.ca.gov

Policy
adopted: 01.12.10 &

PALO ALTO UNIFIED SCHOOL DISTRICT
Palo Alto, California
BOARD POLICY
Facilities

GENERAL OBLIGATION BONDS

The Board of Education recognizes that school facilities are an essential component of the educational program and that the Board has a responsibility to ensure that the district's facilities needs are met in the most cost-effective manner possible. When the Board determines that it is in the best interest of district students, it may order an election on the question of whether bonds shall be issued for school facilities.

(cf. 1160 - Political Processes)
(cf. 7110 - Facilities Master Plan)
(cf. 7210 - Facilities Financing)

The Board shall determine the appropriate size of the bond in accordance with law.

When any project to be funded by bonds will require state matching funds for any phase of the project, the ballot for the bond measure shall include a statement as specified in Education Code 15122.5, advising voters that, because the project is subject to approval of state matching funds, passage of the bond measure is not a guarantee that the project will be completed. (Education Code 15122.5)

Bonds Requiring 55 Percent Approval by Local Voters
The Board may decide to pursue the authorization and issuance of bonds by approval of 55 percent majority of the voters pursuant to Article 13A, Section 1(b)(3) and Article 16, Section 18(b) of the California Constitution. If two-thirds of the Board agree to such an election, the Board shall vote to adopt a resolution to incur bonded indebtedness if approved by a 55 percent majority of the voters. (Education Code 15266)

(cf. 9323.2 - Actions by the Board)

The bond election may only be ordered at a primary or general election, a statewide special election, or a regularly scheduled local election at which all of the electors of the district are entitled to vote. (Education Code 15266)

Bonded indebtedness incurred by the district shall be used only for the following purposes: (California Constitution Article 13A, Section 1(b)(3) and 1(b)(3)(A))

1. The construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities
2. The acquisition or lease of real property for school facilities
3. The refunding of any outstanding debt issuance used for the purposes specified in items #1-2 above

The proposition approved by the voters shall include the following accountability requirements: (California Constitution Article 13A, Section 1(b)(3))
1. A requirement that proceeds from the sale of the bonds be used only for the purposes specified in items #1-2 above, and not for any other purposes including teacher and administrative salaries and other school operating expenses

2. A list of specific school facility projects to be funded and certification that the Board has evaluated safety, class size reduction, and information technology needs in developing that list
   (cf. 0440 - District Technology Plan)
   (cf. 0450 - Comprehensive Safety Plan)
   (cf. 6151 - Class Size)

3. A requirement that the Board conduct an annual, independent performance audit to ensure that the funds have been expended only on the specific projects listed

4. A requirement that the Board conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended for the school facilities projects

If a district general obligation bond requiring a 55 percent majority is approved by the voters, the Board shall appoint an independent citizens' advisory oversight committee to inform the public concerning the expenditure of bond revenues as specified in Education Code 15278 and the accompanying administrative regulation. This committee shall be appointed within 60 days of the date that the Board enters the election results in its minutes pursuant to Education Code 15274. (Education Code 15278)
   (cf. 1220 - Citizen Advisory Committees)
   (cf. 9324 - Minutes and Recordings)

The Superintendent or designee shall ensure that the annual, independent performance and financial audits required pursuant to items #3 and #4 above are issued in accordance with the U.S. Comptroller General's Government Auditing Standards and submitted to the citizens' oversight committee by March 31 of each year. (Education Code 15286)

The Board shall provide the citizens' oversight committee with responses to all findings, recommendations, and concerns addressed in the performance and financial audits within three months of receiving the audits. (Education Code 15280)

The Board may disband the citizens' oversight committee when the committee has completed its review of the final performance and financial audits.

**Bonds Requiring 66.67 Percent Approval by Local Voters**

The Board may decide to pursue the authorization and issuance of bonds by approval of 66.67 percent majority of the voters pursuant to Education Code 15100 and Article 13A, Section 1(b)(2) of the California Constitution. If a majority of the Board agrees to such an election, or upon a petition of the majority of the qualified electors residing in the district, the Board shall adopt a resolution ordering an election on the question of whether to incur bonded indebtedness if approved by a 66.67 percent majority of the voters. (Education Code 15100)
The bond election may be ordered to occur on any Tuesday, except a Tuesday that is a state holiday or the day before or after a state holiday, is within 45 days before or after a statewide election unless conducted at the same time as the statewide election, or is an established election date pursuant to Elections Code 1000 or 1500. (Education Code 15101)

Bonds shall be sold to raise money for the following purposes: (Education Code 15100)

1. Purchasing school lots
2. Building or purchasing school buildings
3. Making alterations or additions to school building(s) other than as may be necessary for current maintenance, operation, or repairs
4. Repairing, restoring, or rebuilding any school building damaged, injured, or destroyed by fire or other public calamity
5. Supplying school buildings and grounds with furniture, equipment, or necessary apparatus of a permanent nature
6. Permanently improving school grounds
7. Refunding any outstanding valid indebtedness of the district, evidenced by bonds or state school building aid loans
8. Carrying out sewer or drain projects or purposes authorized in Education Code 17577
9. Purchasing school buses with a useful life of at least 20 years
10. Demolishing or razing any school building with the intent to replace it with another school building, whether in the same location or in any other location

Except for refunding any outstanding indebtedness, any of the purposes listed above may be united and voted upon as a single proposition by order of the Board and entered into the minutes. (Education Code 15100)

The Board may appoint a citizens' oversight committee to review and report to the Board and the public as to whether the expenditure of bond revenues complies with the intended purposes of the bond.

Certificate of Results (The following section applies to bond elections requiring either a 55 percent or 66.67 percent approval by local voters.)

If the certificate of election results received by the Board shows that the appropriate majority of the voters are in favor of issuing the bonds, the Board shall record that fact in its minutes. The Board shall then certify to the county board of supervisors all proceedings it had in connection with the election results. (Education Code 15124, 15274)
Resolution Regarding Sale of Bonds (The following section applies to bond elections requiring either a 55 percent or 66.67 percent approval by local voters.)

Following passage of the bond measure by the appropriate majority of voters, the Board shall pass a resolution directing the issuance and sale of bonds. In accordance with law, the resolution shall prescribe the total amount of bonds to be sold and may also prescribe the maximum acceptable interest rate not to exceed eight percent, and the time(s) when the whole or any part of the principal of the bonds shall be payable. (Education Code 15140; Government Code 53508.6)

In passing the resolution, the Board shall consider each available funding instrument, including, but not limited to, the costs associated with each and their relative suitability for the project to be financed.

Prior to the sale of bonds, the Board shall disclose, as an agenda item at a public meeting, either in the bond issuance resolution or a separate resolution, available funding instruments, the costs and suitability of each, and all of the following information: (Education Code 15146; Government Code 53508.9)

1. Express approval of the method of sale (i.e., competitive, negotiated, or hybrid)
2. Statement of the reasons for the method of sale selected
3. Disclosure of the identity of the bond counsel, and the identities of the bond underwriter and the financial adviser if either or both are utilized for the sale, unless these individuals have not been selected at the time the resolution is adopted, in which case the Board shall disclose their identities at the public meeting occurring after they have been selected
4. Estimates of the costs associated with the bond issuance including, but not limited to, bond counsel and financial advisor fees, printing costs, rating agency fees, underwriting fees, and other miscellaneous costs and expenses of issuing the bonds

When the sale involves bonds that allow for the compounding of interest, such as a capital appreciation bond (CAB), items #1-4 above and the financing term and time of maturity, repayment ratio, and the estimated change in the assessed value of taxable property within the district over the term of the bonds shall be included in the resolution to be adopted by the Board. The resolution shall be publicly noticed on at least two consecutive meeting agendas, first as a discussion item and second as an action item. The agendas shall identify that bonds that allow for the compounding of interest are proposed. (Education Code 15146)

Prior to adopting a resolution for the sale of bonds that allow for the compounding of interest, the Board shall be presented with the following: (Education Code 15146)
1. An analysis containing the total overall cost of the bonds that allow for the compounding of interest
2. A comparison to the overall cost of current interest bonds
3. The reason bonds that allow for the compounding of interest are being recommended
4. A copy of the disclosure made by the underwriter in compliance with Rule G-17 adopted by the federal Municipal Securities Rulemaking Board

After the sale, the Board shall be presented with the actual issuance cost information and shall disclose that information at the Board's next scheduled meeting. The Board shall ensure that an itemized summary of the costs of the bond sale and all necessary information and reports regarding the sale are submitted to the California Debt and Investment Advisory Commission. (Education Code 15146)

Bond Anticipation Notes
Whenever the Board determines that it is in the best interest of the district, it may, by resolution, issue a bond anticipation note, on a negotiated or competitive-bid basis, to raise funds that shall be used only for a purpose authorized by a bond that has been approved by the voters of the district in accordance with law. (Education Code 15150)

Payment of principal and interest on any bond anticipation note shall be made at note maturity, not to exceed five years, from the proceeds derived from the sale of the bond in anticipation of which that note was originally issued or from any other source lawfully available for that purpose, including state grants. Interest payments may also be made from such sources. However, interest payments may be made periodically and prior to note maturity from an increased property tax if the following conditions are met: (Education Code 15150)

1. A resolution of the Board authorizes the property tax for that purpose.
2. The principal amount of the bond anticipation note does not exceed the remaining principal amount of the authorized but unissued bonds.

A bond anticipation note may be issued only if the tax rate levied to pay interest on the note would not cause the district to exceed the tax rate limitation set forth in Education Code 15268 or 15270, as applicable.
Legal Reference:
EDUCATION CODE
7054 Use of district property, campaign purposes
15100-15254 Bonds for school districts and community college districts
15264-15288 Strict Accountability in Local School Construction Bonds Act of 2000
17577 Sewers and drains
47614 Charter school facilities
ELECTIONS CODE
324 General election
328 Local election
341 Primary election
348 Regular election
356 Special election
357 Statewide election
1302 School district election
15372 Elections official certificate
GOVERNMENT CODE
1090-1099 Prohibitions applicable to specified officers
1125-1129 Incompatible activities
8855 California Debt and Investment Advisory Commission
53506-53595.5 General obligation bonds
53580-53595.5 Bonds
54952 Definition of legislative body, Brown Act
CALIFORNIA CONSTITUTION
Article 13A, Section 1 Tax limitation
Article 16, Section 18 Debt limit
COURT DECISIONS
ATTORNEY GENERAL OPINIONS

Management Resources:
CSBA PUBLICATIONS
Bond Sales - Questions and Considerations for Districts, Governance Brief, December 2012
Legal Guidelines: Use of Public Resources for Ballot Measures and Candidates, Fact Sheet, February 2011
WEB SITES
CSBA: http://www.csba.org
California Debt and Investment Advisory Commission: http://www.treasurer.ca.gov/cdiac
California Department of Education: http://www.cde.ca.gov
California Office of Public School Construction: http://www.opsc.dgs.ca.gov

Policy
adopted: 01.12.10, 10.09.12, &

PALO ALTO UNIFIED SCHOOL DISTRICT
Palo Alto, California
Election Notice
Whenever the Board of Education orders an election on the question of whether general obligation bonds shall be issued for school facilities, the Superintendent or designee shall ensure that election notice and ballot requirements comply with Education Code 15120-15126 and 15272, as applicable.

Citizens' Oversight Committee
If a bond is approved under the 55 percent majority threshold pursuant to Proposition 39 (Article 13A, Section 1(b)(3) and Article 16, Section 18(b) of the California Constitution), then the district's citizens' oversight committee shall consist of at least seven members, including, but not limited to: (Education Code 15282)

1. One member active in a business organization representing the business community located within the district
2. One member active in a senior citizens organization
3. One member active in a bona fide taxpayers' organization
4. One member who is a parent/guardian of a child enrolled in the district
5. One member who is a parent/guardian of a district student and is active in a parent-teacher organization, such as the Parent Teacher Association or school site council
(c.f. 0420 - School Plans/Site Councils)
(c.f. 1220 - Citizen Advisory Committees)
(c.f. 1230 - School-Connected Organizations)

Members of the citizens' oversight committee shall be subject to the conflict of interest prohibitions regarding incompatibility of office pursuant to Government Code 1125-1129 and financial interest in contracts pursuant to Government Code 1090-1099. (Education Code 15282)
(c.f. 9270 - Conflict of Interest)

No employee, Board member, vendor, contractor, or consultant of the district shall be appointed to the citizens' oversight committee. (Education Code 15282)

Members of the citizens' oversight committee may serve for no more than three consecutive terms of two years each. They shall serve without compensation. (Education Code 15282)

The purpose of the citizens' oversight committee shall be to inform the public concerning the expenditure of bond revenues. The committee shall actively review and report on the proper expenditure of taxpayers' money for school construction and shall convene to provide oversight for, but not limited to, the following: (Education Code 15278)
1. Ensuring that bond revenues are expended only for the purposes described in Article 13A, Section 1(b)(3) of the California Constitution including the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities

2. Ensuring that, as prohibited by Article 13A, Section 1(b)(3)(A) of the California Constitution, no funds are used for any teacher and administrative salaries or other school operating expenses

In furtherance of its purpose, the committee may engage in any of the following activities: (Education Code 15278)

1. Receiving and reviewing copies of the annual, independent performance and financial audits required by Article 13A, Section 1(b)(3)(C) and (D) of the California Constitution
   (cf. 3460 - Financial Reports and Accountability)
2. Inspecting school facilities and grounds to ensure that bond revenues are expended in compliance with the requirements of Article 13(A), Section 1(b)(3) of the California Constitution
3. Receiving and reviewing copies of any deferred maintenance proposals or plans developed by the district-
4. Reviewing efforts by the district to maximize bond revenues by implementing cost-saving measures including, but not limited to, the following:
   a. Mechanisms designed to reduce the costs of professional fees
   b. Mechanisms designed to reduce the costs of site preparation
   c. Recommendations regarding the joint use of core facilities
   (cf. 1330.1 - Joint Use Agreements)
   d. Mechanisms designed to reduce costs by incorporating efficiencies in school site design
   e. Recommendations regarding the use of cost-effective and efficient reusable facility plans
   (cf. 7110 - Facilities Master Plan)

The district shall, without expending bond funds, provide the citizens' oversight committee with any necessary technical assistance and shall provide administrative assistance in furtherance of the committee's purpose and sufficient resources to publicize the committee's conclusions. (Education Code 15280)

All citizens' oversight committee proceedings shall be open to the public and noticed in the same manner as proceedings of the Board. Committee meetings shall be subject to the provisions of the Ralph M. Brown Act. (Education Code 15280; Government Code 54952)
(cf. 9320 - Meetings and Notices)
The citizens’ oversight committee shall issue regular reports, at least once a year, on the results of its activities. Minutes of the proceedings and all documents received and reports issued shall be a matter of public record and shall be made available on the district's web site. (Education Code 15280)
(cf. 1113 - District and School Web Sites)
(cf. 1340 - Access to District Records)

Reports
Within 30 days after the end of each fiscal year, the district shall submit to the County Superintendent of Schools a report concerning any bond election(s) containing the following information: (Education Code 15111)

1. The total amount of the bond issue, bonded indebtedness, or other indebtedness involved
2. The percentage of registered electors who voted at the election
3. The results of the election, with the percentage of votes cast for and against the proposition
TO: Dr. Kevin Skelly, Superintendent

FROM: Bob Golton, Bond Program Manager

SUBJECT: Authorization to Solicit Bids for Jordan Athletic Site Improvements

STRATEGIC PLAN INITIATIVE
Budget Trends and Infrastructure

RECOMMENDATION
This item was discussed at the April 22, 2014, regular meeting. It is recommended the Board of Education:

1. Accept a donation of $250,000 to fund the Jordan projects listed below.

2. Authorize staff to solicit bids for the Jordan projects listed below.

BACKGROUND
The Jordan physical education department has had the desire to make improvements to their site. The walk path and long jump pit are needed to bring Jordan in line with JLS and Terman. A donor has stepped forward and donated funding in the amount of $250,000 for these improvements. Construction staff has met a number of times with Jordan staff and the following projects are recommended:

<table>
<thead>
<tr>
<th>Item</th>
<th>Projected Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Walk path around the fields area</td>
<td>$175,540</td>
</tr>
<tr>
<td>2. Long jump pit</td>
<td>$ 17,000</td>
</tr>
<tr>
<td>3. Par-Q course</td>
<td>$ 30,460</td>
</tr>
<tr>
<td>4. Replacement of basketball poles/backboards &amp; tennis court poles</td>
<td>$ 27,000</td>
</tr>
</tbody>
</table>

A map of the site with the improvements noted is attached.

PROPOSAL
It is being proposed the Board of Education authorize staff to solicit bids for the Jordan athletic site improvements and to except a donation to fund this project.

FISCAL IMPACT
The majority of funding for this work will come from the donated funds that have been deposited with the District.
TO: Kevin Skelly, Ph.D. – Superintendent
FROM: Charles Young, Ed.D. – Associate Superintendent, Educational Services
PREPARED BY: Katherine Baker - Director, Secondary Education
SUBJECT: Approval of New High School Courses for 2014-15

STRATEGIC PLAN INITIATIVE
Academic Learning and Excellence

Board Policy 6011 - Academic Standards
Board Policy 6141 - Curriculum Development and Evaluation
Board Policy 6142.94 - Alternative Programs/Curriculum
Board Policy 6143 - Courses of Study

RECOMMENDATION
This item was discussed at the April 22, 2014, regular meeting. It is recommended the Board of Education approve the following new high school courses.

- Computer Science Principles (Palo Alto HS)
- Computer Science Capstone Project (Palo Alto HS)

BACKGROUND
According to Board Policy 6143, the Superintendent shall recommend courses of study to the Board of Education. Staff is recommending the following high school courses: Computer Science Principles and Computer Science Capstone Project.

Input from content area teachers, school communities (Site Council and PTSA), and Education Council (Instructional Supervisors across content areas), was included in the design of the recommended courses. The Site Principal reviewed the recommendations and approved the courses for consideration by the Computer Technical Education Steering Committee. The District Content Area Steering Committee reviewed the proposed courses and recommended approval to the Associate Superintendent of Educational Services.

Computer Science Principles

Rationale
This course fills a gap in current curriculum by providing a broad perspective of the overall field of computer science, and leads students through specific building blocks in computer science. The course will also provide opportunities for students who learn kinesthetically and through problem-solving techniques.
Description (Attachment A)
This course is designed for students who want to learn about the kinds of thinking done by computer scientists without taking a traditional programming class. Topics include: iteration, recursion, conditionals, variables, procedures and functions, list processing, algorithms, 2D animation, and computational media.

Note: This course has been approved for CTE Credit by the Career Technical Education Steering Committee.

Computer Science Capstone Project
Rationale
This course provides students with the opportunity to develop outstanding projects that showcase students’ talents in a way that short-term projects in other courses do not allow. Students will also practice key executive and social skills required for real projects to come to fruition. This course connects our highest achieving students to the community through community needs assessment, interactions with professional experts, and collaborations in academia.

Description (Attachment B)
This advanced computer science course demands students identify and perform a project or series of projects that deeply engage computer science skills and that address a community need. Example projects might range from the implementation of a 3D graphics capture and rendering package for Aikido techniques, a library of linear systems solvers, signal processing applications that attempt to count the number of cell phones in the room, and major components of FIRST robotics engineering efforts. These projects can be multidisciplinary, drawing from athletics, physics, mathematics, art, music, and beyond.

Attachment A – Computer Science Principles
Attachment B – Computer Science Capstone Project
Attachment C - CS Capstone Project CTE Standards Mapping
## Course Description

This course is designed for students who want to learn about the kinds of thinking done by computer scientists without taking a traditional programming class. Topics include: iteration, recursion, conditionals, variables, procedures and functions, list processing, algorithms, 2D animation, and computational media.
RATIONALE

The rationale behind offering this course involves curriculum and the community. The most elementary Computer Science course we offer immediately jumps into coding in Java. This offers neither the broad perspective of the overall field of computer science, nor many specific building blocks that are missing for many students. Indeed, this course fills a need at the college level not because the material is too sophisticated for high schoolers, but because it is rarely offered.

The empirical evidence of enrollment demographics show that the current course offerings do not attract a diverse group of students. Students who learn kinesthetically, and through problem solving techniques that fall outside the narrow requirements of Java syntax, have few opportunities to shine in the current curriculum.

OUTLINE OF COURSE CONTENT

<table>
<thead>
<tr>
<th>MAJOR UNITS OF INSTRUCTION</th>
<th>STANDARD/S</th>
<th>LEARNING OUTCOMES</th>
<th>ACTIVITIES LESSONS</th>
<th>EVALUATIONS ASSESSMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Topic 1: Broadcast, Animations, and Music</strong></td>
<td>Please see attached. mapping of instructional units to CTE Pathway Standards for Software and Systems Development</td>
<td>The student will be able to write event-based scripts (clicks, keypresses, e.g.) and message-passing</td>
<td>Making a sprite sing and lots of other small, introductory exercises</td>
<td>See “GRADING ASSIGNMENTS” after this table</td>
</tr>
<tr>
<td><strong>Topic 2: Loops, Variables, and Conditionals</strong></td>
<td></td>
<td>The student will be able to use iteration, conditionals, and global and local variables to write a program</td>
<td>Checking to see if a year is a leap year.</td>
<td></td>
</tr>
<tr>
<td><strong>Topic 3: Putting it Together</strong></td>
<td></td>
<td>The student will synthesize the tools learned in Topics 1 and 2 to write games</td>
<td>Guess My Number Rock-Paper-Scissors</td>
<td></td>
</tr>
<tr>
<td><strong>Topic 4: Build Your Own Blocks</strong></td>
<td></td>
<td>The student will be able to create a new procedure and learn about different kinds of procedures (reporters, commands)</td>
<td>Draw Polygon</td>
<td></td>
</tr>
<tr>
<td>Topic 5: Lists</td>
<td>The student will be able to store data in lists and process it with higher-order functions and iteration</td>
<td>Mapping, filtering, accumulating</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------</td>
<td>-----------------------------------------------------------------------------------------------------------------</td>
<td>----------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Topic 6: Tic Tac Toe</td>
<td>The student will be synthesize prior topics to write a game</td>
<td>Tic-Tac-Toe</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Topic 7: Algorithms</td>
<td>The student will learn what an algorithm is and how to design an elementary algorithm</td>
<td>Search for a number in a list</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Topic 8: Algorithm Complexity</td>
<td>The student will learn that all algorithms are not created equal and analyze the amount of time an algorithm takes to run in terms of orders of growth</td>
<td>Benchmarking complexity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Topic 9: Concurrency</td>
<td>The student will learn how to do multiple procedures in parallel (concurrently to be more precise)</td>
<td>Card sorting</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Topic 10: Trees and Fractals using Recursion</td>
<td>The student will learn about tree recursion using the fractal art form</td>
<td>Fractal tree</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Topic 11: Recursive Reporters</td>
<td>The student will learn how to write a recursive procedure that returns useful values</td>
<td>Pascal’s Triangle</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Topic 12: Simulation in Science</td>
<td>The student will learn what a simulation is and write one</td>
<td>Chatbot (Eliza, e.g.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Topic 13: Simulation: BioInformatics</td>
<td>The student will look at commonalities in DNA strings to do a simulation</td>
<td>Superstrings project</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Topic 14: Applications that changed the world

The student will learn about the impact of some programs that had major impact on the world and write a program that simulates one of those

Google Search

TECHNOLOGY

Classroom with Macs or PCs with Firefox and Chrome installed.

ADDITIONAL INFORMATION/COMMENTS

GRADING

Grading in this class follows a flowchart like a computer program rather than following a simple arithmetic sum. There are four categories of skills we develop: Mastery, Engagement, Socialization, and Executive function. These skills map roughly to tests, class participation, group work, and homework, and each have roughly equal weight in a grade.

Weekly quizzes: 5 percent.
Homework: 10 percent
Mid-term project: 15 percent
Class participation: 15 percent
Other projects: 20 percent
Mid term exam: 15 percent
Final exam: 20 percent
COURSE DESCRIPTION

This advanced computer science course demands that students identify and perform a project or series of projects that deeply engage computer science skills, and address a community need. Example projects might range from the implementation of a 3D graphics capture and rendering package for Aikido techniques, a library of linear systems solvers, signal processing applications that attempt to count the number of cell phones in the room, and major components of FIRST robotics engineering efforts. These projects can be multidisciplinary, drawing from athletics, physics, mathematics, art, music, and beyond.
RATIONALE

The rationale behind this class is curricular and related to community. Many students in AP computer science, enrolled as juniors or earlier, develop outstanding projects as part of the course. These projects do not have the time, and the AP curriculum does not provide the scope, to allow students to reach their full potential. At the same time, the process of teaching AP CS has demonstrated that many advanced students (as measured by the AP test) lack key executive and social skills required to make real projects come to fruition. This course gives students a chance to practice those basic 'adult' soft skills while putting together outstanding projects that will allow the students to showcase their talents in a way that short-term projects would not allow.

This course also serves to connect our highest achieving students to the community, through community needs assessment, interactions with professional experts, and collaborations in academia.

OUTLINE OF COURSE CONTENT

<table>
<thead>
<tr>
<th>MAJOR UNITS OF INSTRUCTION</th>
<th>STANDARD/S</th>
<th>LEARNING OUTCOMES</th>
<th>ACTIVITIES LESSONS</th>
<th>EVALUATIONS ASSESSMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Quarter</td>
<td>Please see attached mapping of instructional units to CTE Pathway Standards for Software and Systems Development</td>
<td>Students will become familiar with relevant problem solving tools</td>
<td>External review process Problem solving tools Vocabulary Contact reviewer Implement problem solving tools Assessment External review</td>
<td>Please see assessment information below.</td>
</tr>
<tr>
<td></td>
<td>Students will learn to interact with experts in related fields.</td>
<td>Students will receive feedback on their preliminary work.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Students will learn to empathize with others by creating tools that meet the needs of others.</td>
<td>Industry perspectives Non-profit perspectives Requirements generation Specification development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quarter</td>
<td>Activity Description</td>
<td>Assessment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>---------------------------------------------------------------------------------------</td>
<td>---------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Third Quarter</td>
<td>Through close contact with mentors, students will further their understanding of the industry.</td>
<td>Main build of tool Close collaboration with mentor(s) Field work</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fourth Quarter</td>
<td>Students will advance their skills in technical writing and public speaking.</td>
<td>Technical paper Presentation Submissions to competitions Final Showcase</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
TECHNOLOGY

Classroom Macs or PCs. Software needs will depend on project needs.

ADDITIONAL INFORMATION/COMMENTS

Grading
Assessments are individualized, but are oriented around external reviews. The overall assessment of socialization, executive skill, content mastery, and engagement applies in every computer science and engineering class. In the capstone class, a percentage assignment is less meaningful, but it is suggested that 50 percent of the grade be derived from external reviews and 50 percent from the groundwork directly taught in the class. Below are items from the course outline that correspond to assessment:

First quarter: Prototype tool, review project processes
   • Subjective external review
   • External competitions where appropriate
   • Standard rubrics for problem solving tools
   • Quarter finishes with mini showcase
Second quarter:
   • Formalized requirements and specifications
   • Interpersonal skills in engaging the community in needs assessment
   • External review, both subjective and objective
Fourth Quarter:
   • Technical paper
   • Presentation
   • Submissions to STS, Siemens, or other competitions.
   • Presentation to possible funders
   • Final showcase
<p>| C1.0 Identify and apply the systems development process |   |
| C1.1 Identify the phases of the systems development life cycle, including analysis, design, programming, testing, implementation, maintenance, and improvement. | X |
| C1.2 Identify and describe models of systems development, systems development life cycle (SDLC), and agile computing |   |
| C1.3 Identify and describe how specifications and requirements are developed for new and existing software applications. | X |
| C1.4 Work as a member of, and within the scope and boundaries of, a development project team. | X |
| C1.5 Track development project milestones using the concept of versions. | X |
| C1.6 Diagram processes using flowcharts and the Unified Modeling Language. | X |
| C2.0 Define and analyze systems and software requirements. | X |
| C2.1 Describe the major purposes and benefits of development, including automation, improving productivity, modeling and analysis, and entertainment. | X |
| C2.2 Recognize and prevent unintended consequences of development work: programming errors, security issues, health and environmental risks, and privacy concerns. | X |
| C2.3 Develop strategies that target the specific needs and desires of the customer. | X |
| C2.4 Analyze customers' needs for development. | X |
| C2.5 Determine and document the requirements and alternative solutions to fulfill the customers' needs. | X |
| C3.0 Create effective interfaces between humans and technology. | X |
| C3.1 Describe and apply the basic process of input, processing, and output. | X |
| C3.2 Design effective and intuitive interfaces using knowledge of cognitive, physical, and social interactions. | X |
| C3.3 Support methods of accessibility for all potential users, including users with disabilities and non-English-speaking users. | X |
| C4.0 Develop software using programming languages. | X |
| C4.1 | Identify and describe the abstraction level of programming languages from low-level, hardware-based languages to high-level, interpreted, Web-based languages. | X |
| C4.2 | Describe the interaction and integration of programming languages and protocols such as how client-side programming can work with server-side programming to use query language to access a database. | X |
| C4.3 | Identify and use different authoring tools and integrated development environments (IDEs). | X |
| C4.4 | Identify and apply data types and encoding. | X |
| C4.5 | Demonstrate awareness of various programming paradigms, including procedural, object-oriented, event-driven, and multithreaded programming. | X |
| C4.6 | Use proper programming language syntax. | X |
| C4.7 | Use various data structures, arrays, objects, files, and databases. | X |
| C4.8 | Use object-oriented programming concepts, properties, methods, and inheritance. | X |
| C4.9 | Create programs using control structures, procedures, functions, parameters, variables, error recovery, and recursion. | X |
| C4.10 | Create and know the comparative advantages of various queue, sorting, and searching algorithms. | X |
| C4.11 | Document development work for various audiences, such as comments for other programmers, and manuals for users. | X |
| C5.0 | Test, debug, and improve software development work. | X |
| C5.1 | Identify the characteristics of reliable, effective, and efficient products. | X |
| C5.2 | Describe the ways in which specification changes and technological advances can require the modification of programs. | X |
| C5.3 | Use strategies to optimize code for improved performance. | X |
| C5.4 | Test software and projects. | X |
| C5.5 | Evaluate results against initial requirements. | X |
| C5.6 | Debug software as part of the quality assurance process. | X |
| C6.0 | Integrate a variety of media into development projects. | X |
| C6.1 | Identify the basic design elements necessary to produce effective print, video, audio, and interactive media. | X |
| C6.2 | Describe the various encoding methods of media and trade-offs: vector graphics vs. bitmaps, and bit depth. | X |
| C6.3 | Use media design and editing software: keyframe animation, drawing software, image editors, and three-dimensional design. | X |
| C6.4 | Develop a presentation or other multimedia project: video, game, or interactive Web sites, from storyboard to production. (2) | X |</p>
<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>C6.5</td>
<td>Analyze the use of media to determine the appropriate file format and level of compression.</td>
<td>X</td>
</tr>
<tr>
<td>C6.6</td>
<td>Integrate media into a full project using appropriate tools.</td>
<td>X</td>
</tr>
<tr>
<td>C6.7</td>
<td>Create and/or capture professional-quality media, images, documents, audio, and video clips.</td>
<td>X</td>
</tr>
<tr>
<td>C7.0</td>
<td>Develop Web and online projects.</td>
<td>X</td>
</tr>
<tr>
<td>C7.1</td>
<td>Identify the hardware (server) and software required for Web hosting and other services.</td>
<td>X</td>
</tr>
<tr>
<td>C7.2</td>
<td>Describe the full process of online content delivery, registering domain names, setting up hosting, and setting up e-mail addresses.</td>
<td>X</td>
</tr>
<tr>
<td>C7.3</td>
<td>Attract Web-site visitors through search engine optimization using various strategies like keywords and meta-tags.</td>
<td>X</td>
</tr>
<tr>
<td>C7.4</td>
<td>Enable e-commerce capabilities to sell products, create a shopping cart, and handle credit card transactions.</td>
<td>X</td>
</tr>
<tr>
<td>C7.5</td>
<td>Create an online project, Web-based business, and e-portfolio.</td>
<td>X</td>
</tr>
<tr>
<td>C7.6</td>
<td>Optimize fast delivery and retrieval of online content such as Web pages.</td>
<td>X</td>
</tr>
<tr>
<td>C8.0</td>
<td>Develop databases.</td>
<td>X</td>
</tr>
<tr>
<td>C8.1</td>
<td>Describe the critical function of databases in modern organizations.</td>
<td>X</td>
</tr>
<tr>
<td>C8.2</td>
<td>Identify and use the basic structures of databases, fields, records, tables, and views.</td>
<td>X</td>
</tr>
<tr>
<td>C8.3</td>
<td>Identify and explain the types of relationships between tables (one-to-one, one-to-many, many-to-many) and use methods to establish these relationships, including primary keys, foreign keys, and indexes.</td>
<td>X</td>
</tr>
<tr>
<td>C8.4</td>
<td>Use data modeling techniques to create databases based upon business needs.</td>
<td>X</td>
</tr>
<tr>
<td>C8.5</td>
<td>Use queries to extract and manipulate data (select queries, action queries).</td>
<td>X</td>
</tr>
<tr>
<td>C8.6</td>
<td>Develop databases that are properly normalized using appropriate schemas.</td>
<td>X</td>
</tr>
<tr>
<td>C8.7</td>
<td>Export and import data to and from other applications and a database recognizing the limitations and challenges inherent in the process.</td>
<td>X</td>
</tr>
<tr>
<td>C8.8</td>
<td>Analyze and display data to assist with decision making using methods like cross tabulations, graphs, and charts.</td>
<td>(3)X</td>
</tr>
<tr>
<td>C9.0</td>
<td>Develop software for a variety of devices, including robotics.</td>
<td></td>
</tr>
<tr>
<td>C9.1</td>
<td>Demonstrate awareness of the applications of device develop</td>
<td>X</td>
</tr>
<tr>
<td>C9.2</td>
<td>Install equipment, assemble hardware, and perform tests using appropriate tools and technology.</td>
<td></td>
</tr>
<tr>
<td>C9.3</td>
<td>Use hardware to gain input, process information, and take action.</td>
<td></td>
</tr>
<tr>
<td>C9.4</td>
<td>Apply the concepts of embedded programming, including digital logic, machine-level representation of data, and memory-system organization.</td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>---------------------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>C9.5</td>
<td>Program a micro-controller for a device or robot.</td>
<td></td>
</tr>
<tr>
<td>C10.0</td>
<td>Develop intelligent computing.</td>
<td></td>
</tr>
<tr>
<td>C10.1</td>
<td>Describe models of intelligent behavior and what distinguishes humans from machines.</td>
<td></td>
</tr>
<tr>
<td>C10.2</td>
<td>Describe the major areas of intelligent computing, including perception, proximity, processing, and control.</td>
<td></td>
</tr>
<tr>
<td>C10.3</td>
<td>Know artificial intelligence methods such as neural networks, Bayesian inferences, fuzzy logic, and finite state machines</td>
<td></td>
</tr>
<tr>
<td>C10.4</td>
<td>Implement artificial intelligent behavior through various methods: mathematical modeling, reinforcement learning, and probabilistic analysis.</td>
<td></td>
</tr>
</tbody>
</table>
TO: Kevin Skelly, Superintendent
FROM: Cathy Mak, Chief Business Officer
SUBJECT: Appointment of Independent Auditors for 2013-14

STRATEGIC PLAN INITIATIVE
Budget Trends and Infrastructure

RECOMMENDATION
This item was discussed at the April 22, 2014, regular meeting. It is recommended the Board of Education:

1. Appoint the firm of Vavrinek, Trine, Day & Co. as the PAUSD independent auditor for the District's financial audit for 2013-14.

2. Appoint the firm of Christy White Accountancy Corporation to perform the 2013-14 performance audit and financial audit of the PAUSD Strong Schools Program.

BACKGROUND
The Education Code requires that each K-12 school district contract with a qualified audit firm for completion of an annual financial statement audit. The auditors conduct their examination in conformance with federal and state requirements, in addition to compliance with generally accepted auditing standards.

The District's Strong Schools Bond is a Proposition 39 bond and, by law, has accountability requirements. Two of these requirements are an annual independent performance audit and an annual independent financial audit in compliance with generally accepted auditing standards.

PROPOSAL
Vavrinek, Trine, Day & Co., our current auditor for the District's financial statement audit, has a year-to-year contract with the District. The auditors in the firm have considerable experience not only in governmental accounting and auditing, but also more specifically in public school districts and county offices. Currently, the firm audits over 60% of the school districts in Santa Clara County and approximately 200 school districts throughout the state. The firm's reputation with existing clients is excellent. We are satisfied with their work. Vavrinek, Trine, Day & Co. has proposed to renew their contract for the 2013-14 audit for a fee of $45,000, the same as the prior year.
Christy White Accountancy Corporation, our current Strong Schools Bond auditor, completed the fourth year of their contract in 2012-13. The fee for 2013-14 is $15,900 a small increase over last year (2%). Christy White, the partner in charge of the audit, was formerly with School Services of California for seven years and the firm is currently doing more than thirty annual Proposition 39 audits statewide. Its audits are conducted in conformance with Generally Accepted Governmental Auditing Standards. The firm's reputation with existing clients is exceptional. We are satisfied with their work.

FISCAL IMPACT
The $45,000 cost of the District's financial audit is included in the Business Department's annual authorized budget. The $15,900 cost of the Strong Schools Bond audit is included in the Strong Schools bond program budget.
TO: The Board of Education

FROM: Kevin Skelly, Superintendent

SUBJECT: Documentation for November 4, 2014, Board Election

STRATEGIC PLAN INITIATIVE
Governance and Communication

RECOMMENDATION
Materials are due to the Registrar of Voters on June 13, 2014. It is recommended the Board adopt Resolution 2013-14.09 and direct staff on the completion of the Specifications of the Election Order form.

BACKGROUND
Each election year, the Board must make a number of decisions prior to the election so the correct information is provided to the potential candidates. As in past years, the Santa Clara County Registrar of Voters has provided the following:

1. General Election Calendar
2. Request for and Consent to Consolidation of Elections
3. Specifications of the Election Order
4. Information Sheet

The Board must take the following actions on the materials provided:

1. Pass Resolution 2013-14.09, which must include the number of seats open in this election. There are two seats with terms expiring in December 2014: Terms for Mitchell and Tom expire December 2014. Terms for Baten Caswell, Emberling, and Townsend expire December 2016.
2. Determine the Specifications of the Election Order filling in the following blanks:
   a. “there will be two Office of Governing Board members to be filled in the” (Seats would only be added if one or more of the remaining Board members wish to step down prior to the end of their term in 2014.)
   b. “That said officers are to be selected at large / by division” (Palo Alto is an at large district. Seats are not chosen by neighborhood or precinct.)
   c. “division; number of offices” (These would be left blank. As an at large district there are no divisions and, thus, no seats per division.)
   d. “Qualifications” In the past the Board has listed: “Must be a registered voter living in the district.”
e. “determining the winner or winners in the event of a tie vote shall be by: *lot* / *runoff election* (While the Board could choose a runoff election, there are considerable costs associated with that choice.)

f. “candidates statements of qualifications shall be limited to **200 / 400** words” (The Board previously has allowed 400 words.)

g. “cost of printing, translating, and distributing said statements shall be borne by the *district / candidates*” (The Board has chosen a 50 / 50 split on these expenses.)

h. “each candidate who files such a statement *shall / shall not* be required to pay in advance his or her pro rata share of the estimated costs of printing, handling, and mailing” (The Board has required the funds be advanced when papers are submitted to run for office. This generally occurs at the County and eliminates the need for district staff to bill and collect funds from multiple candidates. While there are only two seats available, there could be any number of candidates.)

**Attachments**
Correspondence from Shui Ling Chu, Santa Clara County Election Division Coordinator
Abbreviated Gubernatorial General Election Calendar
Resolution No. 2013-14.09
Specifications of the Election Order
Information Sheet
February 21, 2014

Mr. Kevin Skelly
Superintendent
Palo Alto Unified School District
25 Churchill Avenue
Palo Alto, CA 94306

Dear Mr. Skelly:

In preparation for the November 4, 2014, Board Election, we are enclosing the following items:

1. Abbreviated Election Calendar
2. Resolution - Request for and Consent to Consolidation of Election
3. Specifications of the Election Order
4. Information Sheet

In order to allow for the timely compliance with publication deadlines, please return these documents to the Office of the Registrar of Voters prior to June 13, 2014. If you use the enclosed resolution, circle the appropriate limitations and instructions on the document.

In an effort to review current boundaries for all districts, the Mapping Division has requested 1) a map of your district, and 2) the legal boundary description of your district. The map should list street detail and district boundaries. An electronic version of the map is preferred, but hard copy is acceptable.

During the week of July 7, 2014, we will provide candidate packets to your office for distribution to your candidates. These packets will contain forms and information required for filing, including estimated costs of candidate statements. The candidate filing period is July 14, 2014 through August 8, 2014.

We look forward to working with you during the next several months. To verify eligibility or to obtain additional information, please call the Candidate and Public Services Division at 408-299-8639.

Sincerely,

Shui Ling Chu
Election Division Coordinator
Candidate and Public Services Division
### Abbreviated Gubernatorial General Election Calendar
November 4, 2014
Santa Clara County

<table>
<thead>
<tr>
<th>DATES</th>
<th>ACTIVITIES / DOCUMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2, 2014</td>
<td><strong>DUE DATE FOR RESOLUTIONS FOR GOVERNING BOARD ELECTIONS</strong></td>
</tr>
<tr>
<td>(E - 125)</td>
<td>Deadline for jurisdictions to submit resolutions for a governing board election.</td>
</tr>
<tr>
<td>July 14, 2014</td>
<td><strong>NOMINATION PERIOD OPENS</strong></td>
</tr>
<tr>
<td>(E - 113)</td>
<td>First day candidates may pick up nomination documents either at the district office or</td>
</tr>
<tr>
<td></td>
<td>at the Office of the Registrar of Voters.</td>
</tr>
<tr>
<td>August 6 through</td>
<td><strong>CONTRIBUTION/INDEPENDENT EXPENDITURES</strong></td>
</tr>
<tr>
<td>November 3, 2014</td>
<td>Sums over $1000 to/from a single source must be reported within 24 hours. The Independent</td>
</tr>
<tr>
<td>(E - 90 to E - 1)</td>
<td>Expenditure report is required only for committees (not candidate committees) that make</td>
</tr>
<tr>
<td></td>
<td>independent expenditures totaling $1,000 or more to support or oppose a single candidate</td>
</tr>
<tr>
<td></td>
<td>or a single ballot measure.</td>
</tr>
<tr>
<td>August 8, 2014</td>
<td><strong>NOMINATION PERIOD CLOSES</strong></td>
</tr>
<tr>
<td>(E - 88)</td>
<td>Deadline to file (in the Office of the Registrar of Voters only) all required</td>
</tr>
<tr>
<td></td>
<td>nomination documents.</td>
</tr>
<tr>
<td></td>
<td><strong>WITHDRAWAL OF CANDIDATE</strong></td>
</tr>
<tr>
<td></td>
<td>No candidate shall withdraw after this date for offices which do not have an</td>
</tr>
<tr>
<td></td>
<td>extension period.</td>
</tr>
<tr>
<td></td>
<td><strong>DUE DATE FOR MEASURE RESOLUTIONS AND TAX RATE STATEMENTS</strong> *</td>
</tr>
<tr>
<td></td>
<td>Last day for jurisdictions to file a resolution calling for a measure election, and if</td>
</tr>
<tr>
<td></td>
<td>applicable, tax rate statements.</td>
</tr>
<tr>
<td>August 9 through</td>
<td><strong>EXTENSION PERIOD</strong></td>
</tr>
<tr>
<td>August 13, 2014</td>
<td>If an incumbent fails to file a Declaration of Candidacy by August 8th for his or</td>
</tr>
<tr>
<td>(E - 87 to E - 83)</td>
<td>her office, there will be a 5-calendar-day extension during which any candidate,</td>
</tr>
<tr>
<td></td>
<td>other than the incumbent, may file or withdraw from said office.</td>
</tr>
<tr>
<td>August 12, 2014</td>
<td><strong>DUE DATE FOR ARGUMENTS</strong> *</td>
</tr>
<tr>
<td>(E - 84)</td>
<td>Deadline set by the Registrar of Voters for submitting arguments in favor of and</td>
</tr>
<tr>
<td></td>
<td>against a measure.</td>
</tr>
<tr>
<td>August 14, 2014</td>
<td><strong>RANDOMIZED ALPHABET DRAWING</strong></td>
</tr>
<tr>
<td>(E - 82)</td>
<td>This day the Secretary of State and the local elections official will conduct a</td>
</tr>
<tr>
<td></td>
<td>drawing of letters of the alphabet to determine the order in which candidates</td>
</tr>
<tr>
<td></td>
<td>appear on the ballot.</td>
</tr>
<tr>
<td>August 19, 2014</td>
<td><strong>DUE DATE FOR REBUTTALS AND IMPARTIAL ANALYSES</strong> *</td>
</tr>
<tr>
<td>(E - 77)</td>
<td>Deadline set by the Registrar of Voters for submitting rebuttals to arguments in favor</td>
</tr>
<tr>
<td></td>
<td>of and against and the impartial analysis.</td>
</tr>
</tbody>
</table>

1/22/2014
**Abbreviated Gubernatorial General Election Calendar**

**November 4, 2014**

**Santa Clara County**

<table>
<thead>
<tr>
<th>DATES</th>
<th>ACTIVITIES / DOCUMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 8 through</td>
<td><strong>WRITE-IN CANDIDACY OPENS AND CLOSES</strong> Time frame for write-in candidates to obtain</td>
</tr>
<tr>
<td>October 21, 2014</td>
<td>and file nomination documents in the Office of the Registrar of Voters.</td>
</tr>
<tr>
<td>(E - 57 to E - 14)</td>
<td></td>
</tr>
<tr>
<td>October 6, 2014***</td>
<td><strong>F.P.P.C. 1st PRE-ELECTION STATEMENT DUE</strong> Deadline for financial disclosure report</td>
</tr>
<tr>
<td>(E - 29)</td>
<td>Form 460 covering the period of 7-1-14** to 9-30-14.</td>
</tr>
<tr>
<td>October 6, 2014</td>
<td><strong>FIRST DAY FOR MAILING OF VOTE BY MAIL BALLOTS</strong> First day of mailing of Vote by</td>
</tr>
<tr>
<td>(E - 29)</td>
<td>Mail ballots.</td>
</tr>
<tr>
<td>October 20, 2014</td>
<td><strong>LAST DAY TO REGISTER TO VOTE FOR NOVEMBER ELECTION</strong> Deadline to register to be</td>
</tr>
<tr>
<td>(E - 15)</td>
<td>eligible to vote in the November 6, 2014 election.</td>
</tr>
<tr>
<td>October 23, 2014</td>
<td><strong>F.P.P.C. 2nd PRE-ELECTION STATEMENT DUE</strong> Deadline for financial disclosure report</td>
</tr>
<tr>
<td>(E - 12)</td>
<td>Form 460 covering the period of 10-1-14 to 10-18-14.</td>
</tr>
<tr>
<td>October 28, 2014</td>
<td><strong>LAST DAY TO REQUEST VOTE BY MAIL BALLOT BY MAIL</strong> Deadline to submit a request for</td>
</tr>
<tr>
<td>(E - 7)</td>
<td>a Vote by Mail ballot to be mailed to voter.</td>
</tr>
<tr>
<td>NOVEMBER 4, 2014</td>
<td><strong>ELECTION DAY</strong> Polls are open from 7:00 a.m. to 8:00 p.m.</td>
</tr>
<tr>
<td>(E)</td>
<td></td>
</tr>
<tr>
<td>December 2, 2014</td>
<td><strong>OFFICIAL CANVASS OF VOTE</strong> Registrar of Voters to certify election results by</td>
</tr>
</tbody>
</table>

This calendar may not contain all of a candidate's or district's filing requirements. The Office of the Registrar of Voters is not open for filings on Saturday, Sunday or holidays.

* The legal 10-calendar-day public examination period in which a writ of mandate may be sought begins immediately following the filing deadline for submission of those documents. The writ of mandate request shall be filed no later than the end of the 10-calendar-day public examination period.

** The period covered by any statement begins on the day after the closing date of the last statement filed, OR January 1st, if no previous statement has been filed.

*** Due to weekend.
REQUEST FOR AND CONSENT TO CONSOLIDATION OF ELECTIONS

STATE OF CALIFORNIA )
County of Santa Clara ) ss.

WHEREAS, a Biennial Governing Board Member Election has been ordered to be held on Tuesday, November 4, 2014, in the Palo Alto Unified School District of Santa Clara County for the purpose of electing two members of the Governing Board of the District; and

WHEREAS, pursuant to Education Code Section 5342 and Elections Code Section 10400, such election may be either completely or partially consolidated;

NOW, THEREFORE, BE IT RESOLVED that the Governing Body of the Palo Alto Unified School District requests the Board of Supervisors of Santa Clara County to completely consolidate such elections and to further provide that the Registrar of Voters canvass the returns of the election.

PASSED AND ADOPTED this 6th day of May, 2014, by the following vote:

AYES:

NOES:

ABSENT:

ATTEST: (signed) Clerk/Secretary of the Governing Board of Palo Alto Unified School District

Kevin Skelly, Ph.D.
SPECIFICATIONS OF THE ELECTION ORDER

Pursuant to Education Code Section 5322 and Elections Code Section 13307

Notice is hereby given to the Santa Clara County Registrar of Voters that at the General District Election to be held November 4, 2014, there will be two (number of full terms/short terms) offices of Governing Board member to be filled in the:

Palo Alto Unified School District

That said officers are to be selected at large/by division:

That the divisions, if any, from which said governing board members are to be elected, and the number of offices to be filled from each, are:

<table>
<thead>
<tr>
<th>Division</th>
<th>Number of Offices</th>
</tr>
</thead>
<tbody>
<tr>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

That the qualifications for election to said offices, as prescribed by the principal act, are:

Must be a registered voter living in the district.

The method of determining the winner or winners in the event of a tie vote shall be by:

**lot/runoff election.**

That the candidates' statements of qualifications shall be limited to 200/400 words; that the cost of printing, translating and distributing said statements shall be borne by the district/candidates who file such statements, and that each candidate who files such a statement shall/shall not be required to pay in advance his or her pro rata share of the estimated costs of printing, handling, and mailing said candidate statement, such estimated costs to be determined by the Registrar of Voters.

A current map of the District, showing any existing division boundaries, is herewith submitted.

Dated this 6th day of May, 2014.

Signature: ____________________________ (District Secretary) Kevin Skelly, Ph.D.

SEAL
NAME OF DISTRICT

Palo Alto Unified School District

NEWSPAPER OF GENERAL CIRCULATION

List district preference for publication of legal notice. Notice will be published in the San Jose Post Record (most economical for districts) if no preference listed. NOTE: The Los Gatos Daily and the Silicon Valley Business Journal are not legally allowed to publish Legal Notices. Please do not request publication in either one. If requests are received for these publications, they will be published in the San Jose Post Record.

San Jose Mercury News, Palo Alto Weekly

NAMES OF BOARD MEMBERS & DATE EACH TERM ENDS

Please indicate all members and for those who are appointed incumbents, note the name of the elected incumbent who was replaced and the date elected incumbent’s term would have ended if term had been fulfilled.

BARB MITCHELL 2014

DANA TOM 2014

MELISSA BATING CASWELL 2016

CAMILLE TOWNSEND 2016

HEIDI EMBERLING 2016

DISTRICT CONTACT

Name/Title  Kathleen Ruegsegger
Address  PALO ALTO UNIFIED SCHOOL DISTRICT
25 Churchill Ave., Palo Alto, CA 94306
Phone #  650.329.3737
Fax #  650.321.3810
Email  kruegsegger@pausd.org

DISTRICT OFFICE DATES AND HOURS OF OPERATION

Regular Hours:  Monday-Friday 8:00 a.m. - 4:45 p.m.
Summer Hours*: Monday-Thursday 7:00 a.m. - 5:30 p.m.

*June 13 - July 18, 2014 - Closed Fridays

Date 05.06.14  Signed

Print Name  Kathleen Ruegsegger
TO: Kevin Skelly, Superintendent

FROM: Charles Young, Associate Superintendent - Educational Services
PREPARED BY: Brenda Carrillo, Coordinator - Student Services

SUBJECT: Update on the Secondary Schools Counseling Program

STRATEGIC PLAN INITIATIVE
Academic Excellence and Learning
Personal Development and Support

RECOMMENDATION
This is an update to the Board and requires no action. This item informs the Board on the continued progress of the Secondary School Counseling Program, including an update on the activities and outcomes outlined in the Logic Model.

BACKGROUND
Last year the Board passed the Counseling Board Policy and received various updates on the guidance programs at both high schools, with the most recent Board report occurring on December 10, 2013. At the December meeting, the Board received a presentation on the PAUSD Framework for Secondary Counseling Program, a tool that outlines a common vision, mission, and outcomes for the Secondary Counseling Program. The Framework is guided by the Guidance/Counseling Services Board Policy, Strategic Plan refreshed initiatives, and national counseling standards. This presentation includes further development of comparability of activities and defined metrics to evaluate outcomes, which will guide and inform counseling services further.

Since March 2013, counselors, administrators, and district staff have been working diligently and thoughtfully on the development of a Secondary Counseling Framework that would serve as a blueprint for learning and evaluation, as well as a tool for aligning and clarifying secondary counseling services. The Secondary Counseling Framework moves beyond describing the work of the high schools and instead provides a common description of all Secondary School Counseling.

Next steps include continuing to develop a robust, aligned, and effective school counseling program whose outcomes are measurable and that is grounded in the PAUSD framework to serve all students.

Attachments
Framework for Secondary Counseling Services
PAUSD Comparability of Services
Executive Summary PowerPoint
MISSION STATEMENT

The School Counseling Program at PAUSD middle and high schools offers comprehensive planning and guidance services addressing student academic, diverse career and college goals, as well as personal and social development. We work to give ALL students the opportunities to acquire the educational and social competencies necessary for growth toward lifelong success and effective, responsible citizenships for a diverse and changing world. Our school counseling program seeks to positively impact the lives of ALL of our students by partnering with staff, parents and community.

ACTIVITIES

Individual Student Planning
- Student contact (1-1 or group)
- Academic Planning
- Career interest inventory
- Career exposure activities

Responsive Services
- Presentation of resources
- Referrals to services
- Liaison/case management
- Academic and/or social intervention

System Support
- Climate work
- Modeling leadership
- Collaboration with key partners
- Professional development
- Communication with parents

REFRESHED INITIATIVES

Academic Excellence and Learning
- Personal Development and Support

OUTCOMES

Short-Term

Students are informed of and understand:
- Course offerings
- Graduation requirement
- College admission requirements (including A-G)

Interim

Students are/have:
- An academic plan to meet graduation requirements
- Informed and guided to achieve A-G requirements for four year college eligibility
- Engaged learners, exploring areas of academic strengths and areas of growth

Students have:
- Identified interests, strengths and areas of growth for post-secondary options

Long-Term (High School Graduation)

Students will have:
- Acquired and demonstrated competencies in academic achievement

Students will have:
- Gained competencies to be prepared for pursuit of post-secondary options

Students will have:
- Experienced a safe and caring school environment
- Been supported to confidently assess and pursue personal goals & choices
- Developed life skills to build independence and resiliency

RATIONAL

School counselors are professional educators with a mental health perspective who understand and respond to the challenges presented by today’s diverse student population. School counselors do not work in isolation; rather they are integral to the total education program. The American School Counselors Association National Standards in the academic, career, and personal/social domains are the foundation for this work.

Students who demonstrate additional need (s) are provided with culturally responsive prevention and intervention services
Comparability of Services – Middle Schools

**Individual Student Planning**
American School Counselor Association (ASCA) Definition:
On-going systematic activities designed to assist the individual student in establishing personal goals and developing future plans, such as individual learning plans and graduation plans.

- Transition meetings: 5th–6th grade, 8th–9th grade
- Individual check-ins
- Course Selection

**Responsive Services**
American School Counselor Association (ASCA) Definition:
Activities designed to meet students’ immediate needs and concerns. Responsive services are delivered through individual and small groups and referrals to outside agencies.

- Weekly team meetings with teacher/grade level counselor
- Parent/teacher/counselor communication meetings: All 6th graders; 7th and 8th, as needed
- Student grade monitoring D-F
- Homework center referral
- Tutoring/Mentoring
- Support classes: (Academic Enhancement, Math Workshop, ALD, FOS)
- AVID (Achievement Via Individual Determination)
- Referrals to outside services
- Adolescent Counseling Services
- Human Services Team meetings, weekly
- Student Study Team meetings
- 504 meetings
- IEP meetings
- School Attendance Review Board

**Systems Support**
American School Counselor Association (ASCA) Definition:
Student counselors engage in management activities that establish, maintain, contribute and empower the school counseling program. School counselors act as advocates for the students through professional development, consultation, collaboration and program management.

- Fifth grade class presentations
- Sixth grade orientation
- Parent Information Nights
- New Students/Families orientation
- Group guidance lessons
- School Climate committees
- Disability based and harassment educational lessons
- Not In Our Schools week activities
- Student Initiated Clubs
- A to G Informational Events for 8th graders
- 504 and IEP transition meetings (elementary to middle school; middle school to high school)
## Comparability of Services – High Schools

### INDIVIDUAL STUDENT PLANNING

American School Counselor Association (ASCA) Definition:
On-going systematic activities designed to assist the individual student in establishing personal goals and developing future plans, such as individual learning plans and graduation plans.

<table>
<thead>
<tr>
<th>All Grades</th>
<th>9th Grade</th>
<th>10th Grade</th>
<th>11th Grade</th>
<th>12th Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overview of guidance services</td>
<td>Registration/course selection</td>
<td>Registration/course selection</td>
<td>Registration/course selection</td>
<td>Senior To-Do Calendar</td>
</tr>
<tr>
<td>How to access guidance services</td>
<td>4 Year Academic Plan introduction</td>
<td>4 Year Academic Plan discussion</td>
<td>4 year Academic Plan Review</td>
<td>Common Application workshop</td>
</tr>
<tr>
<td>Individual student planning</td>
<td>Naviance/career exploration</td>
<td>Naviance/career exploration</td>
<td>Naviance/career exploration</td>
<td>College application process and follow up assistance</td>
</tr>
<tr>
<td>4 Year Academic Plan</td>
<td>Road map of future Activities</td>
<td>PSAT test discussion</td>
<td>Post high school planning</td>
<td>1st Generation College Students Group</td>
</tr>
<tr>
<td>Transcript check</td>
<td>Resume Activities (Naviance)</td>
<td>Post high school planning</td>
<td>College essay support</td>
<td>Scholarship support</td>
</tr>
<tr>
<td>Graduation requirement review</td>
<td>Personal and social inventory</td>
<td>College Visit Planning</td>
<td>College/Career individual planning meeting</td>
<td>Post high school planning/transition information</td>
</tr>
<tr>
<td>College admissions requirement review</td>
<td></td>
<td>College/Career individual planning meeting</td>
<td>1st Generation College Students Group</td>
<td>Student post high school planning workshops</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>College essay lesson</td>
<td>College and Career Awareness Day</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>College Fair</td>
<td>College/Career individual planning meeting</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Financial aid presentations</td>
<td>Senior Seminars</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>College fair</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Financial aid presentations</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>CSU/UC workshop</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Outreach activities to under-served parents and students</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Community service day</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Mental Health Awareness activities</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Digital Citizens activity</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Cross grade student mentoring</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Identification of students who demonstrate additional needs</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Grade monitoring</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Student/parent meetings as needed</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Summer jobs/internships/work permits</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Summer school advising</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>On-going college and career activities</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>On-going communication through email and website updates</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Financial aid presentations</td>
</tr>
</tbody>
</table>

---

PAUSD
Palo Alto Unified School District    2014Report

3
## Comparability of Activities – High Schools

### RESPONSIVE SERVICES

**American School Counselor Association (ASCA) Definition:**
Activities designed to meet students’ immediate needs and concerns. Responsive services are delivered through individual and small groups and referrals to outside agencies.

<table>
<thead>
<tr>
<th>All Grades</th>
<th>FOS/AVID referrals</th>
<th>Adolescent Counseling Services</th>
<th>Referrals to community agencies</th>
<th>Alternative programs</th>
<th>On-going communication through email and website updates</th>
<th>Outreach activities to under-served parents and students</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Identification of students who demonstrate additional needs</td>
<td>• Homeless and Foster Youth support</td>
<td>• Special Education support</td>
<td>• 504 Process</td>
<td>• Student Attendance Review Board</td>
<td>• Parent Nights</td>
<td></td>
</tr>
<tr>
<td>• Student grade monitoring D-F</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Student Study Teams</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Human Services Team</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Mental Health Awareness Activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Crisis Intervention</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### SYSTEMS SUPPORT

**American School Counselor Association (ASCA) Definition:**
Student counselors engage in management activities that establish, maintain, contribute and empower the school counseling program. School counselors act as advocates for the students through professional development, consultation, collaboration and program management.

<table>
<thead>
<tr>
<th>All Grades</th>
<th>On-going communication through email and website updates</th>
<th>Not in Our Schools week</th>
<th>Club Day</th>
<th>Mental Health Awareness activities</th>
<th>Digital Citizens activity</th>
<th>Outreach activities to under-served parents and students</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Weekly site counselors meeting</td>
<td>• Monthly district-wide counselors meetings</td>
<td>• Parent Nights</td>
<td></td>
<td>Camp Everytown* 10th &amp; 11th grades</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Collaboration regarding students</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Disability-based anti-harassment lessons</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Community service awareness</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Camp Everytown is an event specifically designed for students in 10th and 11th grade.“
Presentation Outcomes

• Clear understanding of the district-wide Secondary School Counseling Program

• Knowledge of the framework that guides the Secondary School Counseling Program

• Clarification of comparable activities across the Secondary School Counseling Program
**Background**

Several examinations of the PAUSD School Counseling Program have taken place in recent years. A common recommendation of these reviews has been to create agreement and clarity among school counselors and the school community about shared outcomes and services students receive. This clarity will help parents, students, counselors, school administrators and the school board understand expectations and focus of the Counseling Program.

---

**School Counseling Program—Mission**

The School Counseling Program at PAUSD middle and high schools offers comprehensive planning and guidance services addressing student academic, diverse career and college goals, as well as personal and social development. We work to give ALL students the opportunities to acquire the educational and social competencies necessary for growth toward lifelong success and effective, responsible citizenships for a diverse and changing world. Our school counseling program seeks to positively impact the lives of ALL of our students by partnering with staff, parents and community.
Logic Model Explanation & Benefits

- A graphical depiction of the logical relationships between the activities and outcomes of a program
- An agreement among stakeholders about what defines success
- A living document that provides a common language and point of reference
- A blueprint for learning & evaluation

Logic Model Rationale

School counselors are professional educators with a mental health perspective who understand and respond to the challenges presented by today’s diverse student population. School counselors do not work in isolation; rather they are integral to the total education program. The American School Counselors Association National Standards in the academic, career, and personal/social domains are the foundation for this work.
School Counseling Program—Logic Model

**ACTIVITIES**
- Individual Student Planning
  - Student context (1-5 or prior)
  - Academic Planning
  - Career Interest Inventory
  - Career exposure activities
- Responsive Services
  - Presentation of resources
  - Referrals to services
  - Lewin's case management
  - Academic and/or social interaction
- System Support
  - Climate work
  - Mindfulness training
  - Collaboration with key partners
  - Professional development
  - Communication with parents

**OUTCOMES**

**Academic**
- Students are informed of and understand:
  - Course offerings
  - Graduation requirements
  - College admission requirements (including ACT)
- Students are:
  - Expected to discuss post-secondary options

**College/Career**
- The Counseling program has identified life skills priorities and trends
  - Knowledge of other resources
  - Access to support services
  - Identified a career path on campus and community
  - A sense of safety

**Personal/Social**
- Students are:
  - Accepted in new role as post-secondary options

**REFRESHED INITIATIVES**
- Academic Excellence and Learning
- Personal Development and Support

**What Informed Our Work?**

- District/Board Policy
- PAUSD 2013-2014 Strategic Plan & Refreshed Initiatives
- The American School Counselors Association’s (ASCA) National Standards and Framework
- PAUSD High School Program Review Report, Kelun Zhang
- Gunn Guidance Advisory Committee Final Report

- Paly High School’s Counseling Program Overview
- Board Reports for Paly and Gunn High Schools
- Review of Terman, Jordan & JLS Counseling Program by staff
- Feedback from Staff and Community
- Gunn High School Guidance Review Report
Academic Outcomes

Short-Term
Students are informed of and understand:
- Course offerings
- Graduation requirement
- College admission requirements (including A-G)

Interim
Students are/have:
- An academic plan to meet graduation requirements
- Informed and guided to achieve A-G requirements for four year college eligibility
- Engaged learners, exploring areas of academic strengths and areas of growth

Long-Term (High School Graduation)
Students will have:
- Acquired and demonstrated competencies in academic achievement

Metrics to be utilized to evaluate outcomes

1. PAUSD Strategic Plan-Student Survey, including questions such as:
   A. The level of enjoyment I have while learning
   B. Teachers challenge me to excel academically
   C. I feel connected and engaged in school

I feel connected and engaged in school

<table>
<thead>
<tr>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>69%</td>
<td>78%</td>
</tr>
</tbody>
</table>

Data Source: 2014 Strategic Plan-Student Survey
Metrics to be utilized to evaluate outcomes

1. 2013 School Board Report/(CRUNCHER), including a question such as:
   A. A-G completion rate class of 2013 data

2. National Student Clearinghouse, question such as:
   A. Percentage of students enrolled in college immediately after high school

College/Career Outcomes

**Short-Term**
Students are:
- Exposed to diverse post-secondary options

**Interim**
Students have:
- Identified interests, strengths and areas of growth for post-secondary options

**Long-Term**
(High School Graduation)
Students will have:
- Gained competencies to be prepared to pursue post-secondary options
Metrics to be utilized to evaluate outcomes

1. PAUSD-Alumni Survey
2. PAUSD Strategic Plan, Student Survey

Types of questions:
A. I am well prepared for the global economy
B. I am well prepared for college
C. I am well prepared for alternative post-secondary opportunities (e.g. not a four year college)
D. I received effective career counseling for opportunities after high school or college
E. Did you feel prepared with the self-management skill needed for college life?
F. Did you feel academically prepared for college learning?

Did you feel prepared with the self-management skills needed for college life?

83% felt prepared and very prepared

Source: Fall 2013 Survey-Class of 2012

High School students receive effective college counseling?

74% PAUSD 65% Guest

Source: 2013 Strategic Plan Survey

Personal/Social Outcomes

Short-Term
- The Counselling program has identified life skills priorities and trends
  Students have:
  - Knowledge of what resources exist
  - Access to support services
  - Identifed a trusted adult on campus to connect to for support
  - A sense of safety

Interim
- Students:
  - Have ongoing access to support services
  - Experience a caring school environment
  - Develop life skills that promote well-being
  - Have a sense of safety

Long-Term
- (High School Graduation)
- Students will have:
  - Experienced a safe and caring school environment
  - Been supported to confidently assess and pursue personal goals & choices
  - Developed life skills to build independence and resiliency
Metrics to be utilized to evaluate outcomes

1. California Healthy Kids Survey (CHKS)
2. Palo Alto Reality Check (PARC)
3. PAUSD Alumni Survey-Student
4. Developmental Assets Survey

Types of questions:
A. I feel close to people in this school
B. At my school there is a teacher or some other adult who really cares about me
C. At my school there is a teacher or some other adult who believes that I will be a success
D. Incidents of alcohol use
E. Incidents of marijuana use
F. Resilience Indicators and School Connectedness

Comparability of Services – High Schools

Individual Student Planning
On-going systematic activities designed to assist the individual student in establishing personal goals and developing future plans, such as individual learning plans and graduation plans.

All Grades
- Overview of guidance services
- How to access guidance services
- Individual student planning
- 4 Year Academic Plan
- Transcript check
- Graduation requirement review
- College admissions requirement review
- Identification of students who demonstrate additional needs
- Grade monitoring
- Student/parent meetings as needed
- Summer jobs/internships/work permits
- Summer school advising
- Ongoing college and career activities
- Ongoing communication through email and website updates
- Mental Health Awareness activities
- Digital Citizens activity
- Cross grade student mentoring
- Outreach activities to under-served parents and students
- Community service day
## Comparability of Services – High Schools

### Responsive Resources
Activities designed to meet students’ immediate needs and concerns. Responsive services are delivered through individual and small groups and referrals to outside agencies.

<table>
<thead>
<tr>
<th>All Grades</th>
<th></th>
</tr>
</thead>
</table>
| • Identification of students who demonstrate additional needs  
• Student grade monitoring D-F  
• Student Study Teams  
• Human Services Team  
• Mental Health Awareness Activities  
• Crisis Intervention | • CSS/AVID referrals  
• Adolescent Counseling Services  
• Referrals to community agencies  
• Alternative programs  
• On-going communication through email and website updates  
• Outreach activities to under-served parents and students | • Homeless and Foster Youth support  
• Special Education support  
• 504 Process  
• Student Attendance Review Board  
• Parent Nights |

---

## Comparability of Services – High Schools

### Systems Support
Student counselors engage in management activities that establish, maintain, contribute and empower the school counseling program. School counselors act as advocates for the students through professional development, consultation, collaboration and program management.

<table>
<thead>
<tr>
<th>All Grades</th>
<th></th>
</tr>
</thead>
</table>
| • Weekly site counselors meeting  
• Collaboration regarding students  
• Disability-based anti-harassment lessons  
• Community service awareness | • On-going communication through email and website updates  
• Not in Our Schools week  
• Club Day  
• Mental Health Awareness activities  
• Digital Citizens activity | • Outreach activities to under-served parents and students  
• Monthly district-wide counselors meetings  
• Parent Nights  
• Camp Everytown 10th & 11th grades |
Learnings

- Great commonality in activities with some differences in
  - Delivery system
  - Names of activities
  - Frequency

- Value in having schools share information and resources
- Well positioned to evaluate our work
- Additional data to evaluate college/career readiness needed

Next Steps

- Counselor Retreat in Fall 2014 to further develop metrics and outcomes
- Work with Research, Assessment & Evaluation Department to evaluate data
- Triangulate CHKS, PARC’s, Strategic Plan data to inform areas of strengths and needs
- Continue to support and develop programs such as RISE UP
- ASCA Conference
TO: Kevin Skelly, Superintendent
FROM: Charles Young, Associate Superintendent - Educational Services
PREPARED BY: Kara Rosenberg - Summer School Coordinator
SUBJECT: 2014 Summer School Program Dates and Locations

STRATEGIC PLAN INITIATIVE
Academic Excellence and Learning

RECOMMENDATION
It is recommended the Board of Education approve the 2014 summer school program dates and locations as presented. This item was discussed on October 22, 2013.

BACKGROUND
PAUSD offers limited elementary and middle school summer programs for students most in need and high school programs that will help students meet graduation requirements (BP 6177).

PROPOSAL
The following dates and locations are proposed for summer 2014:

**Elementary Programs**
Barron Park Elementary School and Escondido Elementary School
June 9-July 3; 8 a.m.-12:15 p.m.

**Middle School Math Intervention and Literacy Intervention**
Terman Middle School
June 9-July 3; 8:15 a.m.-12:30 p.m.

**High School Credit Recovery, plus Living Skills, Economics, and Bridge to Geometry A**
Gunn High School
June 9-June 27 or July 3 and July 7-July 25, 8 a.m.-1:30 p.m.

Attachment – PowerPoint Presentation
Elementary School

Middle School

High School

*Summer School 2014*

*Elementary summer program capitalizes on strengths of 2013 summer school program while significantly reducing enrollment.*

*Middle school summer school provides intervention and an elective for about 180 students.*

*High school remains substantially the same.*

*Overview*

May 6, 2014
* Approximately 400 students will be enrolled for a curriculum that skillfully blends academics with enrichment.
* Barron Park Elementary and Escondido Elementary will be the host schools.
* An analysis of research on closing the opportunity gap combined with direction from the State LCFF to support students whose families may have fewer options for summer learning led to a decision to make summer school available for students in those families first.

*Elementary*

May 6, 2014

* The middle school is limited to students needing literacy or math intervention.
* Approximately 180 students will be enrolled for a curriculum that includes either literacy or math intervention and an elective.
* Terman Middle School will be the host school.

*Middle School*

May 6, 2014
* The high school offers credit recovery, living skills, economics, freshman bridge, and a non-credit Spanish course to assist with the new language requirement.

* Approximately 700 students will be enrolled for Session 1 and 500 for Session 2

* Gunn High School will be the host school.

* The Board of Education is asked to approve the summer school program dates and locations.
TO: Kevin Skelly, Superintendent
FROM: Charles Young, Associate Superintendent - Educational Services
PREPARED BY: Kara Rosenberg, Adult Education Principal/Summer School Coordinator
SUBJECT: Adult School 2014 Midterm WASC Report

STRATEGIC PLAN INITIATIVE
Academic Excellence and Learning

RECOMMENDATION
It is recommended the Board of Education review and approve the Adult School 2014 Midterm WASC Report at the May 20, 2014, Board meeting.

OVERVIEW
In 2011, the Adult School was reviewed by a team from the Western Association of Schools and Colleges. Following a three-day visit, the team reported to the WASC Commission on the strengths and growth areas for the school. The commission granted the Adult School a full six-year term with a midterm report. The attached report and action plan detail the steps taken by the Adult School to strengthen the growth areas and maintain the school's areas of strength.

Attachment A – Palo Alto Adult School WASC
Attachment B – Action Plan
Attachment C – PowerPoint Presentation
PALO ALTO ADULT SCHOOL

PROGRESS REPORT

50 Embarcadero Road

Palo Alto, CA 94301

Palo Alto Unified School District

Accrediting Commission for Schools
Western Association of Schools and Colleges
CONTENTS

I: Introduction and Basic Student/Community Profile Data ........................................ 1

II: Significant Changes and Developments .................................................................. 3

III: Process for the Development of the Progress Report ........................................... 4

IV: Progress of the Critical Areas for Follow-up ......................................................... 5

V: Updated Schoolwide Action Plan ........................................................................... xx
I: Introduction and Basic Student/Community Profile Data

Include the following:

- A brief general description of the school, the schoolwide student goals, the student demographics, and the faculty/staff demographics
- A summary of the disaggregated and interpreted student achievement data since the last full self-study, and how it may have impacted the entire school and designated subgroups of students
- The status of the school with respect to governing authority expectations, e.g., program improvement school, year three; Academic Performance Index (API); audit and resulting corrective action plan integrated into the single school plan.

Note: Utilize the current student/community profile and summary that has been updated annually since the last full visit and other annual progress reports.

Palo Alto Adult School was established by the Palo Alto Unified School District’s Board of Trustees in 1921. Its purpose was to teach English and Citizenship to immigrants. The school’s main office is at Palo Alto High School where evening classes are held. The daytime classes are at a site housing ESL, parent education and the district’s pre-K and pre-K special education programs.

The school district serves Palo Alto (66,363 residents in 2012), Stanford (13,809 residents in 2010) and the northern portion of Los Altos Hills. The community residents have a high level of education, but the adult school serves the entire educational range. The Adult School serves a large percentage of the lesser educated students in the city.

The faculty and staff remain largely unchanged over the past three years. Our administrative staff was reduced by 30% in order to shift the parent education coordinator’s responsibilities to the district’s transitional kindergarten program. There is definitely a need to reconfigure the administrative responsibilities.

Both of the following tables document duplicated counts since students enroll in successive quarters or semesters.

<table>
<thead>
<tr>
<th>Program</th>
<th>ESL Stu</th>
<th>ESL Hrs</th>
<th>Cit Stu</th>
<th>Cit Hrs</th>
<th>AwD Stu</th>
<th>AwD Hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010-2011</td>
<td>1,560</td>
<td>102,251</td>
<td>23</td>
<td>407</td>
<td>92</td>
<td>8,275</td>
</tr>
<tr>
<td>2011-2012</td>
<td>1,332</td>
<td>102,900</td>
<td>38</td>
<td>563</td>
<td>72</td>
<td>7,760</td>
</tr>
<tr>
<td>2012-2013</td>
<td>1,215</td>
<td>94,386</td>
<td>18</td>
<td>230</td>
<td>78</td>
<td>8,273</td>
</tr>
</tbody>
</table>

The drop in ESL hours is due to two things: managed enrollment and the shift of students who score above 235 on the CASAS test into fee-based programs. We no longer enroll students continuously; they can only begin during the first two weeks of an eight-week session.

The drop in students served in the adults with disabilities program is puzzling, and we shall continue looking into it. There has been significant difficulty in keeping staff in this program due to the district limitations on hours, benefits and salary.
We had been using Boston Reed College as a provider of medical training. They closed in early 2014, and we are considering other options. We have added ASE/GED to the enrollment table in order to chart the progress of our fledgling GED program that is currently in development.

Parent Education hours have dropped because of a reconfiguration of the program. There are fewer adult education required hours since the program dropped from 3 parent evening meetings a month to 2 meetings a month in all classes. We also have had fewer infant classes due to a large increase of nonprofit agencies in the community offering classes to infant and families.

It is very difficult to understand the fee-based enrollment numbers since there are no significant changes. Two things may have contributed, however. A retail cooking store opened up cooking classes across the street from us. We have noticed a significant decline in the number of cooking students. Another factor may have been that many students were unable to enroll online from December 2012 through December 2013 because of issues with AT&T. Fortunately, our District IT staff was persistent and the internet issues have now been solved.

<table>
<thead>
<tr>
<th>CASAS tests Program</th>
<th>Total payment points</th>
<th>completed 2 levels</th>
<th>Significant gain</th>
<th>Enrollees with paired scores</th>
<th>Total Enrollees</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010-2011</td>
<td>1048</td>
<td>65</td>
<td>346</td>
<td>512</td>
<td>869</td>
</tr>
<tr>
<td>2011-2012</td>
<td>1229</td>
<td>105</td>
<td>437</td>
<td>640</td>
<td>848</td>
</tr>
<tr>
<td>2012-2013</td>
<td>1127</td>
<td>112</td>
<td>405</td>
<td>620</td>
<td>819</td>
</tr>
</tbody>
</table>

We have been examining this data trying to understand the rise and drop in payment points. We saw a 15% rise in 2011-2012 in the number of payment points followed by an 8% decrease. We will continue to watch the trend since we had expected to stabilize or increase payment points and paired scores with managed enrollment.

We applied for the new WIA II grant and the CDE website indicates that we have been awarded the funding.

We have not provided data from our student satisfaction surveys given at the end of each class. The data was difficult to compile and not particularly helpful, so we have revised the form and are just beginning to use it again.
II: Significant Changes and Developments

- Include a description of any significant changes and/or developments, i.e., program additions since the last full visit, changes in student enrollment, staffing changes.
- Describe the impact these changes and/or developments have had on the school and/or specific curricular programs.

The significant change during the past three years has been involvement of the Adult School in collaborative activities. As a founding partner of ALLIES (Alliance Language Learners Integration, Education and Success http://www.allies4innovation.org/) we have been participating in a coalition of educators in San Mateo and Santa Clara Counties, to advocate policy affecting adult language learners and to apply for grant funding to meet their needs. As part of the drive to secure funding Silicon Valley ALLIES, a larger group incorporating community agencies into our collaborative initiatives, applied for and secured a significant Department of Labor grant to develop innovative programs and practices. Palo Alto Adult School and Sequoia Adult School are providing a Job Search Skills program with wrap around services including recruiting, education, job advisement and barrier elimination. The first data will be available in June.

We have also joined a regional consortium and have been awarded an AB86 planning grant. We will develop a regional approach to adult education with Mountain View/Los Altos Adult School, Sunnyvale/Cupertino Adult School, Foothill College and DeAnza College.

An additional significant change will take place next year as our principal of 14 years retires. She will be followed by a principal who is transferring from one of the district high schools. Having been involved with education in the district since 1995, the new principal brings much to her job including experience with the community and its students as well as a strong love of learning.

Phone calls to the school requesting a GED program have prompted us to reinstate this program in the spring. We would like to be able to offer this option to our community as well as remain an official testing center. We are currently waiting for new facilities at Palo Alto High School to open before we apply to be a computerized testing center.
III: Process for the Development of the Progress Report

- Describe the process to prepare this progress report. Include to what extent stakeholders were involved in the preparation of the report.
- Describe the process to present the progress report to the governing board.

The progress report has been developed by various members of the leadership team and adult school secretarial and data processing staff. Each section was assigned to a specific member who was responsible for the progress on each critical area for follow up. The Leadership team members interviewed additional staff members and students as they summarized the progress on the action plan steps. The following steps to share the report were taken:

<table>
<thead>
<tr>
<th>Step</th>
<th>Who</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop report including stakeholders</td>
<td>Leadership Team Members</td>
<td>Jan-April 2014</td>
</tr>
<tr>
<td>Present to Leadership Team (LT)</td>
<td></td>
<td>April 16, 2014</td>
</tr>
<tr>
<td>Revise based on LT feedback</td>
<td>Principal, Coords and Sec’y</td>
<td>April 17, 2014</td>
</tr>
<tr>
<td>Share with entire staff and ask for feedback</td>
<td>Secretary</td>
<td>April 17, 2014</td>
</tr>
<tr>
<td>Revise based on feedback</td>
<td>LT members</td>
<td>April 25, 2014</td>
</tr>
<tr>
<td>Share with Community Advisory Committee</td>
<td>Principal and co-chair</td>
<td>May 8, 2014</td>
</tr>
<tr>
<td>Share with district cabinet</td>
<td>Principal</td>
<td>May 5 or 12, 2014</td>
</tr>
<tr>
<td>Present to Board of Education</td>
<td>Principal and program coordinators</td>
<td>May 20, 2014</td>
</tr>
<tr>
<td>Send to WASC</td>
<td>Principal</td>
<td>Before June 1</td>
</tr>
</tbody>
</table>
### IV: Critical Areas for Follow-up Progress

- List the critical areas for follow-up and reference the schoolwide action plan sections where each critical area for follow-up has been addressed. If any critical areas for follow-up were not included in the school’s action plan, indicate what actions have been taken to address this issue.

  ➔ Note: The school’s action plan should have incorporated all the critical areas of follow-up or major recommendations that were stated in the last full visiting committee report.

- Comment on the progress made to date for each critical area for follow-up and cite evidence and examples of the impact on student learning.

#### Critical Areas for Follow-up

<table>
<thead>
<tr>
<th>Standard</th>
<th>Key Issue</th>
<th>Action Plan Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>I: Mission &amp; SLOs</td>
<td>Keep SLOS in the foreground for all instructors and students, making SLOs the focus of the work carried out by the Adult School</td>
<td>4B Maintain Quality: Student Learning Outcomes</td>
</tr>
<tr>
<td>II: Organizational Structure</td>
<td>Establish a governance section on the Adult School website that lists staff and their responsibilities</td>
<td>1A Communication: Student Support Services</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2C Organization: Leadership Team</td>
</tr>
<tr>
<td>II: Organizational Structure</td>
<td>Make sure students understand the lines of communication.</td>
<td>1A Communication: Student Support Services</td>
</tr>
<tr>
<td>II: Organizational Structure</td>
<td>Continue with the initiative to meet individually with Community Advisory Committee members in order to solicit input regarding community needs, and to strengthen relationships with community leaders</td>
<td>2B Organization: Community Advisory Committee</td>
</tr>
<tr>
<td>III: Evaluation &amp; Planning</td>
<td>Build upon the teacher evaluation process so teachers understand clearly what is expected of them.</td>
<td>4D Maintain Quality: Teacher Evaluation</td>
</tr>
<tr>
<td>III: Evaluation &amp; Planning</td>
<td>Improve communication related to student class evaluation and Adult School policies and procedures.</td>
<td>1B Communication: Communicate to stakeholders</td>
</tr>
<tr>
<td>IV: Educational Programs</td>
<td>Maintenance of programs valued in the community, but not supported in the state Strategic Plan</td>
<td>3 Program Development</td>
</tr>
<tr>
<td>IV: Educational Programs</td>
<td>Continue to develop programs that meet community needs.</td>
<td>3 Program Development</td>
</tr>
<tr>
<td>V: Program, Student &amp; Institutional Outcomes</td>
<td>Strengthen the cycle of using evaluation data for improvement and planning.</td>
<td>4B Maintain Quality: Student Learning Outcomes</td>
</tr>
<tr>
<td>VI: Student Support Services</td>
<td>Continue to improve catalog, website and evaluation systems</td>
<td>1A Communication: Student Support Services</td>
</tr>
<tr>
<td>----------------------------</td>
<td>-------------------------------------------------------------</td>
<td>-------------------------------------------</td>
</tr>
<tr>
<td>VII: Human Resources</td>
<td>Complete the revision of the faculty handbook.</td>
<td>1C Communication: Faculty Handbook</td>
</tr>
<tr>
<td>VII: Human Resources</td>
<td>Revise and expand emergency procedures</td>
<td>1C Communication: Faculty Handbook</td>
</tr>
<tr>
<td>VII: Human Resources</td>
<td>Institute professional development for fee-based teachers</td>
<td>2A Organization: Department Meetings</td>
</tr>
<tr>
<td>VII: Human Resources</td>
<td>Keep staff focused on SLOs</td>
<td>4B Maintain Quality: Student Learning Outcomes</td>
</tr>
<tr>
<td>VIII: Learning Resources</td>
<td>Expand the use of the technology mentor so that more instructors can use technology in their classrooms.</td>
<td>4C Maintain Quality: Technology</td>
</tr>
<tr>
<td>VIII: Learning Resources</td>
<td>Provide more student access to technology.</td>
<td>4C Maintain Quality: Technology</td>
</tr>
<tr>
<td>IX: Financial Resources</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>X: Physical Resources</td>
<td>In light of the District’s enrollment growth, PAAS will have to be vigilant to ensure the preservation of the physical resources of its programs.</td>
<td>4A Maintaining Quality: High Quality Facilities</td>
</tr>
</tbody>
</table>

**1A Communication: Student Support Services**

Palo Alto Adult School has a number of support services available for students across our programs. As a result of our participation in ALLIES, we have a “No Wrong Door” policy which means that we strive to provide assistance and a pathway to any student who needs additional support.

We interviewed the fee-based teachers at our all-school meeting in September 2013 to determine what services they might require for their students, and the teachers indicated the students did not need additional support services.

All students enrolled in our ESL program are informed on the first day of classes that the teaching objectives are designed to prepare them to advance to the next level by the end of the semester (i.e. two quarters). Students complete an in-class “goals survey” form during the first and last week of each quarter.

The ESL Program Coordinator offers individual counseling to students with special needs. This may include students who "test out" of our ESL program—i.e., earn a score of 235 or above on the CASAS placement; these students are often referred to our fee-based classes. It may also include students who are unable to attend regular classes owing to barriers such as lack of child or elder care. They may be referred to our Learn English at Home program.

Our in-house tutoring program serves students on-site at our Greendell and Palo Alto High School locations. Students are referred by their teachers and receive 1-1 assistance from trained, volunteer tutors who assist them with conversation practice and/or digital literacy skills.
The ESL Program Coordinator and Principal make additional referrals for local support services for students attending classes at all of our sites.

Students who indicate college, postsecondary training or work as a primary goal are referred to our English Learners Ladders to Success (ELLS) program. The ELLS program prepares students to transition to work or college/training by offering job search skills modules, academic reading and writing workshops, 1-1 counseling and job referrals. It is staffed by two credentialed teachers and a career counselor/recruiter from the San Mateo WIB and NOVA (One-Stop.) It is supported by a grant from the Department of Labor. Our plan is to add the most successful services to our program once the grant has expired.

College/training-bound “transitions students” are introduced to the Foothill/DeAnza Community Colleges “Map 2 Future” program and attend an in-class presentation given by a Foothill counselor on the community college admission process and application for financial aid. Arrangements are made for interested students to tour the campus and meet 1-1 with a counselor to complete an application and register for classes.

Students who are looking for work but who are not able to participate in our ELLS program, have access to a PAAS job counselor who works on-site at an affordable housing complex operated by the Palo Alto Housing Corporation, one of our partners. Our 2014-15 plan is to add a resource specialist to assist students with the removal of barriers to their class participation and with potential career pathways.

Childcare is available at our Greendell site for pre-school age children who are eligible to attend the district’s Transition to Kindergarten program or the privately-funded “Springboard” program.

As required by local school district policy, all of our locations and classrooms are accessible to students with physical disabilities. All teachers accommodate students with vision and hearing disabilities and our classrooms are arranged for optimum participation. Many ESL teaching strategies are appropriate for accommodating students with learning disabilities. Teachers have resources available to help learning disabled students be successful.

Our classes are all located along public transit lines, including city buses and free shuttles. Our community is very “bicycle-friendly” and many students ride their bikes to class. Most of the main streets have bike lanes and there are bike racks at all of our locations.

1B Communication to Stakeholders

With input from the leadership team and a marketing consultant, the principal took responsibility for communicating to stakeholders. We made the following improvements:

- Considered expanding the catalog to provide more information, but decided to reduce the print catalog and put more information on the website.
- Revamped the website, shifting it from a static to a WordPress site so that staff will be able to do their own blogging, and we can easily update it.
- Established a Facebook page and a method for regularly updating it. Decided not to pursue Twitter and Yelp due to limited resources.
- Principal began to regularly include student and faculty news in her biweekly report to her supervisor, the cabinet and the board of education.
• Turned over quarterly staff information newsletter to the principal’s secretary with regular deadlines.
• Decided not to add a question about communication on student evaluation forms, but we did include an area for suggested improvements.

1C Communication: Faculty Handbook and Revise and Expand Emergency Procedures

As per the goal for Standard VII: Human Resources, Revise current handbook, the Leadership Team has updated the Policy and Procedure Handbook for the Adult School. The handbook was revised and updated, distributed to staff for feedback, and then revised and finalized based on the feedback received. The updated handbook was distributed to Leadership Team members for any final comments and input in late 2013. It was finalized and approved in early 2014. Hard copies have been printed, and it will be posted to our web-site for teachers and staff to access once privacy concerns are assured. It will be reviewed annually for any necessary updates.

2A Department Meetings

Our two major departments have established regular meetings that also provide professional development. Parent education meets monthly to discuss issues related to their curriculum, their students, and their facilities. The ESL program established Professional Learning Communities that meet monthly to learn how to evaluate data and apply what is learned to the modification of curriculum and instruction.

The fee based programs have proven more difficult. Departments are either entrenched or very small, and staff members have many other jobs. Our policy has been not to provide professional development for non-certificated staff, but that seems like an arbitrary decision. The leadership team has asked the principal to try to bring the World Languages Department together for a meeting to discuss the possibility of regular meetings. This will be part of the continuing action plan.

2B Organization: Community Advisory Committee

We decided that although we recommended individual meetings with various advisory committee members, it would also be helpful to have a common meeting with members who were still interested in meeting together. In addition, we combined the district CTE advisory committee with the Adult School advisory committee to take advantage of the expertise on the committee that both schools needed. This will help us establish pathways for both programs.

The original membership was invited to fall and spring meetings and the participation was positive and lively. There were good suggestions shared and a new program was created. This program was recently featured in a public relations announcement. The ESL coordinator and the Manager of the Garden Court Hotel created a program that taught English to some staff at the Garden Court Hotel. To date, two successful classes have been offered and a third one is in session.

The collaboration and communication between individuals involved in CTE and Adult Ed is fruitful and productive when the right mixture is introduced!

2C Organization: Leadership Team Goal: Maintain a Strong Leadership Team

One of the most significant changes we have incorporated in the Palo Alto Adult School over the
past three years has been the maintenance of a strong and vibrant Leadership Team. In the first year we recruited new members to make sure we had a diverse and representative group of leaders for the school. We have met on a quarterly basis and have systematically overseen the implementation of the Action Plan.

Initially the members of the Leadership Team divided into committees to focus on Communication, Organization and Program Development. The Committees met regularly outside of the Leadership meetings to research, discuss, plan and develop proposals that would support the Action Plan. Once the major proposals were implemented, we determined that working as a whole group would be most effective.

One of the challenges we have experienced is having consistent student representatives on the Leadership Team. Another challenge is that we will have to determine the format of the leadership team and whether we go back to committees or another configuration. These issues are all items we will have to explore and develop as we plan for the future with new school leadership.

3 Program Development

In May of 2012, the Program Development Committee presented new program proposals to the leadership team. The proposals were developed in response to student need surveys, local labor market trends and input from community representatives and the school district. They included a Writing Academy program, CTE programs, and workplace training classes.

Palo Alto Adult School opened its Writing Academy in September 2012. It offers three levels of fundamentals of writing classes scheduled in the morning and evening. The classes are designed to supplement the writing practice provided in our ESL classes and prepare students for college-level and business writing assignments. 95 students enrolled the first year. The Academy was initially fee-based. This year we decided to subsidize the Academy classes in an effort to encourage some of our neediest ESL students to attend, and enrollment has increased to 145 students.

To develop and expand our services for students in need of training for the workplace, PAAS has partnered with a local hotel to provide 12 week, onsite VESL classes for housekeeping and kitchen staff. The first class of 9 students graduated in March 2014. PAAS also received a Department of Labor grant last year to provide job search skills and job counseling services to unemployed and under-employed job seekers in the local area. To date we have enrolled 20 students in two ten week sessions that began in January of this year. Students who are not eligible for the class or need additional job counseling services are referred to our job counselor at the Palo Alto Housing Corporation, part of an ongoing collaboration that provides job search services to low income residents of affordable housing.

In the fall of 2012, the PAAS ESL program added afternoon and evening pre-literacy classes to address the needs of those students who cannot read and write in their first language and/or have not yet learned to read and write in English sufficiently to support their language learning in our ESL classes. In the last two years we have seen enrollment climb from 5 to 25 students.

The proposals for the Writing Academy, workplace training and literacy classes were developed by the ESL program manager and the leadership team’s Program Development Committee. The program manager met with the Writing Academy teachers, VESL and literacy teachers to
develop curricula, course outlines, syllabi, materials and assessment tools. Students enrolled in the Academy and workplace training complete class evaluations. Attendance and enrollment data are tracked in our ASAP system. At the end of each semester/session, the program manager and teachers review the class evaluations and discuss adjustments to the curricula, materials and instruction.

**4A Maintaining Quality: High Quality Facilities**

Preserving high quality facilities remains a major source of concern for our school. Palo Alto Unified School District (PAUSD) continues to experience enrollment growth, and that negatively impacts our ability to preserve facilities. PAUSD did purchase additional land adjacent to Greendell School that houses several Adult School programs. As that additional land is developed by PAUSD, we will have to collaborate with the other stakeholders to insure we have input. This will have to be a major focus of the Adult School’s new leadership.

**4B Maintain Quality: Student Learning Outcomes**

Over the past year, PAAS has gone through a process of revising the class evaluation forms. We have changed the focus of the evaluation to collect data about the efficacy of the classes in meeting student learning goals, the usefulness of what students learn and the efficacy of different methods of instruction. The revision process involved several brainstorming sessions with our principal and a small group of teachers. We then looked to teachers for suggestions as to what kinds of information we should ask students to provide when they fill in the evaluations. Groups of teachers from each department responded to three questions. The questions focused on student goal setting, how teachers know the class is working for students and how teachers collect evidence of student learning. From the notes developed by the teacher groups, we developed questions for the evaluations. We plan to get teacher feedback about the new evaluation, make revisions and pilot the evaluation in our spring classes.

In addition, we decided to expand our Schoolwide Learner Outcomes so that teachers would have some suggestions to help them guide students and measure the SLOs. The new SLOS are at the end of this section.

**4C Maintain Quality: Technology**

With one on one mentoring, teachers are continuing to expand their use of technology to enhance student learning. Following the district’s 5-year replacement schedule for computers, we will replace 1/3 of our PC laptops this year and 1/3 in each of the next two years. The teachers at our high school site using iPads have been trained and the tech mentor continues to provide individual training as needed to all staff. The ESL teachers at all of our sites are using web attendance. 30 MacBook Airs and a cart for use by classes at the high school have been purchased and are being set up by the IT Dept. Currently those teachers are using a calendar signup sheet to reserve a computer lab. Teachers at our Greendell site bring our cart of laptops into their classrooms for student use.

One example of improved student learning is our English Learners Ladders to Success (ELLS) program that uses computers once a week to practice searching for jobs and accessing state employment resources and labor market data. ELLS students are also mastering Word and using templates for creating resumes and cover letters. The ESL program has included digital literacy in the curriculum for all levels from beginning to advanced at both of our sites. Students are
using the Internet to research educational opportunities, and to fill out online health forms and job applications.

4D Maintain quality: Teacher Observation

The ESL program keeps an annual schedule for class/teacher observations. The program uses the California Standards for the Teaching Profession (CSTP) and follows a 3-part process that includes a pre-observation meeting with the program supervisor, the observation and a post-observation meeting.

ESL teachers complete a pre-observation survey prior to the class visit. As part of the survey, teachers identify the lesson objective, activities and strategies used to develop students’ communicative competence, aspects of teaching and student learning to focus on during the observation and areas for professional growth and development. The program manager reviews the survey, the six state standards for the teaching profession (CSTP) and the lesson plan during the pre-observation meeting. After the observation, the teacher and program manager discuss the observation, review the manager’s comments related to the standards and suggestions for professional development.

The ESL program manager maintains a file of all class observations to reference teachers’ professional development goals. Beginning in 2014, the program manager recommended that all ESL teachers complete CALPRO’s Instructor Competency Self-Assessment prior to the pre-observation meeting. The assessment was developed by the Building Professional Development Partnerships for Adult Educators (PRO-NET) project and is designed to allow teachers to rate their performance in six different categories and 31 competency areas. Teachers can use these competencies as a basis for needs assessments to help them identify areas for improvement. Teachers are paid for completing the pre-observation survey and for meeting with the program supervisor.

Parent Education teachers typically begin the year by setting individual professional goals for themselves. In January, Parent Education teachers provide to their adult students a midyear feedback form to gather input for the teacher. Once the forms are completed, they are shared with the Program Coordinator. The Program Coordinator and the teacher review the feedback in terms of strengths and areas of growth for the teacher. A plan is developed along with the teachers goals to make sure areas of growth are addressed. At the end of the year, the Program Coordinator will review with the teacher progress made towards the goals and any other areas of growth.

The Parent Education Program Coordinator was trained in a method of "walk thru" evaluations at the Harvard Principal Institute. This technique has proven to be very useful in helping to further identify teachers' areas of strength and their areas of growth.

For fee-based classes, students complete end-of-class surveys. Results are monitored by the principal and feedback is given to the teachers on both things they do well and areas for improvement.
Palo Alto Adult School Schoolwide Learner Outcomes

Set Goals
Students will assess their own needs, and identify personal, educational and/or vocational goals.

- Students will be self-directed learners who learn independently and collaboratively in a diverse environment.
- With guidance, students will develop plans to achieve their goals.

Achieve Skills
Using a variety of methods, technology and resources, students will acquire knowledge and skills appropriate for reaching their goals.

- They will develop and apply critical thinking skills.
- They will obtain academic and technical skills for life and workforce readiness.

Demonstrate learning
Students will apply their acquired core knowledge and skills appropriate to their goals.

- Students will advance to postsecondary education or training.
- Students will contribute to personal enrichment and the community.
V: Updated Schoolwide Action Plan

- Comment on the refinements made to the schoolwide action plan since the last full self-study visit to reflect schoolwide progress and/or newly identified issues.
- Include a description of the school’s procedures for the implementation and monitoring of the single schoolwide action plan.
- Comment on the integration of plans into one single schoolwide action plan.
- Include a copy of the school’s latest updated schoolwide action plan.

The progress on the action plan is described above. Much has been accomplished, but there is always more! The procedures for implementation and monitoring are also described above. Basically, the Leadership Team meets quarterly. Goals for the year are set in the fall. The work is divided among groups of leadership team members who meet to implement the goals. They work with other staff members and students in order to present their suggestions at the next leadership team meeting. Each quarter is like a cycle of accreditation in that goals are set, research is accomplished, a proposal for action is made, and the action is implemented. We have always had a single action plan.

The plan for the next three years is attached.
WASC
Western Association of Schools & Colleges

FOCUS ON LEARNING
CHAPTER IV
Action Plan 2014-2017
# Action Plan Area #1: Communication

**Palo Alto Adult School**  
**Fall 2012**

## Area for Improvement 1A Student Support Services

Standards VI – Student Support Services, and VIII – Learning Resources

## Rationale

Inform students about the available resources to assist them in achieving their student learning outcomes.

## Goal: Fully implement “No Wrong Door”

<table>
<thead>
<tr>
<th>Steps</th>
<th>Timeline</th>
<th>Resources</th>
<th>Assessing progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Introduce “No Wrong Door” to leadership Team. (This involves responses to all student requests for pathways for the future and removal of barriers.)</td>
<td>2013-2015</td>
<td>Facilitator</td>
<td>Notes of May 2014 Leadership Team meeting</td>
</tr>
<tr>
<td>2. Introduce “No Wrong Door” to staff and begin using and documenting resources.</td>
<td>August 2014</td>
<td>Clerical time to document Resources and list of students referred.</td>
<td>Reports of student requests and referrals</td>
</tr>
<tr>
<td>3. Examine referrals and evaluate effectiveness</td>
<td>December 2014</td>
<td></td>
<td>Evaluation at Leadership Team meeting</td>
</tr>
</tbody>
</table>
### Area for Improvement 1B Communicate to stakeholders

<table>
<thead>
<tr>
<th>Rationale</th>
<th>Standards II – Organizational Structure, and III – Evaluation and Planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Keep stakeholders informed about the needs and success of adult school students so informed decisions can be made during planning.</td>
<td></td>
</tr>
</tbody>
</table>

### Goal: Communicate information about the Adult School to stakeholders

<table>
<thead>
<tr>
<th>Steps</th>
<th>Timeline</th>
<th>Resources</th>
<th>Assessing Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Adult School principal provides cabinet (and thereby School Board) with a biweekly report on adult school activities.</td>
<td>2012-2017</td>
<td>Resources</td>
<td>Biweekly reports to director of secondary education.</td>
</tr>
<tr>
<td>2. We do regular Facebook postings to show what we are doing in the community and to promote our programs. We have done regular Facebook promotions to encourage people to “like” us and receive our news.</td>
<td>2011 and ongoing</td>
<td>Secretary time and postings from staff</td>
<td>Keep track of likes and traffic on Facebook</td>
</tr>
<tr>
<td>3. Continue with regular press releases which go out to media and on the district and adult school websites.</td>
<td>Ongoing</td>
<td>Marketing consultant and district media consultant</td>
<td>Sample press releases</td>
</tr>
<tr>
<td>4. Use the web to publicize student outcomes, and news. Leadership team to discuss the kinds of student outcomes to publicize.</td>
<td>2012 Ongoing</td>
<td>Staff time Sue Correll, Marketing Consultant Leadership team</td>
<td>Pieces used to publicize student outcomes.</td>
</tr>
</tbody>
</table>
**Area for Improvement #1C Policy and Procedure Handbook for Faculty**

**Rationale**

To assure that our staff and teachers can best support Student Learning Outcomes, our Policy and Procedure Handbook must be up-to-date, clear, and accessible to all personnel.

<table>
<thead>
<tr>
<th>Goal: Policy and Procedure Handbook</th>
<th>Responsibility: Facilitator from Leadership Team</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steps</strong></td>
<td><strong>Timeline</strong></td>
</tr>
<tr>
<td>2. Distribute to staff for feedback.</td>
<td>Winter 2013</td>
</tr>
<tr>
<td>3. Revise and finalize based on feedback.</td>
<td>Spring 2013</td>
</tr>
<tr>
<td>4. Print hard copies.</td>
<td>2014</td>
</tr>
<tr>
<td>5. Set up a secure section to post on website.</td>
<td>2015</td>
</tr>
<tr>
<td>6. Ongoing monitoring.</td>
<td>Annually</td>
</tr>
</tbody>
</table>
### Action Plan Area # 2: Organization

<table>
<thead>
<tr>
<th>Palo Alto Adult School</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spring 2011; Fall 2012</td>
</tr>
</tbody>
</table>

### Area for Improvement: 2A Department meetings

#### Standard II – Organizational Structure

#### Rationale
To coordinate efforts to implement standardized procedures regarding course outlines, goal-setting activities, assessment, and professional development, and develop increasing awareness of other school programs.

### Goal: Hold Regular Department Meetings

#### Responsibility: Facilitator from Leadership Team

<table>
<thead>
<tr>
<th>Steps</th>
<th>Timeline</th>
<th>Resources</th>
<th>Assessing Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.  At our all staff meeting, we explored the theme of department meetings. This was not a priority for the staff. The main priorities are filling classes and having reasonable places to teach. A focus group of cooking students, offered suggestions we to the teachers. Some adjustments have been made to teaching methods and curriculum.</td>
<td>2011-2012</td>
<td>Minutes of all staff meeting Results of cooking focus group Enrollment in cooking continues to drop.</td>
<td></td>
</tr>
<tr>
<td>2.  World Languages Focus Group</td>
<td>Spring 2014</td>
<td>Students; Marketing consultant</td>
<td>Notes of focus group meeting.</td>
</tr>
<tr>
<td>3.  World Languages Dept. meeting</td>
<td>Spring 2014</td>
<td>Principal and teachers</td>
<td>Notes of meeting</td>
</tr>
<tr>
<td>4.  Present a plan based on dept. input</td>
<td>Fall 2014</td>
<td>Principal and teachers</td>
<td>Notes of meeting</td>
</tr>
<tr>
<td>5.  Meet with cooking group as we prepare fall classes.</td>
<td>Spring 2014</td>
<td>Principal and teachers</td>
<td>Notes of meeting</td>
</tr>
<tr>
<td>6.  Implement suggestions from both groups</td>
<td>Fall 2014</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Page4
### Area for Improvement #2B Community Advisory Committee

#### Standard II – Organizational Structure

#### Rationale
To identify community needs and develop programs to serve those needs, and to communicate the existence of adult school programs to the community

<table>
<thead>
<tr>
<th>Goal: Continue Working with Community Advisory Committee</th>
<th>Responsibility: Facilitator from Leadership Team – Parent Ed Coord, Principal and , Voc Ed Coordinator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steps</td>
<td>Timeline</td>
</tr>
<tr>
<td>1. Consult with colleagues to find appropriate members for the advisory committee.</td>
<td>2011-2012</td>
</tr>
<tr>
<td>2. Continue meeting with individual CAC members to solicit community needs and strengthen relationships.</td>
<td>2011-2012</td>
</tr>
<tr>
<td>3. Combine vocational and adult school leadership teams</td>
<td>2012-2014</td>
</tr>
<tr>
<td>4. Hold two yearly meeting with the Community Advisory Committee to review accomplishments and set goals.</td>
<td>Annually</td>
</tr>
<tr>
<td>5. Publicize CAC and its activities</td>
<td>Annually</td>
</tr>
</tbody>
</table>
### Area for Improvement #2C Leadership Team

#### Standard II – Organizational Structure

#### Rationale

To oversee implementation of the Action Plan, support the Mission of the School and Student Learning Outcomes, and maintains program quality and enhance the effectiveness of school programs.

---

#### Goal: Maintain a Strong Leadership Team

<table>
<thead>
<tr>
<th>Steps</th>
<th>Timeline</th>
<th>Resources</th>
<th>Assessing Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Recruit new LT members</td>
<td>2011-2012 Annual</td>
<td>Staff</td>
<td>List of members.</td>
</tr>
<tr>
<td>2. Hold 3 quarterly meetings a year. The first year of this plan was great. LT members stepped up to research issues and lead meetings. We took action on many of their suggestions.</td>
<td>2011–2017</td>
<td></td>
<td>Dates of quarterly meetings. Meeting Minutes.</td>
</tr>
<tr>
<td>3. Set procedures for recruitment and recruit new leadership team members, including student members.</td>
<td>December, 2012 and ongoing</td>
<td></td>
<td>Term limits Recruitment goals to insure diverse representation.</td>
</tr>
<tr>
<td>5. Assign facilitators and schedule meetings.</td>
<td>2011-2017</td>
<td></td>
<td>Dates of meetings and agendas</td>
</tr>
<tr>
<td><strong>Area for Improvement #2C Leadership Team</strong></td>
<td><strong>Standard II – Organizational Structure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-----------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Rationale</strong></td>
<td>To oversee implementation of the Action Plan, support the Mission of the School and Student Learning Outcomes, and maintains program quality and enhance the effectiveness of school programs.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Goal: Develop Leadership Structure serving with new Principal</strong></th>
<th><strong>Responsibility: Facilitator from Leadership Team</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steps</strong></td>
<td><strong>Timeline</strong></td>
</tr>
<tr>
<td>Recruit new members of Leadership Team to replace retirees</td>
<td>May-August</td>
</tr>
<tr>
<td>Leadership team meets with new Principal to begin developing structure which will support continuing work on Action Plan and new leadership</td>
<td>Fall 2014</td>
</tr>
<tr>
<td>Leadership meeting continue on a regular basis</td>
<td>October-June</td>
</tr>
<tr>
<td>Area for Improvement #2C Regional Consortium</td>
<td>Standard II – Organizational Structure</td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td>---------------------------------------</td>
</tr>
<tr>
<td><strong>Rationale</strong></td>
<td>To oversee implementation of the Action Plan, support the Mission of the School and Student Learning Outcomes, and maintains program quality and enhance the effectiveness of school programs.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Goal: Work with area partners to develop an AB 86 Regional Consortium</strong></th>
<th><strong>Responsibility: Principal and ESL Coordinator</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steps</strong></td>
<td><strong>Timeline</strong></td>
</tr>
<tr>
<td>Retiring and new principal will attend AB86 meetings</td>
<td>May- August</td>
</tr>
<tr>
<td>Assign staff to work groups</td>
<td>May-September</td>
</tr>
<tr>
<td>Continue to participate in AB86 Plans</td>
<td>September to July 31, 2015</td>
</tr>
</tbody>
</table>
## Action Plan Area #3: Program Development

Palo Alto Adult School  
Spring 2011; Fall 2012

### Area for Improvement #3 Program development

Standard IV – Educational Programs

### Rationale

Develop new programs relevant to student needs and the state strategic plan, and enhance existing programs.

### Goal: Continue to Network with Community Groups to Identify and Assess Program Development Needs

<table>
<thead>
<tr>
<th>Steps</th>
<th>Timeline</th>
<th>Resources</th>
<th>Assessing Progress</th>
</tr>
</thead>
</table>
| 1. Develop proposals for new programs to meet community needs. Use an ongoing cycle to add programs annually: for 2014-2015, GED prep and testing, job skills program to replace ELLS; contract Ed, medical training | Monthly and ongoing  
April 2011-June 2017 | Mission  
Adult School Strategic Plan  
Brochure | List projects and enrollment |
| 2. Develop a work plan and method to gather data; establish resources needed for each program. | Ongoing | Work plan  
Program manager time | Work plan including data to be collected. ESL PM developed work proposal. |
| 3. Implement new programs or strengthen existing programs. | Ongoing | TBD by work plan | Course outline, syllabus and SLOs |
| 4. Assess new program. | Ongoing to June 2017 | Data from program | Evaluation of data |
### Action Plan Area #4: Maintaining Quality

Palo Alto Adult School  
Fall 2012

### Area for Improvement 4A High quality facilities

Standard X – Physical Resources

#### Rationale

Preserve facilities so that students will have convenient, well-equipped classrooms.

#### Goal: Preserve Facilities

<table>
<thead>
<tr>
<th>Steps</th>
<th>Timeline</th>
<th>Resources</th>
<th>Assessing Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Meet regularly with Associate Superintendent. Parent Ed Coordinator and Principal regularly attend board meetings discussing facilities</td>
<td>Ongoing</td>
<td>Agendas and notes of outcomes</td>
<td></td>
</tr>
<tr>
<td>2. Publicize the outcomes of the programs at Greendell in order to stress that they are valued by the community.</td>
<td>Ongoing</td>
<td>Reports to BOD, Meeting notes</td>
<td></td>
</tr>
<tr>
<td>4. Report to Leadership Team.</td>
<td>TBD, annually</td>
<td>Meeting minutes</td>
<td></td>
</tr>
<tr>
<td>Area for Improvement #4B Student Learning Outcomes</td>
<td>Standards V – Program, Student and Institutional Outcomes, and VII – Human Resources</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rationale</td>
<td>Help students set achievable goals in order to assess their learning outcomes. Help teachers use the data to improve instruction.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Goal: Keep Schoolwide Learner Outcomes a Priority
**Everyone’s Minds: 2011–2017**

<table>
<thead>
<tr>
<th>Steps</th>
<th>Timeline</th>
<th>Resources</th>
<th>Assessing Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Require syllabus with a course objective and description of skills to be learned in each class.</td>
<td>Ongoing</td>
<td>Syllabus and outcomes models</td>
<td>List of classes and dates syllabuses were turned in</td>
</tr>
<tr>
<td>2. Use classroom observations and student evaluations to determine implementation of SLOs.</td>
<td>January 2013</td>
<td>Principal and program managers to conduct observations and turn in to principal.</td>
<td>Notes on observations presented to leadership team</td>
</tr>
<tr>
<td>3. Administer revised student survey</td>
<td>March 2014</td>
<td>Surveys given to teachers in quarterly folders</td>
<td>Surveys completed</td>
</tr>
<tr>
<td>4. Computerize data</td>
<td>September 2014 on</td>
<td>Clerical time to enter data</td>
<td>Data</td>
</tr>
<tr>
<td>5. Develop a plan for analyzing and reporting SLO data</td>
<td>September 2014</td>
<td>Leadership team</td>
<td>Agenda notes</td>
</tr>
</tbody>
</table>

**Responsibility: Principal**
<table>
<thead>
<tr>
<th>Area for Improvement #4C Technology</th>
<th>Standard VIII Learning Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rationale</td>
<td>Maintain technology that helps students achieve their goals</td>
</tr>
</tbody>
</table>

### Goal: Technology Maintenance and Access: 2011-2012 and Ongoing

<table>
<thead>
<tr>
<th>Steps</th>
<th>Timeline</th>
<th>Resources</th>
<th>Responsibility: Tech Mentor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Develop a replacement schedule for technology equipment.</td>
<td>Spring 2013</td>
<td>District replacement standards, Tech mentor time</td>
<td>Assessing Progress</td>
</tr>
<tr>
<td>2. Provide access to training.</td>
<td></td>
<td>Tech mentor and teacher time.</td>
<td></td>
</tr>
<tr>
<td>3. Departments meet to analyze tech needs</td>
<td>Winter 2015</td>
<td>Dept. meeting time</td>
<td></td>
</tr>
<tr>
<td>4. Report to Leadership Team and recommend changes.</td>
<td>2012-2017, ongoing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Develop a schedule</td>
<td></td>
<td>Principal and tech mentor</td>
<td></td>
</tr>
</tbody>
</table>

Page12
## Area for Improvement #4D Teacher Observation

**Standard III – Evaluation and Planning**

### Rationale

Observe teachers regularly to foster ongoing improvement of instruction and achievement of student learning outcomes.


<table>
<thead>
<tr>
<th>Steps</th>
<th>Timeline</th>
<th>Resources</th>
<th>Assessing Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Set up a teacher observation schedule.</td>
<td>Winter 2011 and ongoing</td>
<td>Teacher pay for pre- and post-observation meetings; supervisor time</td>
<td>Report on observations and classroom visits.</td>
</tr>
<tr>
<td>2. Conduct observations.</td>
<td>Winter 2011 and ongoing</td>
<td>Teacher pay for pre- and post-observation meetings; supervisor time</td>
<td>Lists of teacher goals</td>
</tr>
<tr>
<td>3. Devise a method for documenting changes or improvements arising from the evaluation system.</td>
<td>Fall 2014</td>
<td></td>
<td>Consolidated data</td>
</tr>
<tr>
<td>4. Report to leadership team.</td>
<td>Spring 2015</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Palo Alto Adult School

Midterm Report
2009 ACS WASC Post Secondary Standards

May 6, 2014
Mr. Robert A. Beck, Chair  
Principal, Pittsburg Adult Education Center

- The visiting team affirmed our areas of growth.
- The WASC Commission awarded a six-year clear term with a midterm report.
ADULT SCHOOL LEADERSHIP TEAM

Kara Rosenberg
Principal

Sharon Keplinger
Parent Education Coordinator

Alex Scott
ESL Program Manager

Tina Allen
Adult School Secretary

Lynn Tanner
ESL Teacher

Elizabeth Bales-Stutes
ESL Teacher

Robert Borregard
Community Member

Ellen Engelman
Computer Instructor

David Hoshiwara
CTE Coordinator

Monica McHenney
Parent Education Teacher

Sarah Gitter
Teacher and Technology mentor

Kathleen Koenig
Upholstery Teacher

Palo Alto Adult School is committed to excellence in providing a broad range of accessible and flexible programs that allow our diverse community of students to achieve their educational, vocational and personal goals.
**SET GOALS**

Students will assess their own needs, and identify personal, educational and/or vocational goals.

- With guidance, develop plans to achieve their goals.
- Be self-directed learners who learn independently and collaboratively in a diverse environment.

---

**ACHIEVE SKILLS**

Using a variety of methods, technology and resources, students will acquire knowledge and skills appropriate for reaching their goals.

- Develop and apply critical thinking skills.
- Obtain academic and technical skills for life and workforce readiness.
Students will apply their acquired core knowledge and skills appropriate to their goals.

- Advance to postsecondary education or training.
- Contribute to personal enrichment and the community.
- Demonstrate 21st century skills including critical thinking, communication, collaboration and creativity.
AREAS OF GROWTH 2011–2017

- Communication
- Organization
- Program Development
- Maintaining Quality

GOALS FOR COMMUNICATION 2011–2017

- Identify and publicize student support services
- Communicate student achievement to stakeholders
- Revise policy and procedure handbook for faculty
GOALS FOR ORGANIZATION 2011—2017

- Organize fee-based department meetings
- Continue working with Community Advisory Committee
- Expand leadership team roles and responsibilities

GOALS FOR PROGRAM DEVELOPMENT 2011—2017

- Identify and assess program development needs
- Implement new programs
- Assess new programs
**GOALS FOR MAINTAINING QUALITY 2011—2017**

<table>
<thead>
<tr>
<th><strong>P</strong>reserve facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>K</strong>eep student learning outcomes front and center in everyone’s minds</td>
</tr>
<tr>
<td><strong>M</strong>aintain and improve technology</td>
</tr>
<tr>
<td><strong>E</strong>xpand teacher evaluation</td>
</tr>
</tbody>
</table>

**ACTION PLAN 2014—2017**

- [x] Implement “No Wrong Door”.
- [x] Continue communicating information about the adult school.
- [x] Move the faculty handbook to the website.
- [x] Set up department meetings for larger departments.
ACTION PLAN
2014—2017

☑ Maintain a strong leadership team with student representation.
☑ Participate in AB86 and SB1070.
☑ Network with community groups to identify and assess program development needs.
☑ Maintain high quality facilities.

ACTION PLAN
2014—2017

☑ Measure SLOs.
☑ Develop a tech replacement schedule.
☑ Reevaluate teacher observation process.
Palo Alto Adult School

For More Information...
Kara Rosenberg, Principal
Palo Alto Adult School

650-329-3752
krostenberg@pausd.org
TO: Kevin Skelly, Superintendent of Schools
FROM: Charles Young, Associate Superintendent – Educational Services
PREPARED BY: Kelly Bikle, Coordinator - Professional Development
SUBJECT: Common Core State Standards Budget

STRATEGIC PLAN INITIATIVE
Budget and Infrastructure

RECOMMENDATION
It is recommended the Board of Education approve the Common Core State Standards Budget as presented.

BACKGROUND
Implementing Common Core State Standards is a complex, system-wide endeavor. The two major areas of focus are English Language Arts and Mathematics. Science will be an area of focus in the future with the adoption of the Next Generation Science Standards. For English Language Arts, the impact is far-reaching as the standards apply not only to English teachers, but also to teachers who support literacy development in all content areas (especially science, history/social studies, and world languages). In developing the spending plan for the Common Core implementation, we have identified entry points in areas that intersect with our strategic plan goals, our identified areas of need, and available high-quality professional development resources.

Our Common Core State Standards (CCSS) spending plan reflects our priorities both for CCSS implementation and for our strategic plan goals. We will be investing the majority of the funds in our teachers and the leadership team. Below are detailed descriptions of some of the highlights of our work. The focus on writing at the K-8 level reflects previously identified needs in this area and the centrality of writing in the Common Core standards.

Common Core Writing, K-8
Last summer PAUSD offered a comprehensive professional learning experience for 140 teachers in grades K-8. The Writing Workshop Institute (led by staff developers from Columbia Teachers College) allowed teachers to dive deeply into the CCSS writing standards, to improve their approach to instruction, and to understand the writing materials published by the Reading and Writing Project. To support teachers in implementing what they learned in the summer institute we provided the following:

- **Classroom teacher support:** Individual and grade level support from TOSAs, and after-school workshops to support cross-site collaboration.
- **TOSA Support:** TOSAs attended the Writing Institute and Teachers College Coaching Institute.
• **Principal Support:** Principals attended the Writing Institute as well; workshops focused on principal leadership to support writing instruction.

• **Project Schools:** Palo Verde and the TOSAs worked closely with staff developers from Teachers College throughout the 2013-14 school year. Palo Verde teachers invited K-5 colleagues from across the district to observe, co-plan, debrief, etc. The District plans to contract for a second site and also to leverage the expertise at Palo Verde.

• **One-day institutes:** Teachers who were unable to attend the institute in the summer were offered one-day institutes by Teachers College staff developers.

---

**Grades 6-12**

Last summer secondary teachers were provided the option of engaging in self-designed professional learning projects. Many of these centered on deepening knowledge of the CCSS and integrating the standards into curricular units. Teachers were compensated for this work with the professional learning stipend. This summer teachers once again have the option of designing a project centering on CCSS. Teachers will be offered the opportunity to write curriculum that integrates CCSS with the stipulation that they make their products available to colleagues across the district. In addition, the District is sponsoring a teacher-led conference on June 3 and 4 for teachers to learn from one another about approaches to integrating CCSS. More than 30 teacher presenters will provide workshops to their teachers around the conference theme: *Achieving Equity Through Common Core and Technology.*

We continue to work with steering committees to provide access to consultants and/or release time to support individual departments with discipline-specific work. This year we contracted with the Berkeley History/Social Studies Project, the American Council of Teachers World Languages, independent consultants for English, and an expert in the Next Generation Science Standards (NGSS) through the Santa Clara County Office of Education. We have budgeted for upcoming expenditures to continue this work for summer as well as throughout the 2014-15 school year. We are in the process of defining needs so that we can ensure time is used in productive ways that result in exceptional student outcomes.

**Leveraging K-12 Teacher Expertise**

Grade K-12 teachers have gained an incredible amount of knowledge and skill with CCSS. Integrating the new knowledge into their practice takes time. During this and the next school year, the budget will support release time for departments or grade levels to work collaboratively on CCSS integration. Departments/grade-levels can request support from the Coordinator for Professional Development (secondary) or the TOSA team (elementary) to plan and/or help facilitate the day. Secondary departments can request support to organize presenters from outside the district.

**Technology Integration**

In the area of technology, we have four main priorities: (1) identifying what is needed to administer the Smarter Balanced Assessment, based on exit surveys from teachers, students, and testing coordinators; (2) professional learning to support teachers in utilizing technology to support teaching and learning; (3) supporting current investments in software that helps teachers integrate technology into teaching and learning; and (4) investing in potential new technology initiatives (e.g. 1-to-1 programs).
K-12 teachers have opportunities to attend two weeklong workshops this summer to increase their knowledge of utilizing technology to support teaching and learning across all content areas.

**K-12 Leadership and Capacity Building**

In addition to investing in professional learning that supports instruction, we will invest in learning for our leaders--both our administrators and our teacher leaders. The structure of CCSS provides an opportunity to strengthen alignment both vertically and horizontally (a strategic plan goal). With a growing awareness that shared goals, common assessments, and formative assessment lead to increased positive student outcomes, our spending plan invests in building shared understanding and increased capacity to support work toward these goals.

- **Teacher Leadership (Coaching):** In order to ensure maximum impact of our coaches in implementing CCSS, we will provide in-depth professional development in coaching strategies and skills.
- **Collaborative Teams:** In support of our work on many related goals--CCSS, alignment, RtI, differentiation--we will invest in ongoing work to strengthen and support collaborative approaches to supporting all students. Teams from all schools in the district will have an opportunity to engage in 4-5 days of learning focused on utilizing the structure of CCSS, along with principles of Professional Learning Communities.

**Estimated CCSS Local Implementation Plan Budget Summary**

**Note:** Instructional Materials will be funded through Lottery and general fund monies.

<table>
<thead>
<tr>
<th>Category</th>
<th>Expenditure Description</th>
<th>Projected Percentage of $2.4 Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Development</td>
<td>Professional development for teachers, administrators, and paraprofessional educators or other classified employees involved in the direct instruction of pupils that is aligned to the academic content standards adopted pursuant to California Education Code (EC) sections 60605.8, 60605.11, 60605.85, and 60811.3.</td>
<td>78%</td>
</tr>
<tr>
<td>Instructional Materials</td>
<td>Instructional materials aligned to the academic content standards adopted pursuant to EC sections 60605.8, 60605.85, 60605.11, and 60811.3 including, but not limited to, supplemental instructional materials as provided in sections 60605.86, 60605.87, and 60605.88.</td>
<td>0%</td>
</tr>
<tr>
<td>Technology</td>
<td>Integration of these academic content standards through technology-based instruction for purposes of improving the academic performance of pupils, including, but not necessarily limited to, expenditures necessary to support the administration of computer-based assessments and to provide high-speed, high-bandwidth Internet connectivity for the purpose of administration of computer-based assessments.</td>
<td>22%</td>
</tr>
</tbody>
</table>
**Instructional Materials**

Textbook adoptions and supplemental instructional materials will be needed moving forward. Truly aligned CCSS materials are still being developed. Based on past adoptions, and past IMFRP student allocation, we are estimating $75-$100 per student for the adoption of textbooks or the purchase of supplemental materials.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CATEGORY 1: PROFESSIONAL DEVELOPMENT</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2013-14 Elementary</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Consultants/Professional Development Providers, 13-14</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Writing Institute, K-5 Teachers (4 teacher days, 1 admin day)</td>
<td>K-5</td>
<td>July, 2013</td>
<td>51,000</td>
</tr>
<tr>
<td>SDD: Peter Johnston, presenter (student and teacher language, mindset) and associated costs</td>
<td>K-5</td>
<td>August, 2013</td>
<td>10,000</td>
</tr>
<tr>
<td>Staff Development Day Costs--Teacher-Led Sessions (prep time)</td>
<td>K-5</td>
<td>October, 2013</td>
<td>5,000</td>
</tr>
<tr>
<td>Verde</td>
<td>K-5</td>
<td>10 days during 13-14</td>
<td>25,000</td>
</tr>
<tr>
<td>Teacher's College presenters one-day overview</td>
<td>K-5</td>
<td>2 days in Feb. 2014</td>
<td>5,000</td>
</tr>
<tr>
<td>Teacher's College coaching institute--3 TOSAs</td>
<td>K-5</td>
<td>January, 2014</td>
<td>7,500</td>
</tr>
<tr>
<td>Math coaching support (for TOSAs)-2 TOSAs to NCSM Conference</td>
<td>K-5</td>
<td>March, 2014</td>
<td>5,000</td>
</tr>
<tr>
<td>Teacher-led professional learning (after school)</td>
<td>K-5</td>
<td>ongoing, 13-14</td>
<td>5,000</td>
</tr>
<tr>
<td><strong>Sub-total:</strong></td>
<td></td>
<td></td>
<td><strong>113,500</strong></td>
</tr>
<tr>
<td><strong>Projected, Summer 2014-June 2015</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Writing Institute, K-5 teachers</td>
<td>K-5</td>
<td>July, 2014</td>
<td>60,000</td>
</tr>
<tr>
<td>K-8 Principal Support for Leadership in writing instruction (2 days)</td>
<td>K-8</td>
<td>July, 2014</td>
<td>5,000</td>
</tr>
<tr>
<td>Technology for teaching and learning with CCSS (in-district workshops, various topics)</td>
<td>K-12</td>
<td>June-August 2014</td>
<td>10,000</td>
</tr>
<tr>
<td><strong>Projected, 2014-15</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Teacher's College Coaching Writing Institute (6 participants)</td>
<td>K-8</td>
<td>October, 2014</td>
<td>15,000</td>
</tr>
<tr>
<td>Math coaching support (for 2 TOSAs)</td>
<td>K-5</td>
<td>TBD</td>
<td>5,000</td>
</tr>
<tr>
<td>SDD: Mary Ehrenworth: Keynote and workshop leader (Writing, K-5)</td>
<td>K-5</td>
<td>October, 2014</td>
<td>5,000</td>
</tr>
<tr>
<td>Teacher's College on-site at 2 sites (TBD)</td>
<td>K-5</td>
<td>10 days during 14-15</td>
<td>50,000</td>
</tr>
<tr>
<td>Staff Development Day Costs--Teacher-Led Sessions (prep time)</td>
<td>K-5</td>
<td>ongoing, 14-15</td>
<td>5,000</td>
</tr>
<tr>
<td>Teacher-led professional learning (after school)</td>
<td>K-12</td>
<td>ongoing, 14-15</td>
<td>5,000</td>
</tr>
<tr>
<td>Tech for teaching and learning with CCSS</td>
<td>K-12</td>
<td>ongoing, 14-15</td>
<td>5,000</td>
</tr>
<tr>
<td><strong>Sub-total:</strong></td>
<td></td>
<td></td>
<td><strong>90,000</strong></td>
</tr>
</tbody>
</table>
### Teacher Release Time

<table>
<thead>
<tr>
<th>Description</th>
<th>Grade</th>
<th>Time Period</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integration</td>
<td>K-5</td>
<td>Jan-Feb, 2014</td>
<td>50,000</td>
</tr>
<tr>
<td>Elementary release day: formative assessment and lesson design</td>
<td>K-5</td>
<td>Nov-Jan, 14-15</td>
<td>50,000</td>
</tr>
<tr>
<td>Release day for grade levels to work on CCSS (approval req’d by Kathleen and principal) 2014</td>
<td>K-5</td>
<td>ongoing 13-14 (can ca</td>
<td>50,000</td>
</tr>
<tr>
<td>Release day for grade levels to work on CCSS (approval req’d by Kathleen and principal) 2015</td>
<td>K-5</td>
<td>ongoing 14-15</td>
<td>50,000</td>
</tr>
<tr>
<td>Sub release for Teacher’s College 1-day writing overview 2014 (70 x150)</td>
<td>K-5</td>
<td>February, 2014</td>
<td>12,000</td>
</tr>
<tr>
<td>Sub costs for teachers attending CCSS tech workshops</td>
<td>K-12</td>
<td>ongoing 13-14, 14-15</td>
<td>75,000</td>
</tr>
<tr>
<td></td>
<td>K-12</td>
<td>ongoing 14-15</td>
<td>35,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Sub-total:</strong></td>
<td><strong>322,000</strong></td>
</tr>
</tbody>
</table>

### Leadership support/Capacity building (K-12)

<table>
<thead>
<tr>
<th>Description</th>
<th>Grade</th>
<th>Time Period</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collaborative Communities: Support for administrators and school</td>
<td>K-12</td>
<td>TBD, 14-15</td>
<td>65,000</td>
</tr>
<tr>
<td>Coaching for Common Core Implementation (TOSA, IS, BTSA, TBD, 14-15</td>
<td>K-12</td>
<td>TBD, 14-15</td>
<td>30,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Sub-total:</strong></td>
<td><strong>95,000</strong></td>
</tr>
</tbody>
</table>

### K-12 Professional Learning Stipends Estimates

<table>
<thead>
<tr>
<th>Description</th>
<th>Grade</th>
<th>Time Period</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stipends 2013-14</td>
<td>K-12</td>
<td>ongoing 13-14</td>
<td>350,000</td>
</tr>
<tr>
<td>CCSS Stipends for 2014-2015-- estimated 400 x 1200</td>
<td>K-12</td>
<td>ongoing 14-15</td>
<td>350,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Sub-total:</strong></td>
<td><strong>700,000</strong></td>
</tr>
</tbody>
</table>

### Consultants/PD Providers (Secondary)

#### 2013-14

<table>
<thead>
<tr>
<th>Description</th>
<th>Grade</th>
<th>Time Period</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Development Day 2013 cost-sharing for Professional Development</td>
<td>6-12</td>
<td>Oct 2013 and ongoing</td>
<td>10,000</td>
</tr>
<tr>
<td>Teacher-led 5,000 x 2 years (teacher prep and facilitation)</td>
<td>6-12</td>
<td>ongoing 2013-14</td>
<td>10,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Sub-total:</strong></td>
<td><strong>20,000</strong></td>
</tr>
</tbody>
</table>

### Summer 2014

<table>
<thead>
<tr>
<th>Description</th>
<th>Grade</th>
<th>Time Period</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teacher’s College writing (grades 6-8 teachers)</td>
<td>6-8</td>
<td>July 2014</td>
<td>40,000</td>
</tr>
<tr>
<td>Summer secondary conference (teacher-led)</td>
<td>6-12</td>
<td>June 2014</td>
<td>15,000</td>
</tr>
<tr>
<td>Summer curriculum writing to integrate CCSS</td>
<td>6-12</td>
<td>Summer 2014</td>
<td>150,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Sub-total:</strong></td>
<td><strong>205,000</strong></td>
</tr>
<tr>
<td>2014-2015</td>
<td>Department</td>
<td>Duration</td>
<td>Description</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>------------</td>
<td>----------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Consultants to support roll-out by department, SDD, follow-up, etc,</td>
<td>6-12</td>
<td>SDD 14-15 and ongoing</td>
<td>30,000</td>
</tr>
<tr>
<td>2014-15 (English, Math, History/SS, Science, VAPA, WL)</td>
<td>6-12</td>
<td>ongoing 14-15</td>
<td>45,000</td>
</tr>
<tr>
<td>Professional Learning (in development) to support literacy across disciplines, discipline specific support to supplement work done on SDDs</td>
<td>6-12</td>
<td>ongoing 14-15</td>
<td></td>
</tr>
<tr>
<td>Sub-total:</td>
<td></td>
<td></td>
<td>75,000</td>
</tr>
<tr>
<td>Other PD-Related Costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secondary release day (1 day x teacher, winter 2014)</td>
<td>6-12</td>
<td>ongoing 14-15</td>
<td>45,000</td>
</tr>
<tr>
<td>Secondary release day (2 day x teacher, winter 2015)</td>
<td>6-12</td>
<td>ongoing 14-15</td>
<td>90,000</td>
</tr>
<tr>
<td>Sub-total:</td>
<td></td>
<td></td>
<td>135,000</td>
</tr>
<tr>
<td>PD for Assessment Coordinators, etc</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training for Smarter Balanced Assessment (test coordinators)</td>
<td>3-12</td>
<td>as needed</td>
<td>20,000</td>
</tr>
<tr>
<td>Training for Tech Leads (Smarter Balanced)--sub costs</td>
<td>3-12</td>
<td>as needed</td>
<td>20,000</td>
</tr>
<tr>
<td>Sub-total:</td>
<td></td>
<td></td>
<td>40,000</td>
</tr>
<tr>
<td>CATEGORY 1 TOTAL</td>
<td></td>
<td></td>
<td>1,870,500</td>
</tr>
<tr>
<td>LEARNING</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hardware</td>
<td>K-12</td>
<td>On-going 2013-15</td>
<td>100,000</td>
</tr>
<tr>
<td>development)</td>
<td>K-12</td>
<td>On-going 2013-15</td>
<td>151,056</td>
</tr>
<tr>
<td>Type to Learn License renewal</td>
<td>K-12</td>
<td>On-going 2013-15</td>
<td>6,000</td>
</tr>
<tr>
<td>SMART software--5 year subscription</td>
<td>K-12</td>
<td>On-going 2013-15</td>
<td>25,000</td>
</tr>
<tr>
<td>Tech purchases to support new District initiatives (e.g. 1-to-1 programs)</td>
<td>K-12</td>
<td>On-going 2013-15</td>
<td>248,000</td>
</tr>
<tr>
<td>CATEGORY 3 TOTAL</td>
<td></td>
<td></td>
<td>530,056</td>
</tr>
<tr>
<td>CATEGORY 1 and CATEGORY 3 TOTAL</td>
<td></td>
<td></td>
<td>2,400,556</td>
</tr>
</tbody>
</table>
PAUSD’s Common Core State Standards Spending Plan

May 6, 2014

Spending Priorities

- Professional Development (78%)
- Technology (22%)
- Instructional Materials (0%)*

*Will fund Instructional Materials from other budgets, as needed, in future years
Area of Focus:  Writing

Writing, K-8:  Teachers College
- Summer Institutes (2013, 2014)
- Coaching support for teachers
- Training for coaches
- Principal workshops
- Project school (Palo Verde in 13-14)
- One-day institutes

Area of Focus:  Secondary
- Summer Institute 2014
- Department-specific support and professional learning (consultants, release time)
- Team designed professional learning projects
- Curriculum writing support
### Area of Focus: Teacher Expertise

- Collaborative planning
- Deepening knowledge
- Balancing learning from consultants and working to redesign or rewrite curriculum

### Area of Focus: Technology Integration

**Priorities:**

- Necessary technology to support Smarter Balanced administration
- Supporting current investments in software and professional learning aligned to CCSS
- Investing in new tech initiatives
Area of Focus:  K-12 Leadership and Capacity Building

Change is not only about the implementers—those who will change their practices—but also about those who will facilitate the implementers in making the change.

(Hall and Hord, 2001, p. 27)

Area of Focus:  K-12 Leadership and Capacity Building

- Teacher Leadership: Coaching and Common Core
- Administrators and Teacher Leaders: Capacity Building for Collaborative Teams
Estimating Instructional Materials Costs

Estimate $75-$100 per student

Estimate based on previous adoptions, purchase of instructional materials, and past IMFRP allocations per student.

Identifying and prioritizing needs
STRATEGIC PLAN INITIATIVE
Staff Recruitment and Development

RECOMMENDATION
It is recommended the Board of Education approve the Memorandum of Understanding between the District and the Palo Alto Management Association, effective July 1, 2013, through June 30, 2016.

BACKGROUND
The Palo Alto Management Association (PAMA) is comprised of the school-site and district certificated administrators, classified managers, and psychologists in PAUSD. As with all employee groups, we strive to maintain positive working relationships and effective communication. In that spirit, the District and PAMA have worked together to develop a Memorandum of Understanding (MOU) between the two parties.

The MOU covers the policies and procedures that guide the interactions between the management group and the District. Included in the MOU are statements about the rights, responsibilities, and principles of PAMA. The MOU also contains descriptions of the management work year, salary, benefits, leaves, assignment and selection, evaluation, and grievance procedures.

The Board first approved the MOU on October 28, 2008, with an effective date through to June 30, 2009. The Board has approved subsequent annual MOUs with minor or no changes. The MOU for 2013-16 is presented with two small changes from the 2011-12 MOU. The language pertaining to leaves of absence has been clarified and a new section on professional development support has been added.

Attachment: Memorandum of Understanding
MEMORANDUM OF UNDERSTANDING
Between
PALO ALTO MANAGEMENT ASSOCIATION
And
PALO ALTO UNIFIED SCHOOL DISTRICT
July 1, 2013 and through June 30, 2016

PURPOSE AND INTERESTS
The Palo Alto Management Association (PAMA) and the District have a shared interest in having exceptional managers working in the District. They also share an interest in having clear lines of communication, a sense of fairness, clear expectations, and a sense of common mission to provide the best learning environment for students. All parties also believe that the relationship between PAMA and the District should be a model for how other groups and managers work together. The purpose of this Memorandum of Understanding between PAMA and the District is to provide written documentation of the policies and procedures that guide interactions between the management staff of the District and the Superintendent/Board of Education and their representatives. This document has been developed in an effort to establish and improve communications, to provide for decision-making, to address any conflicts that arise, and to deal with other such relationships as may exist between and among all parties.

MEMBERSHIP
The Palo Alto Management Association shall include all certificated management employees (except those who have individual contracts), all psychologists, and all classified management employees.

The District shall pay the Association of California School Administrators (ACSA) membership dues for two members of PAMA. The members shall be selected by PAMA.

RIGHTS
The Palo Alto Management Association and the District agree with the concepts below and believe they provide a framework for their work:

• a written job description that clearly identifies the professional duties and responsibilities expected to be fulfilled.
• a full and fair evaluation of performance including constructive counseling on a regular and continuing basis.
• to participate in, design, and schedule a program of staff training to improve professional performance.
• to due process procedures that may include the right to be heard by the Board of Education prior to demotion, non-renewal of contract, or termination as provided by the Education Code.
• to professional assistance from professional associations.
• to adequate compensation for providing important, complex, and learned professional services.
• to provide input into District policy and procedure development consistent with the individual's position on the management team and the individual's unique experience and expertise.
• to be accorded the respect and dignity due a member of an honorable and learned profession and as an individual, sensitive human being.
No provisions or stipulations of the Memorandum of Understanding shall be construed as denying any administrator/manager/psychologist of his/her rights and privileges under the Constitution of the United States, the Constitution of the State of California, the California Education Code, the Government Code, the District’s policies and/or regulations, or of any applicable federal or state law or regulation.

**Responsibilities**
The Palo Alto Management Association has the responsibility to assist the District in developing educational policies and administrative procedures that define and carry out the District’s programs and operations.

It is understood that nothing in these guidelines intends to limit the responsibility of the District to make the ultimate decisions as prescribed by law.

The objectives of the Management Association are:

1. To provide input into the development of policies that directly affect management of the District, to provide open and frequent communication between and among members of the Management Team, to assist the Superintendent and his leadership team in evaluating and assessing proposals made by employees and employee organizations, and to develop policy related to educational goals and objectives of the District.

2. To provide a means whereby the economic and welfare concerns of management personnel relating to job descriptions, evaluations, salaries, fringe benefits, and other job-related matters can be addressed through an interest based process.

3. To maintain open lines of communication between and among members of the Management Team and Superintendent in order to discuss and resolve mutual concerns. Quarterly meetings shall be mutually scheduled with the Superintendent/designee in order to address concerns, develop plans, and formalize discussions.

**Principles**
The Management Team supports the following principles:

1. The Management Association is committed to work for the best educational program possible for all students.

2. The Management Association supports the respective efforts of the Board of Education and Superintendent in providing leadership for the District.

3. The relationship among the District and the Management Association is based on mutual trust.

4. The actions of all members of the Management Association and the District shall be consistent with professional and ethical standards.

5. Management Association members agree to accept the responsibility for implementing the legal written agreements between the Board of Education and employees’ bargaining units.

**Interest-Based Team (IBT)**
The PAMA members of the Interest-Based Team (two members) are elected annually by the PAMA membership.

As has been past practice, the Palo Alto Management Association will confer with the Superintendent/designee to discuss issues of mutual interest.

The District and the Management Employees agree that PAMA and the Superintendent/designee will meet and confer on all salary, fringe benefits, and other Employee welfare agreements.

The Interest-Based Team (IBT) will be selected by PAMA’s membership. The process shall be as follows:
• PAMA and the Superintendent/designee will share interests prior to September 15 of each calendar year.

• Within two weeks, the Superintendent/designee and the IBT members will set up a meeting to discuss interests.

• All parties shall work toward having a final resolution as early in the school year as possible, aligned with the CSEA and PAEA timelines. PAMA and the Superintendent/designee will maintain a dialogue throughout the process.

**COMPENSATION AND BENEFITS**

**Work Year**

Members of the Palo Alto Management Association and the District share an interest in having a work year that allows PAMA members to complete their duties while also having sufficient non-work days for rejuvenation and personal time. PAMA members will work the number of contract days as stipulated in Appendix A. All management team members will work with their supervisors to identify their workdays for the year and submit a calendar of workdays for the year. If changes to the work year are necessary after the year has started, it is expected that PAMA members and their supervisors can make adjustments in order to accomplish the interests stated above.

All parties recognize that workdays should include those days when school is in session, particularly for site administrators. However, there is also a recognition that personal commitments may arise that makes it imperative that an administrator takes time off while school is in session. It is expected that the immediate supervisor will work to accommodate administrator requests in this area, barring any exceptional needs of the site or District. Any perceived abuse in this area will be addressed in the administrator evaluation process.

All parties also recognize that there are occasions when supervisors/administrators are needed during weekends and holidays, including, but not limited to, playoff games. Supervisors shall offer compensation time-off up to a maximum of three (3) days per year to Palo Alto Management Association members when extra workdays are mandated on holidays/weekends, including, but not limited to, playoff games. If a PAMA member believes that there is a need to work more than three (3) days per year, s/he should discuss this with her/his supervisor.

**Salary Schedule/Placement/Compensation**

As mentioned, the District and PAMA agree that a part of attracting and retaining the most talented administrators is through a competitive compensation package. Further, the District and PAMA agree that the pay differentials between management positions should be rational and have the confidence and support of all parties. This will be achieved, in part, by the periodic review of the compensation of all management classifications.

Certificated/Classified managers will receive additional stipends on an annual basis for each degree and certification defined in the Management Personnel Salary Schedule (Appendix A).

Cumulative career increments will be granted to individuals who satisfactorily meet Palo Alto leadership standards in evaluation after completing their 3rd, 6th, 10th, 15th, and 20th year at the tenth step of the salary schedule for that position in the Management Personnel Salary Schedule (Appendix A) for each school year.

Palo Alto Management Association Employees will receive a mileage stipend and may submit mileage logs for miles driven beyond the allocation amount for miles driven in course of their job performance as per the current Internal Revenue Service (IRS) rate.

PAMA members will receive an annual professional development allocation of $2000 to be used for activities that further District and site goals and/or the administrator’s annual professional goals. The professional development allocation may be used for specific activities designed by PAMA members with the approval of a cabinet supervisor and the superintendent/designee. Weeklong professional development activities provided by the district, such as the
Harvard Principals Institute, will count as that member’s annual allocation for that year. No additional professional development funds will be provided the member for that year.

The annual professional development allocation may be used to reimburse a PAMA member for the cost of a Master’s or Doctoral Degree program of study and Tier II Administrative Credential programs. If a member uses the annual professional development allocation to help cover the costs of an advanced degree, the degree stipend will not take effect until the amount paid from the professional development allocation is recovered by the District through a delay in the application of the degree stipend. (e.g. a PAMA member uses $2000 for 3 consecutive years to offset the cost of a graduate degree. Once the degree is earned, the degree stipend would not appear in the member’s salary until the member had foregone the salary increase associated with the degree stipend up to an amount equal to $6000.)

PAMA members must have the approval of their supervisor to participate in any of the above mentioned professional development activities and to seek reimbursement for costs associated with programs of study. Any member already enrolled in a program of study may seek reimbursement for costs incurred during the 2013 calendar year, even though prior approval may not have been obtained.

The professional development allocation cannot be accrued from year to year. The funding for the annual professional development allocation may be discontinued at the discretion of the Board of Education, based upon available funding.

Health and Welfare
Throughout the term of this agreement, Palo Alto Management Association members shall be entitled to receive the same health & welfare benefits (medical, dental, vision, life insurance, and medical leaves) as provided for employees in the teachers bargaining unit. These health and welfare benefits have the same eligibility provisions as required for employees in the teachers bargaining unit. Only those who were employed by the District on or before January 1, 2008 shall be eligible to qualify for the retiree health and welfare benefits provided to members of the teachers bargaining unit.

Palo Alto Management Association will have a representative on the Joint Benefits Committee.

Leave of Absence
Leaves of absence are not typically granted to management employees. However, in special situations, the Board may consider granting a leave of absence without pay to a member of the management team for a period of not less than one semester or more than one year. In the event that a management employee is granted a leave of absence, the District will establish with the employee the placement(s) he/she shall be considered for upon return from the leave. The employee’s placement upon return may be into the same position held prior to the leave of absence, into a comparable position, or into any other position which the employee is authorized to work. PAMA members, who wish to request a leave of absence, should submit a leave request no later than March 1 of the year preceding the requested leave.

ADMINISTRATIVE PROCEDURES

Evaluation
The Palo Alto Management Association and the District agree that the evaluation process is to promote continuous improvement and personal accountability, encourage professional development, and provide for due process. All parties also agree that, in the vast majority of cases, the evaluation process is a formal opportunity to document the outstanding efforts of employees. Within this context, management evaluation is a cooperative and continuous process aimed at improving and maintaining quality education leaders, while serving as an essential component in the professional development of management personnel. Except where noted, the evaluation process applies to both certificated and classified management.
Management evaluation is based on the principle that the evaluatee knows what is expected of him/her. This is accomplished through a working understanding of the job description, knowledge of current District goals, priorities, evaluation policies, and regulations. Ongoing communication with the evaluator during the evaluation process is essential.

Management evaluation becomes meaningful when the evaluator and the evaluatee mutually understand the purpose of evaluation, the criteria used in the evaluation process, the responsibilities of both parties in the evaluation process, and the method (timeline, milestones, forms) by which the evaluation will be accomplished.

To ensure the evaluation process is meaningful, management personnel shall participate with the Superintendent or designee in the development and review of policies and instruments related to the management evaluation process, which will be reviewed and adopted by the governing Board of Education. Such policies shall include, but not be limited to, a job description, performance objectives, provisions that encourage correction of documented deficiencies, and an opportunity for the evaluatee to respond to the evaluation in writing.

See Appendix B-1 for a complete description of the process—Administrator Performance Review: Process and Timeline and Appendix B-2 for the Performance Feedback for Supervisors of Administrators form.

The District and PAMA shall jointly develop and/or refine evaluation protocols, procedures, and timelines to be used with all certificated and classified managers on an ongoing basis.

Granting of permanent employment status will follow Education and Labor Code provisions.

**Promotion**

The Superintendent will recommend to the Board of Education personnel for supervisory and administrative positions. Preference will be given to persons applying from within the District when such persons' total qualifications are equal or superior to those of persons applying from outside the District. Candidates within the District seeking promotions or new assignments should apply at the Certificated Human Resources Office. Such persons must possess the proper credential for the vacant position.

**Personnel Appointment**

See Appendix D for a complete description of the current administrative regulations for assignment and transfer of administrators. All parties agree that the language regarding Personnel Appointments and Reassignments needs to be updated to reflect the interests of all parties.

**Posting/Recruitment and Selection**

PAMA, the Superintendent, and the Board of Education share an interest in having a process of posting, recruitment, and selection that is transparent and creates the strongest management team. Toward this end, the recruitment, selection, and assignment policies shall serve the following purposes:

- to secure the most qualified personnel available for management positions;
- to assure the employment of the most competent candidates; and
- to place management employees in positions for which they are best suited.

Posting Procedures shall be as follows:

- Notices of vacancies with appropriate job descriptions shall be posted.
- Applicants who meet all required qualifications for the position will be considered.
- In the interest of creating the strongest management team, all parties recognize the District's right to alter or suspend this procedure when this is in the best interest of the District. The Superintendent will discuss this issue with PAMA leadership and offer a rationale for this decision.
Final selection of the top candidates will be based upon the applicant's experience, competency, and qualifications. The top candidate(s) will be referred to the Superintendent or designee for review and recommendation to the governing Board of Education according to District policies and regulations.

When a new or previously suspended job classification is established, the District will provide PAMA with a copy of the proposed job description. The District will make an effort to provide such copies prior to any required approval of the Board of Education.

GRIEVANCE

Purpose: The purpose of this grievance procedure is to provide the employee with a prompt and effective procedure that will facilitate a successful resolution of problems that may arise during the course of employment.

Definition: A grievance is defined as an alleged misapplication of a provision of this MOU contained in the following sections--Interest-Based Team, Compensation and Benefits, Administrative Procedures, Grievance, and Appendices or of a specific provision of a District policy, procedure, rule or regulation, covering wages, hours or terms and condition of employment, which alleged misapplication adversely affects the grievant(s).

Representation: Grievant(s) may be represented by any representative of the Grievant(s’) choosing in preparing and presenting a grievance. The Grievant(s) shall provide the District Superintendent/designee with advanced written notice relative to designated representation pursuant to grievance procedures.

Time Limitations: No grievance shall be entertained or processed unless said grievance is filed in writing pursuant to Step One of this MOU, within twenty (20) calendar days after the date of the occurrence or within twenty (20) calendar days after the concerned employee(s) became aware of, or should have been reasonably expected to have become aware of, the events giving rise to or surrounding the alleged grievance.

Informal Level

Level One: Before proceeding to the formal grievance procedures, any employees covered by this MOU shall act promptly through an informal meeting with the District Superintendent/designee to discuss and attempt to resolve the matter before it becomes the basis for a formal written grievance reduced to writing. Any resolution reached at this informal procedure must be in accordance with the provisions of this MOU. The twenty day (20) time limitation for filing a written grievance shall include all time expended during this informal procedure.

Formal Level

Level Two: Any employee(s) covered by this MOU who has a grievance shall submit it within the time limits set forth above to the District Superintendent. The grievance shall be in writing, signed by the aggrieved employee(s), and shall contain the following information:

a. The name of the Grievant(s)
b. Specific nature of the grievance
c. The date, time and place of occurrence
d. Specific provision(s) of this MOU alleged to have been violated, misinterpreted or misapplied
e. Steps, if any, taken to secure informal resolution
f. The corrective action desired
g. The name of the employee(s)'s representative in the grievance, if any.

The District Superintendent shall make a decision regarding the grievance and shall provide the employee(s) with a written notice of such decision within fourteen (14) calendar days after presentation of the grievance.

Level Three: If the grievance is not resolved to the satisfaction of the Grievant(s) at Step Two, the Grievant(s) may request mediation. In such case, the Grievant(s) and the District shall agree on the appointment of a mediator and
shall schedule mediation according to the availability of the mediator and the parties. The parties shall make every reasonable effort to meet with the mediator within twenty (20) working days of the request for mediation. If an agreement is not reached through the mediation process, the Grievant(s) may appeal to the next level.

**Level Four:** If the grievance is not settled in mediation and the employee(s) wishes to appeal the grievance to the Board of Education, it shall be referred in writing to the Board within fourteen (14) calendar days of the District Superintendent's written decision. Appeals to the Board shall be in writing, signed by the Grievant(s) and explain the matter appealed, setting forth a statement of desired corrective action. The Board of Education shall make a decision and shall provide the Grievant(s) with a written notice of such decision within three (3) regular meetings of the Board.

**Provisions of Agreement**
The provisions in this memorandum of understanding shall remain in effect until modified by the District and the Palo Alto Management Association (PAMA), and approved by the Board of Education.

**SIGNATURES**

**DISTRICT REPRESENTATIVES**

Superintendent, Palo Alto Unified School District  
President, Board of Education

**ASSOCIATION REPRESENTATIVES**

President, Palo Alto Management Association  
President-Elect, Palo Alto Management Association
In order to provide support and feedback to the educational leaders of Palo Alto Unified School District, and in order to ensure continuous professional dialogue around the goals of the district and the sites, and in order to encourage and support individual professional growth of the leaders in the district, the supervisors of PAUSD administrators will follow the processes and timelines provided below.

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>September/October</td>
<td>Goal setting meetings</td>
<td>Administrators should provide written goals to their supervisors. Goals should include the superintendent’s goal areas of communications, strategic planning, and facilities bond measure. They should also include efforts toward closing the achievement gap. For principals, goals should include district-wide curriculum initiatives in reading, writing, and math as well as site-specific initiatives. And they should include the professional growth areas of each individual.</td>
</tr>
<tr>
<td>January/February</td>
<td>Mid-year review meetings</td>
<td>Administrators will review progress toward their goals and discuss any changes in direction or time commitments and any support that might be useful. At this meeting, supervisors will provide to their supervisees a performance feedback form that will give feedback to the supervisor on the supervisor’s performance. The purpose of the feedback form is to assist the supervisor to improve his/her own performance as a supervisor. The completed form should be returned to the supervisor with a copy to the supervisor’s supervisor.</td>
</tr>
<tr>
<td>April/May</td>
<td>Summary performance review meeting between the administrator and supervisor</td>
<td>Prior to this meeting, the supervisee will be asked to list accomplishments for the year and possible continuing goals for next year as the basis for discussion in the meeting.</td>
</tr>
<tr>
<td>May/June</td>
<td>Performance review: principal interview with the superintendent</td>
<td>This three-way conference between the principal, supervisor, and superintendent should review the achievements of the year and the goals for next year.</td>
</tr>
<tr>
<td>June 30</td>
<td>Written performance assessment</td>
<td>The supervisor will submit a formal written performance assessment to the administrator and the superintendent no later than June 30. A copy of this assessment will be placed in the personnel file.</td>
</tr>
</tbody>
</table>
Your opinions are important to the supervisor in assessment of past performance and planning for the future. Supervisors find individual’s written comments a great help in evaluating their own performance. Please comment on any part of this questionnaire where you think you may help your supervisor.

<table>
<thead>
<tr>
<th>Areas for Feedback</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Is accessible to meet and talk with you</td>
<td></td>
</tr>
<tr>
<td>2. Is interested in your problems and concerns</td>
<td></td>
</tr>
<tr>
<td>3. Follows through with action on staff problems and concerns</td>
<td></td>
</tr>
<tr>
<td>4. Facilitates staff effectiveness by removing obstacles</td>
<td></td>
</tr>
<tr>
<td>5. Respects staff members as individuals</td>
<td></td>
</tr>
<tr>
<td>6. Evaluates staff members’ performance</td>
<td></td>
</tr>
<tr>
<td>7. Is helpful and creative in finding ways to improve staff performance</td>
<td></td>
</tr>
<tr>
<td>8. Works effectively in the objective setting process</td>
<td></td>
</tr>
<tr>
<td>9. Provides leadership</td>
<td></td>
</tr>
<tr>
<td>10. Handles crises effectively</td>
<td></td>
</tr>
<tr>
<td>11. Develops clear procedures for school or department operation</td>
<td></td>
</tr>
<tr>
<td>12. Creates an overall school/department atmosphere dedicated to quality</td>
<td></td>
</tr>
<tr>
<td>13. Delegates work effectively</td>
<td></td>
</tr>
<tr>
<td>14. Is honest and truthful</td>
<td></td>
</tr>
</tbody>
</table>

Please feel free to use the back of this form to share anything else with to your supervisor.

Information placed on this form shall not be used to affect adversely the individual completing the form. The purpose of the PERFORMANCE FEEDBACK FOR SUPERVISORS is to assist the supervisor in improving his/her own performance. Completion of the assessment is voluntary.

Signature: ________________________________
Appendix D
 Assignment and Transfer of Administrators

The following language is from the Palo Alto Unified School District Board of Education Policy and Procedure Manual, Certificated Human Resources, Section C, Personnel Appointment:

Assignment and Transfer of Administrators
The assignment of administrators and supervisory personnel shall be made by the Superintendent. Transfers of administrators may be made by the Superintendent in order to provide opportunities for professional growth of staff and/or to meet the needs of a school or the district. The staff and parents of each school will have an opportunity to discuss the leadership needs of their school with the Superintendent on a regular basis, and to the extent feasible, shall be consulted prior to the selection and appointment of school site administrators.

Administrative Procedure
The Superintendent will meet with the PTA presidents prior to December 1 each year for the purpose of confirming/reviewing the leadership and managerial characteristics desired for site administrators in the PAUSD. Prior to December 1, the Superintendent, or designee, will also meet with representatives of each school PTA, SIP council, and school staff to discuss the needs of their school. These discussions will include an opportunity to review the leadership needs of the school and to identify in writing any unique administrative requirements. The notes from these meetings will be kept and shared with the principal of the school and used by the Superintendent when considering the assignment or transfer of site administrators. Whenever possible, the Superintendent will announce administrative assignments/transfers by April 15 each year.

If an administrative position is eliminated or reduced, the Superintendent will consider assigning the administrator currently holding that position to another administrative position in the district, taking into consideration overall competency, qualifications for that position, and the best interests of the district. This process may involve change in assignments or transfers for several administrators.

If an administrative vacancy occurs and the Superintendent does not fill the position by appointment, according to the previous paragraph, the position shall be declared open. Any staff member who is qualified and properly credential may apply for this position in accordance with procedures established by the Human Resources Office, if the number of applicants is large, a committee shall be used to screen applicants and determine those to be interviewed. Staff and community members may be involved in the interviewing committee that provides input regarding the candidates. The Superintendent shall make the final decision. (7/86)

Reassignments
The following language is from the Palo Alto Unified School District Board of Education Policy and Procedure Manual, Certificated Human Resources, Section J. Personnel Classification, Evaluation, and Advancement.

Reassignments – Reassignment in the Palo Alto Unified School District shall be defined as involving an assignment to a position of lesser responsibility and remuneration.

Reassignment will be implemented by guidelines designed to ensure an equitable, orderly, and professional process.

Administrative Procedure
1. All required district procedures relative to evaluation of performance are to be regularly completed and a matter of record.
a. There should be evidence that items which bear most directly on the reason for reassignment have been identified as early as possible in the written records.
b. All items of concern are to be as specific as possible.
c. All information bearing on the evaluation of performance should be communicated directly to the person being evaluated.

2. When school closure or reorganization is the primary reason for reassignment, the administrative personnel connected with the school being closed should receive equal consideration with all other administrators in determining reassignment.

3. Given like or similar performance evaluations, the decision for retention in any administrative assignment shall consider the following criteria:
   a. Ability of the individual to perform satisfactorily in a number of different administrative assignments within the district.
   b. Ability of the individual to adapt to a similar assignment.
   c. Demonstrated ability for future professional growth and development.
   d. Demonstrated ability to assist in and implement district programs.
   e. Consideration of any particular identified needs of the district at the time of the reassignment.

4. If requested, the reason for reassignment shall be clearly communicated in writing. A specific statement indicating whether the reassignment was made for unsatisfactory performance or for reasons associated with reorganization and/or school closure should be included in the formal statement.

5. The district currently attempts to notify administrative personnel of possible reassignment by March 1. It is further recommended that every effort be made to notify persons of the possibility of reassignment at the earliest possible date. Whenever possible, this should be no later than January 15.

6. A clear, succinct job description should be on file for each administrative position. This job description is to be reviewed each year by the administrator and his immediate supervisor and modified if appropriate.

7. All administrative personnel shall have recourse to the established district complaint procedures.

8. An individual who is reassigned shall be paid at the appropriate rate for the new assignment, beginning on the date that the reassignment is effective.

The necessity for retaining the most effective persons in administrative assignments is recognized. The procedures for implementing the reassignment policy are designed in order to make certain that these decisions are made in a consistent and equitable manner. After these procedures have been carefully followed, it is recognized that the ultimate responsibility for the final decision lies with the Superintendent and/or his designated representative.
TO: Dr. Kevin Skelly, Superintendent

FROM: Bob Golton, Bond Program Manager
Cathy Mak, Chief Business Officer

SUBJECT: Resolution Authorizing the Issuance and Sale of Bonds of the Palo Alto Unified School District in an Amount Not to Exceed $40,000,000, by Public or Negotiated Sale; Prescribing the Terms of Said Bonds; Approving the Form of and Authorizing the Execution and Delivery of a Notice of Sale, a Bond Purchase Agreement, a Paying Agent Agreement, a Continuing Disclosure Agreement, and an Official Statement Relating to Said Bonds; and Authorizing the Execution of Necessary Certificates and Documents Relating to Said Bonds

STRATEGIC PLAN INITIATIVE
Budget Trends and Infrastructure

This item was discussed at the Board meeting of April 22, 2014. The attachments have had a limited number of updates since that meeting as they continue to proceed to the final form that will be used to issue the bonds.

RECOMMENDATION
It is recommended the Board of Education adopt the attached resolution:

Resolution Authorizing The Issuance And Sale Of Bonds Of The Palo Alto Unified School District In An Amount Not To Exceed $40,000,000, By Public Or Negotiated Sale; Prescribing The Terms Of Said Bonds; Approving The Form Of And Authorizing The Execution And Delivery Of A Notice Of Sale, A Bond Purchase Agreement, A Paying Agent Agreement, A Continuing Disclosure Agreement, And An Official Statement Relating To Said Bonds; And Authorizing The Execution Of Necessary Certificates And Documents Relating To Said Bonds.

BACKGROUND
The voters of the Palo Alto Unified School District (District) approved the Strong Schools Bond authorization of $378 million on June 3, 2008. Since that time, three series of bonds have been issued. The first was in the amount of $120 million and was issued in 2008. The second, in the amount of $25 million, with interest subsidized by Federal stimulus funds, was issued in 2010. The third was in the amount of $70 million and was issued in March 2013. State bond funds and interest earnings have added to the total available funds.
The program currently has a cash balance of $15,145,322 as of March 31, 2014. There is also the amount of $17,779,633 deposited in the Planned Maintenance fund. It is anticipated the additional $40,000,000 will provide funding through 2016, and so the funds will be fully used during the three years following the bond.

This will allow for the overall total tax rate for the Prop 39 Strong Schools Bonds and the Building for Excellence Bonds to remain at approximately the same level as is currently the case.

There have been concerns around the state about the use of capital appreciation bonds (CABs) and legislation addressing this matter. This issue will be all current interest bonds, no CABs.

There also has been state legislation prohibiting debt service to bond proceeds ratios that are higher than 4:1. Ours are projected at approximately 1.2:1.

Tony Hsieh, Keygent fiscal advisor to the District, will present at this meeting and will discuss this upcoming financing plan.

Attached is the resolution authorizing issuance of the bonds, with the needed attachments to that resolution.

**FISCAL IMPACT**

This resolution, with its attachments, will provide the necessary authorization to issue Series D in the amount of $40,000,000 for the Strong Schools Bond program.
RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF BONDS OF THE PALO ALTO UNIFIED SCHOOL DISTRICT IN AN AMOUNT NOT TO EXCEED $40,000,000, BY PUBLIC OR NEGOTIATED SALE; PRESCRIBING THE TERMS OF SAID BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A NOTICE OF SALE, A BOND PURCHASE AGREEMENT, A PAYING AGENT AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT, AND AN OFFICIAL STATEMENT RELATING TO SAID BONDS; AND AUTHORIZING THE EXECUTION OF NECESSARY CERTIFICATES AND DOCUMENTS RELATING TO SAID BONDS.

WHEREAS, an election (the “2008 Election”) was duly called and regularly held in the Palo Alto Unified School District, County of Santa Clara, California (herein called the “District”), on June 3, 2008, pursuant to Sections 15100 and 15268 and following of the Education Code of the State of California, at which a bond proposition summarized as follows was submitted to the electors of the District:

“To provide safe and modern schools; accommodate enrollment growth; upgrade aging classrooms, libraries, computer and science labs; repair or replace roofs, plumbing, heating, ventilation and electrical systems; improve fire alarms and school security; meet current earthquake standards; provide current technology; and replace old portables with permanent classrooms, shall Palo Alto Unified School District issue $378 million in bonds at legal interest rates, with mandatory audits, independent oversight and bond tax rates estimated not to exceed the current rate?”

WHEREAS, passage of said proposition required a 55% affirmative vote of the votes cast therein, and at least 55% of the votes cast on said proposition were in favor of issuing said bonds; and

WHEREAS, the District has caused the Board of Supervisors of the County of Santa Clara (the “County”) to issue on its behalf, its “Palo Alto Unified School District General Obligation Bonds (Election of 2008, Series 2008),” in the original principal amount of $119,999,248.80 for purposes authorized by the 2008 Election; and

WHEREAS, the District has heretofore issued its “Palo Alto Unified School District Federally Taxable General Obligation Bonds (Election of 2008, Series 2010) (Qualified School Construction Bonds),” in the original principal amount of $25,000,000; and

WHEREAS, the District has heretofore issued its “Palo Alto Unified School District General Obligation Bonds (Election of 2008), Series 2013,” in the original principal amount of $70,000,000 for purposes authorized by the 2008 Election; and
WHEREAS, a portion of the bonds authorized at the Election of 2008 remains unsold; and

WHEREAS, a school district is authorized by Sections 53506 and following of the Government Code of the State (the “Government Code”) to issue and sell its bonds at public or private sale; and

WHEREAS, this Board of Education (the “Board”) deems it necessary and desirable to authorize the sale of said bonds by public sale, or by a negotiated sale to an underwriter to be determined; and

WHEREAS, Section 53508.7 of the Government Code provides that a private sale is limited to bonds sold pursuant to Sections 15140 or 15146 of the Education Code of the State (the “Education Code”); and

WHEREAS, in accordance with Education Code Section 15146, the Board has found and determined that should the District sell the bonds on a negotiated basis, such a decision would be a result of conditions in the municipal marketplace that require the increased flexibility an Underwriter can provide in structuring and planning the sale of the bonds; and

WHEREAS, in accordance with Education Code Section 15146, estimates of the costs associated with the issuance of said bonds are attached hereto as Exhibit A; and

WHEREAS, Section 15140(b) of the Education Code provides that the board of supervisors of a county may authorize a school district over which the county superintendent of schools has jurisdiction to issue and sell its own bonds without the further action of the board of supervisors or officers of the county if said school district has not received a qualified or negative certification in its most recent interim report; and

WHEREAS, the District has not received a qualified or negative certification in its most recent interim report; and

WHEREAS, the District now wishes to request that the County authorize the District to issue and sell bonds on its own behalf should the District determine a private sale is necessary; and

WHEREAS, pursuant to Sections 53506 et seq. of the Government Code of the State of California, the District may issue its bonds by public sale without approval from the County; and

WHEREAS, pursuant to Education Code 15270, the District shall not sell bonds authorized by the Election of 2008 unless the tax rate levied to pay the bonds authorized by the Election of 2008 will not exceed $60 per $100,000 of taxable property when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution; and

WHEREAS, the Superintendent of Schools of the County has jurisdiction over the District; and
WHEREAS, the District has appointed Keygent LLC, as Registered Municipal Advisor to the District (the “Registered Municipal Advisor”) and Orrick, Herrington & Sutcliffe LLP as Bond and Disclosure Counsel to the District (“Bond Counsel”) with respect to said bonds; and

WHEREAS, U.S. Bank National Association, San Francisco, California, serves as the paying agent for the District’s bonds under appointment by the Director of Finance of the County (the “Director of Finance”); and

WHEREAS, the District desires that the Director of Finance annually establish tax rates on taxable property within the District for repayment of said bonds, pursuant to Sections 29100-29103 of the Government Code, and that the Board of Supervisors of the County annually approve the levy of such tax, and that the Director of Finance annually collect such tax and apply the proceeds thereof to the payment of principal of and interest on the bonds when due, all pursuant to Sections 15250 and 15251 of the Education Code; and

WHEREAS, in order to take advantage of the bond issuance options under the Code to achieve debt service savings and achieve tax rate targets for the District, the Board has directed the Registered Municipal Advisor to evaluate the market for the various types of bonds and to advise the District and the County on the best manner and form or forms in which to issue and sell the bonds authorized hereby; and

WHEREAS, there have been submitted and are on file with the Secretary of this Board proposed forms of a Bond Purchase Agreement; the Official Statement describing said bonds; an Official Notice of Sale; a Paying Agent Agreement, providing for the terms of issuance and repayment of the bonds; and a Continuing Disclosure Certificate; and

NOW, THEREFORE, THE BOARD OF EDUCATION OF THE PALO ALTO UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER, AS FOLLOWS:

Section 1. Recitals. All of the above recitals are true and correct.

Section 2. Authority for Issuance. The bonds described herein are authorized to be issued pursuant to Article 4.5 of Chapter 3, of Part 1 of Division 2 of Title 5 of the Government Code, and other applicable provisions of law, including applicable provisions of the Education Code.

Section 3. Designation of Bonds. The Bonds shall be sold in one or more series, to be designated the “Palo Alto Unified School District General Obligation Bonds (Election of 2008), Series 2014” (the “Bonds”), with such additional designations as may be necessary to distinguish between Bonds of different payment mechanisms or features, as authorized hereby.

Section 4. Method of Sale of Bonds.

(a) Competitive Sale: Any portion or series of the Bonds that the Superintendent of the District, the Deputy Superintendent of the District, the Bond Program Manager of the District, the Chief Business Official of the District, or such other officer of the District designated for the purpose (each an “Authorized District Representative”) shall determine, upon
consultation with the Registered Municipal Advisor, are able to be more advantageously sold upon the taking of public bids, shall be offered by means of an Official Notice of Sale, and such bonds shall be sold to the responsible bidder who makes the best responsive bid therefor, after publication of a Notice of Intention to Sell Bonds once at least 5 days (or, if the amount offered is less than $10 million in principal amount, at least 15 days) before the date of sale in a financial publication generally circulated throughout the State of California or which the Registered Municipal Advisor advises is expected to be disseminated among prospective bidders for the Bonds. The Official Notice of Sale with respect to the competitively sold Bonds shall require that (i) the purchase price of such Bonds shall be no less than the principal amount thereof; and (ii) such Bonds shall otherwise conform to the limitations specified in this Resolution, including specifically those terms prescribed by Section 5 hereof. The form of Official Notice of Sale on file with the Secretary of the Board is hereby approved, and the Authorized District Representative is hereby authorized to publicize the notice and award the sale pursuant thereto and pursuant to a Certificate of Award, subject to such changes or revisions to the Official Notice of Sale as may be acceptable to the Authorized District Representative, and the District’s approval of all such changes shall be conclusively evidenced by the execution and delivery of the Certificate of Award.

(b) Request for Permission to Sell Bonds at Negotiated Sale: In the alternative, the Bonds or any portion thereof may be sold by negotiated sale to an underwriter to be selected by the District. The Board of Supervisors of the County is hereby requested to authorize the District by resolution to sell its Bonds at a negotiated sale pursuant to Government Code Section 53508.7 and Education Code Section 15140(b) without further action by the Board of Supervisors or officers of the County should the Authorized District Representative determine in consultation with the Registered Municipal Advisor that a private sale would be more advantageous.

(c) Negotiated Sale of Bonds; Bond Purchase Agreement: Provided the County Board of Supervisors grants the authority requested in subdivision (a) of this section, the Authorized District Representative is hereby authorized, upon consultation with the Registered Municipal Advisor, to sell all or any portion or series of the Bonds to an underwriter (the “Underwriter”) to be selected by the Authorized District Representative after the review of qualifications of and proposals from underwriters with experience in underwriting California school district general obligation bonds. The Bond Purchase Agreement, in substantially the form on file with the Secretary of the Board, is hereby approved, and the Authorized District Representative is hereby authorized and directed to execute and deliver the Bond Purchase Agreement with the Underwriter, subject to such changes or revisions therein as may be acceptable to the Authorized District Representative, and the District’s approval of all such changes shall be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement. The Bond Purchase Agreement shall provide: (i) that the aggregate purchase price of the Bonds sold thereunder shall be no less than the principal amount of such Bonds; (ii) that the Underwriter’s discount shall not exceed 1.0% of the aggregate principal amount of the Bonds sold (excluding any costs of issuance the Underwriter agrees to pay pursuant to the Bond Purchase Agreement); and (iii) that the Bonds sold thereunder shall otherwise conform to the limitations specified in this Resolution, including specifically those terms prescribed by Section 5 hereof.
Section 5. Terms of the Bonds and Interest Payment. The Bonds shall be issued in the form of current interest Bonds. The Bonds shall be dated the date of their delivery, or such other date as shall be specified in the Certificate of Award or applicable Bond Purchase Agreement.

(a) **Denominations:** The Bonds shall be issued in denominations of $5,000 principal amount or any integral multiple thereof.

(b) **Maturity:** The Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the Certificate of Award. No Bond shall mature later than the date which is 30 years from the date of the Bonds, to be determined as provided in subsection (a) of this Section. No Bond shall have principal maturing on more than one principal maturity date. The Certificate of Award may provide that no Bonds shall be issued in any given year or years.

The Bonds may mature in the same year or years as any other Bonds, without limitation. The aggregate principal amount of the Bonds shall not exceed $40,000,000.

(c) **Maximum Rate of Interest:** The Bonds shall bear interest at an interest rate not to exceed 6.00% per annum, payable on the Interest Dates in each year computed on the basis of a 360-day year of twelve 30-day months. Each Bond shall bear interest from the Interest Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on a Record Date and on or prior to the succeeding Interest Date, in which event it shall bear interest from such Interest Date, or unless it is authenticated on or before the Record Date preceding the first Interest Date, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any Bond, interest is in default on any outstanding Bonds, such Bond shall bear interest from the Interest Date to which interest has previously been paid or made available for payment on the outstanding Bonds. The true interest cost of the Bonds shall not exceed 6.0%.

(d) **Recital of Terms of Bonds:** The Certificate of Award, the Bond Purchase Agreement, or such other document awarding the sale of Bonds, shall recite the terms of the Bonds sold under such document in accordance with this section as determined in the sale thereof, and such terms shall be memorialized in the Paying Agent Agreement described in Section 7 hereof.

Section 6. Tax Treatment of Bonds. All or any portion of the bonds shall be issued as exempt from federal income tax, as the Authorized District Representative shall determine upon consultation with the Registered Municipal Advisor, and according to the terms and conditions as Bond Counsel to the District shall advise are appropriate to and necessary for the issuance of tax-exempt bonds.

Section 7. Approval of Paying Agent Agreement. The Paying Agent Agreement relating to the Bonds between the District and U.S. Bank National Association, as paying agent/registrar and transfer agent (the “Paying Agent”), and acknowledged by the Director of Finance, in substantially the form on file with the Secretary of the Board, including the form of Bonds included therein, is hereby approved. The Authorized District Representative is hereby authorized to execute and deliver an instrument in substantially said form, completed with the
terms of the Bonds determined upon the sale thereof, and with such other changes thereto as the Authorized District Representative may require or approve, and the District’s approval of the Paying Agent Agreement shall be conclusively evidenced by the execution and delivery thereof.

Section 8. Approval of Official Statement. The Official Statement relating to the Bonds, in substantially the form on file with the Secretary of the Board, is hereby approved with such changes, additions and corrections as the Authorized District Representative may hereafter approve, and the Registered Municipal Advisor is hereby authorized to distribute copies of such Official Statement in preliminary form to persons who may be interested in purchasing the Bonds. The Authorized District Representative is hereby authorized to certify on behalf of the District that the preliminary form of the Official Statement was deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (except for the omission of certain final pricing, rating and related information as permitted by said Rule). The Authorized District Representative is hereby authorized and directed to sign said Official Statement in its final form, including the final pricing information, and the initial purchaser is hereby authorized and directed to deliver copies of such Official Statement in final form to subsequent purchasers of the Bonds.

Section 9. Approval of Continuing Disclosure Certificate. The Continuing Disclosure Certificate relating to the Bonds, in substantially the form on file with the Secretary of the Board, is hereby approved. The Authorized District Representative, or the designee thereof, is hereby authorized on behalf of the District to execute and deliver the Continuing Disclosure Certificate in substantially said form, with such changes thereto as deemed necessary in order to permit the purchaser of the Bonds to comply with the requirements of Securities and Exchange Commission Rule 15c2-12. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of such Continuing Disclosure Certificate as finally executed and delivered.

Section 10. Investment of Proceeds. Proceeds of the Bonds held by the Director of Finance shall be invested at the discretion pursuant to law and the investment policy of the County, unless otherwise directed in writing by the District, pursuant to Section 53601 of the Government Code and Section 41015 of the Education Code.

(i) At the written direction of the District, given by the Authorized District Representative, who is hereby expressly authorized to give such direction, all or any portion of the building fund of the District may also be invested on behalf of the District in the Local Agency Investment Fund in the treasury of the State of California.

(ii) At the written direction of the District, given by the Authorized District Representative, who is hereby expressly authorized to give such direction, all or any portion of the building fund of the District may also be invested on behalf of the District in investment agreements which comply with the requirements of each rating agency then rating the Bonds necessary in order to maintain the then-current rating on the Bonds; provided that the Director of Finance shall approve and be a signatory to any such investment agreement.
Section 11. **Request for Tax Levy.** The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds as provided by law and in the Paying Agent Agreement. The District hereby requests the Board of Supervisors to annually levy a tax upon all taxable property in the District sufficient to redeem the Bonds, and to pay the principal thereof, redemption premium, if any, and interest thereon as and when the same become due, and to provide for any mandatory sinking fund payments or set-asides that may be required, as set forth in the Paying Agent Agreement when executed.

Section 12. **Approval of Actions.** The President of the Board, the Secretary of the Board, the Superintendent of the District, the Deputy Superintendent of the District, the Facilities and Bond Program Manager of the District, the Chief Business Official of the District, and any other officer of the District to whom authority is delegated by one of the named officers for the purposes of the Bonds, are hereby authorized and directed to execute and deliver any and all certificates and representations, including signature certificates, no-litigation certificates, certificates concerning the contents of Official Statements, representation letters to The Depository Trust Company, the Tax Certificate and any other certificates proposed to be distributed in connection with the sale of the Bonds, and to enter into any agreements, including depository agreements, commitment letters and agreements with bond insurers, agreements pertaining to the administration of tax credit or tax subsidy bonds, agreements providing for payment of costs of issuance of bonds, and any other agreements, letters, or representations, which any of them deem necessary or desirable to accomplish the transactions authorized herein. If in order to sell the Bonds in separate series or to separate purchasers as authorized herein, the District is required to prepare and deliver additional official statements, paying agent agreements, bond purchase agreements, official notices of sale, continuing disclosure certificates, or other authorized documents, preparation and delivery of such additional documents is hereby authorized. Actions of the Authorized District Representative heretofore taken to accomplish the purposes of this Resolution and consistent herewith are hereby ratified.
Section 13. **Effective Date.** This resolution shall take effect from and after its adoption.

**PASSED AND ADOPTED** this day, May 6, 2014, by the following vote:

AYES:

NOES;

ABSTAIN:

ABSENT:

APPROVED:

__________________________________
President of the Board of Education
Palo Alto Unified School District

ATTEST:

__________________________________
Secretary of the Board of Education
Palo Alto Unified School District
EXHIBIT A

ESTIMATES OF COSTS OF ISSUANCE

$40,000,000*

PALO ALTO UNIFIED SCHOOL DISTRICT

General Obligation Bonds (Election of 2008), Series 2014

Costs Related to Bond Issuance

<table>
<thead>
<tr>
<th>Costs of Issuance</th>
<th>Consultant</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond/Disclosure Counsel</td>
<td>Orrick, Herrington &amp; Sutcliffe</td>
<td>$ 70,000.00</td>
</tr>
<tr>
<td>Financial Advisor</td>
<td>Keygent LLC</td>
<td>50,000.00</td>
</tr>
<tr>
<td>Financial Advisor Expenses</td>
<td>Keygent LLC</td>
<td>2,500.00</td>
</tr>
<tr>
<td>Printing/Posting &amp; Distribution</td>
<td>AVIA Communications</td>
<td>3,000.00</td>
</tr>
<tr>
<td>Demographics</td>
<td>California Municipal Statistics, Inc.</td>
<td>2,500.00</td>
</tr>
<tr>
<td>Moody's Rating</td>
<td>Moody's Investor Service</td>
<td>25,000.00</td>
</tr>
<tr>
<td>S&amp;P Rating</td>
<td>Standard &amp; Poor’s</td>
<td>22,500.00</td>
</tr>
<tr>
<td>Paying Agent &amp; COI</td>
<td>U.S. Bank National Association.</td>
<td>3,000.00</td>
</tr>
<tr>
<td>IPREO</td>
<td>Parity</td>
<td>1,500.00</td>
</tr>
<tr>
<td>Bond Buyer</td>
<td>Advertising</td>
<td>1,500.00</td>
</tr>
<tr>
<td>Contingency/Expenses</td>
<td>N/A</td>
<td>3,000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$184,500.00</strong></td>
</tr>
</tbody>
</table>

* Preliminary, subject to change.
SECRETARY’S CERTIFICATE

I, Dr. Kevin Skelly, Secretary of the Board of Education of the Palo Alto Unified School District, County of Santa Clara, California, do hereby certify as follows:

The attached is a full, true and correct copy of a resolution duly adopted at a special meeting of the Board of Education duly and regularly held at the regular meeting place thereof on May 6, 2014, and entered in the minutes thereof, of which meeting all of the members of said Board of Education had due notice and at which a quorum thereof was present, and said resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of said meeting was posted at least 72 hours before said meeting at 25 Churchill Avenue, Palo Alto, California, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda. A copy of said agenda is attached hereto.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office. Said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

WITNESS my hand this _____ day of May, 2014.

______________________________
Secretary of the Board of Education
Palo Alto Unified School District
OFFICIAL NOTICE OF SALE

$40,000,000*

PALO ALTO UNIFIED SCHOOL DISTRICT
(County of Santa Clara, State of California)
(Election of 2008), Series 2014

NOTICE IS HEREBY GIVEN that proposals will be received in electronic form only and solely through i-Deal/Parity in the manner described below on behalf of the Board of Education of the Palo Alto Unified School District (the “District”), located in the County of Santa Clara (the “County”), State of California, on

Wednesday, May 14, 2014
at 9:30 A.M., California time

for the above-named bonds (the “Bonds”).

The Superintendent of the District, the Deputy Superintendent, the Bond Program Manager, the Chief Business Official, or such other officer of the District designated for the purpose (each an “Authorized District Representative”), acting on behalf of and as authorized and directed by the Board of Education of the District, reserves the right to cancel or reschedule the sale of the Bonds or alter the terms thereof upon notice given through the Thompson Municipal Market Monitor (www.TM3.com) (the “News Service”) at any time prior to the time bids are to be received. If no legal bid or bids are received for the Bonds on said date (or such later date as is established as provided herein) at the time specified, bids will be received for the Bonds on such other date and at such other time as shall be designated through the News Service as soon as practicable. As an accommodation to the bidders, telephonic, telecopied or emailed notice of the postponement of the sale date or dates or of a change in the principal payment schedule will be given to any bidder who has requested such notice of the District’s Registered Municipal Advisor, Keygent LLC, 999 N. Sepulveda Boulevard, Suite 500, El Segundo, CA 90245; Attention: Tony Hsieh (telephone (310) 322-4222; fax (310) 518-7656). Failure of any bidder to receive such telephonic, telecopied or emailed notice shall not affect the legality of the sale.

Important Note: This notice will be submitted to i-Deal Prospectus LLC for posting at i-Deal’s website (www.i-dealprospectus.com) and in the Parity bid delivery system. In the event i-Deal’s summary of the terms of sale of the Bonds disagrees with this Official Notice in any particulars, the terms of this Official Notice shall control (unless notice of an amendment hereto is given as described above).

* Preliminary, subject to change.
TERMS OF THE BONDS

Issue: The terms of issuance, principal and interest repayment, optional redemption, security, tax opinion, and all other information regarding the Bonds and the District are given in the Preliminary Official Statement which each bidder must have obtained and reviewed prior to bidding for the Bonds. This notice governs only the terms of sale, bidding and closing procedures. The description of the Bonds contained in this Official Notice of Sale is qualified in all respects by the description contained in the Preliminary Official Statement.

Subject to the foregoing, the Bonds are generally described as follows:

Principal Payments:

<table>
<thead>
<tr>
<th>Maturity Date (August 1)</th>
<th>Principal Amount*</th>
<th>Maturity Date (August 1)</th>
<th>Principal Amount*</th>
</tr>
</thead>
</table>

* Preliminary, subject to change.

Serial Bonds and/or Term Bonds: The Bonds shall be issued as serial maturities as shown in the table above, unless the bidder requests the creation of one or more term Bonds by combining any two or more consecutive serial maturities. For any term Bond, the amount of principal paid in each year as the mandatory sinking fund payment shall be the amount shown above as maturing in such year.

Term Bonds, if specified, will be subject to redemption, by lot, on August 1 of each year specified prior to their respective stated maturity dates from monies in the interest and sinking fund of the District, upon payment of the principal amount due in such year, without premium, plus accrued interest thereon to the date fixed for redemption.

Optional Redemption: The Bonds maturing on or before August 1, 20[___] are not subject to redemption prior to their respective stated maturity dates. The Bonds maturing on or after August 1, 20[___], are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1, 20[___], and on any date thereafter, at a redemption price of 100% of the principal amount of Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption.
Adjustment of Principal Amounts: The principal amounts of each maturity of Bonds set forth above reflect certain estimates of the District and its Registered Municipal Advisor with respect to the likely interest rates of the winning bid and the likely premium to be specified in such bid. Following the determination of the successful bidder, the District reserves the right to increase or decrease the principal amount of each maturity of the Bonds, in $5,000 increments in order to optimize the sizing and debt service structure for the Bonds. Such adjustment shall be made at the sole discretion of the District in consultation with its Registered Municipal Advisor within 26 hours of the bid opening and in the sole discretion of the Authorized District Representative. The aggregate principal amount of the bonds will not exceed $40 million. The District may choose to eliminate some maturities in their entirety, but will not introduce new maturities that are not specified above. The interest rates bid for each maturity will not be changed as part of the re-sizing process, but the purchase price may be adjusted proportionally to the change in the aggregate principal amount. Although the successful bidder will be given the opportunity to review the proposed adjustments prior to the official award, the successful bidder may not withdraw its bid or change the interest rate bid for any individual maturity as a result of such adjustments.

Interest: Interest on the Bonds is payable commencing on August 1, 2014, and thereafter on February 1 and August 1 of each year (each an “Interest Payment Date”). Interest is calculated on the basis of a 30-day month, 360-day year from the date of the Bonds. Each Bond shall bear interest at the specified rate from its date to its stated maturity date, and all Bonds maturing at any one time shall bear the same rate of interest.

Bidders must specify the rate or rates of interest which the Bonds hereby offered for sale shall bear. Bidders will be permitted to specify a single rate of interest for each bond maturity, according to the following:

(i) Each interest rate must be a multiple of 1/8 or 1/20 of 1.0% per annum.

(ii) Each interest rate must be greater than zero and no interest rate may exceed 6.0% per annum.

Maturity: No Bond shall mature prior to August 1, 2014, nor later than the date which is 30 years from the date of the Bonds.

Premium: No bid shall be for less than 100% of the aggregate principal amount of the Bonds. No bid shall be for more than 103% of the aggregate principal amount of the Bonds.

TERMS OF SALE

Best Bid: The District requires that the maximum true interest cost for the bonds not exceed 6.0%. The Bonds will be awarded to the responsible bidder submitting the best responsive bid, considering the interest rate or rates specified and the premium offered, if any. The best bid will be the bid which represents the lowest true interest cost (TIC) to the District and otherwise complies with the requirements set forth herein. The TIC is the compound discount rate which, when used to discount all debt service payments on the Bonds back to the
date of the Bonds, results in an amount equal to the price bid for the Bonds. In the event that two or more bidders offer bids at the same lowest TIC, the District will determine by lot which bidder will be awarded the Bonds. For the purpose of calculating the TIC, the mandatory sinking fund payments, if any (see “TERMS OF THE BONDS—Serial Bonds and/or Term Bonds” above), shall be treated as serial maturities in such years. The determination of the bid representing the lowest TIC will be made without regard to any adjustments made or contemplated to be made after the award by the Authorized District Representative, as described herein under “TERMS OF THE BONDS—Adjustment of Principal Amounts”, even if such adjustments have the effect of raising the TIC of the successful bid to a level higher than the bid containing the next lowest TIC prior to adjustment.

By submission of its bid, a bidder shall be deemed to have made the following representations:

(1) The bidder has received and reviewed the Preliminary Official Statement with respect to the Bonds (the “Preliminary Official Statement”) and as a condition to bidding on the Bonds, has determined that it can comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

(2) As of the date of its bid and as of the date of delivery of the Bonds, all members of the bidder’s syndicate either participate in DTC or clear through or maintain a custodial relationship with an entity that participates in said depository.

(3) Keygent LLC is not a participant in the bidding syndicate.

(4) The True Interest Cost on the bonds does not exceed 6.0%.

(5) The underwriter’s discount shall not exceed 1.0% of the aggregate principal amount of the Bonds.

Form of Bid; Delivery of Bids: No bid will be accepted for less than all of the Bonds or for a purchase price less than the par amount of the Bonds. All bids must be unconditional. All bids must be received by the District through i-Deal LLC’s Parity Electronic Bid Submission System (“Parity”) no later than 9:30 a.m., California time, on Wednesday, May 14 2014, or such other date and time as may be determined in accordance with this Official Notice of Sale. All bids shall be deemed to incorporate all of the terms of this Official Notice of Sale.

Electronic Transmission: The District will only accept bids in electronic form solely through Parity on the official bid form created for such purpose. Each bidder submitting an electronic bid understands and agrees by doing so that it is solely responsible for all arrangements with Parity, and that Parity is not acting as an agent of the District. Instructions and forms for submitting electronic bids must be obtained from Parity. Bidders may contact Parity directly at (212) 849-5021 or at the Parity website: https://www.newissuehome.i-deal.com.
**WARNINGS:** The District does not assume any responsibility for ensuring or verifying bidder compliance with Parity’s procedures. The District shall be entitled to assume that any bid received via Parity has been made by a duly authorized agent of the bidder.

The District, the Registered Municipal Advisor and Bond Counsel assume no responsibility for any malfunction of the Parity system, any failure of a bid to be received at the official time, or any error contained in any bid submitted electronically. The official time for receipt of bids will be determined by District’s agents at the place of bid opening, and the District shall not be required to accept the time kept by Parity as the official time. The District assumes no responsibility for informing any bidder prior to the deadline for receiving bids that its bid is incomplete or not received.

**THE DISTRICT RETAINS ABSOLUTE DISCRETION TO DETERMINE WHETHER ANY BID DELIVERED BY ELECTRONIC TRANSMISSION IS TIMELY AND COMPLETE.**

Multiple Bids: In the event multiple bids are received from a single bidder by any means or combination thereof, the District shall accept the best of such bids, and each bidder agrees by submitting any bid to be bound by its best bid.

Statement of True Interest Cost (TIC): Each bidder is requested, but not required, to state in its bid the total percentage TIC, which shall be considered as informative only and not binding on either the bidder or the District.

Maximum Underwriter’s Discount: The underwriter’s discount may not exceed one percent (1.0%) of the aggregate principal amount of the Bonds.

Good Faith Deposit: Upon acceptance of its bid, the successful bidder shall be required to make a good faith deposit (the “Deposit”) of $100,000 by wire transfer in immediately available funds not later than 12:00 p.m. on the next business day following the award, payable to the order of U.S. Bank National Association, paying agent with respect to the Bonds, to secure the District from any loss resulting from the failure of the bidder to comply with the terms of its bid. Wiring instructions will be provided to the successful bidder.

No interest will be paid upon the Deposit made by any bidder. The Deposit of the successful bidder will, immediately upon acceptance of its bid, become the property of the District to be held and invested for the exclusive benefit of the District. The principal amount of such Deposit shall be applied to the purchase price of the Bonds at the time of delivery thereof.

If the purchase price is not paid in full upon tender of the Bonds, the successful bidder shall have no right in or to the Bonds or to the recovery of its Deposit, or to any allowance or credit by reason of such Deposit, unless it shall appear that the Bonds would not be validly issued if delivered to the successful bidder in the form and manner proposed. In the event of nonpayment by the successful bidder, the amount of the Deposit shall be retained by the District as and for liquidated damages for such failure by the successful bidder, and such retention shall constitute a full release and discharge of all claims by the District against the successful bidder arising from such failure. The District’s actual damages in such event may be greater or may be
less than the amount of the Deposit. Each bidder waives any right to claim that the District’s actual damages are less than such amount.

**Right of Rejection:** The District reserves the right to reject any and all bids and to waive any irregularity or informality in any bid which does not have a material effect, or change the ranking of the bids received.

**Prompt Award:** The District will take action awarding the Bonds or rejecting all bids not later than twenty-six (26) hours after the expiration of the time herein prescribed for the receipt of the bids, unless such time of award is waived by the successful bidder. Notice of the award will be given promptly to the successful bidder.

### CLOSING PROCEDURES AND DOCUMENTS

**Delivery and Payment:** Delivery of the Bonds through the facilities of DTC will be made to the successful bidder in New York, New York on or about June 12, 2014. Payment for the Bonds must be made in funds immediately available in San Francisco, California, on the date of delivery. Any expense of providing immediately available funds, whether by transfer of Federal Reserve Bank funds or otherwise, shall be borne by the successful bidder. The cost of printing the Bonds will be borne by the District.

**Right of Cancellation:** The successful bidder shall have the right, at its option, to cancel its obligation to purchase the Bonds if the Bonds are not executed and tendered for delivery within 60 days from the date of sale thereof, and in such event the successful bidder shall be entitled to the return of its good faith deposit.

**CUSIP Numbers and Other Fees:** It is expected that the successful bidder will apply for CUSIP identification numbers for the Bonds, and furnish such numbers to Bond Counsel. It is anticipated that such CUSIP numbers will be printed on the Bonds being delivered to DTC, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms and conditions of its bid. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid by the District, but the CUSIP Service Bureau charge for the assignment of such numbers shall be paid by the successful bidder. The successful bidder shall also be required to pay all fees required by The Depository Trust Company, New York, New York, Securities Industry and Financial Markets Association (“SIFMA”), the Municipal Securities Rulemaking Board and any other similar entity imposing a fee in connection with the issuance of the Bonds.

**California Debt and Investment Advisory Commission Fee:** Attention of bidders is directed to California Government Code Section 8856, which provides that the lead underwriter or the purchaser of the Bonds shall be charged any California Debt and Investment Advisory Commission fee payable with respect to the Bonds.

**Certification of Reoffering Prices:** Upon notification of award of the bid, the successful bidder shall provide initial offering prices for each maturity of the Bonds (see form attached hereto as Exhibit A). Prior to Closing, as a condition to delivery of the Bonds, the
successful bidder shall be required to provide to the District initial offering price information in form and substance as Bond Counsel may require, including: (i) certification that as of the date of sale, all of the Bonds were expected to be reoffered in a bona fide public offering at stated initial offering prices; (ii) certification that as of the date of the certification, all of the Bonds had actually been offered to the general public at such prices; and (iii) the maximum initial bona fide offering prices at which at least 10% of each maturity of the Bonds was sold to the general public, and identification of any Bond maturity of which less than 10% was sold to the general public at its initial offering price. The successful bidder may also be asked to clarify any discrepancies between the initial offering prices and publicly available information relating to trades of the Bonds, and to explain the failure to sell at least 10% of each maturity of the Bonds to the public at the initial reoffering prices.

Litigation: There is no litigation pending concerning the validity of the Bonds, the corporate existence of the District or the entitlement to their respective offices of the officers of the District who will execute the Bonds and other documents or certificates, or the power of the County to levy and collect taxes on behalf of the District for payment of, and to pay interest and principal on, the Bonds, and the District will furnish to the successful bidder a no-litigation certificate or certificates certifying the foregoing as of and at the time of the delivery of the Bonds.

Tax Matters: Orrick, Herrington & Sutcliffe LLP will render its legal opinion with respect to tax-exemption of the interest paid on the Bonds. See the discussion of Tax Matters in the Official Statement hereinafter referred to. In the event that prior to the delivery of the Bonds the interest received by private holders from obligations of the same type and character shall be declared to be includable in gross income (either at the time of such declaration or at any future date) for purposes of federal income tax laws, either by the terms of such laws or by ruling of a federal income tax authority or official which is followed by the Internal Revenue Service, or by decision of any federal court, the successful bidder may, at its option, prior to the tender of the Bonds by the Board, be relieved of its obligation to purchase the Bonds, and in such case the deposit accompanying its bid will be returned. For purposes of the preceding sentence, interest will be treated as excludable from gross income for federal income tax purposes whether or not it is includable as an item of tax preference for calculating alternative minimum taxes or otherwise includable for purposes of calculating certain other tax liabilities.

Official Statement: The District has authorized the adoption of an official statement relating to the Bonds. A copy of the Preliminary Official Statement will be furnished upon request to the Registered Municipal Advisor. The Preliminary Official Statement is in form “deemed final” by the issuer for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but is subject to revision, amendment and completion in a final Official Statement. The District will furnish to the successful bidder, at no expense to the successful bidder, up to 150 copies of the final Official Statement within seven (7) business days of the award date.

Official Statement Certificate: The District will provide to the successful bidder for the Bonds a certificate, signed by an official of the District, confirming to the successful bidder that, at the time of the acceptance of the bid for the Bonds and at the time of delivery
thereof, to the best of the knowledge of said official, the Official Statement (except for
information regarding DTC and its book-entry only system, information provided by the County
Treasurer regarding County investments, information provided by the successful bidder
regarding the underwriting and reoffering of the Bonds, and information regarding a municipal
bond insurance policy with respect to the Bonds and the provider thereof, as to all of which no
view shall be expressed) does not contain any untrue statement of a material fact or omit to state
any material fact necessary in order to make the statements made therein, in the light of the
circumstances under which they were made, not misleading, and that there has been no material
adverse change in the financial condition or affairs of the District which would make it
unreasonable for the purchaser of the Bonds to rely upon the Official Statement in connection
with the resale of the Bonds.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
Continuing Disclosure Certificate: In order to assist bidders in complying with Securities and Exchange Commission Rule 15c2-12(b)(5), the District will undertake, pursuant to a Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Official Statement. In the past five years, the District has failed to timely file certain information required by the terms of its previous undertakings under said Rule as described in the Preliminary Official Statement. The District has since filed all required filings and has complied in all material respects with its previous undertakings with regard to the Rule.

Dated: ___________, 2014.

________________________________________
Bond Program Manager
Palo Alto Unified School District
EXHIBIT A
FORM OF REOFFERING PRICE CERTIFICATE

________________________, has acted as the underwriter (the “Underwriter”) with respect to the Palo Alto Unified School District (County of Santa Clara, State of California) General Obligation Bonds (Election of 2008), Series 2014 (the “Bonds”). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Tax Certificate to which this Certificate is attached as an exhibit. The Underwriter hereby certifies and represents the following:

1. As of __________, 2014 (the “Sale Date”), the Underwriter (i) reasonably expected to make a bona fide offering of all of the Bonds at the prices set forth on the cover of the Official Statement (the “Initial Offering Prices”) to the general public (excluding bond houses, brokers, or similar persons acting in the capacity of underwriters or wholesalers) and (ii) reasonably expected that the respective Initial Offering Price applicable to each maturity would be the first price at which at least 10% of such maturity of the Bonds would be sold. At the time the Underwriter agreed to purchase the Bonds, based upon then prevailing market conditions, we had no reason to believe any of the Bonds would be initially sold to the general public at initial offering prices greater than (or, in the case of obligations sold on a yield basis, at initial yields lower than) the Initial Offering Prices.

2. The aggregate of the Initial Offering Prices is $_________________. The Initial Offering Prices represent fair market prices for the Bonds as of the Sale Date.

3. As of the date of execution of this Certificate, all of the Bonds have actually been offered to the general public (excluding such bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) in a bona fide public offering at the Initial Offering Prices and the first price at which at least 10% of each maturity of the Bonds has been sold to the general public was the Initial Offering Prices [except for the ______________ maturity(ies)].

[4. With respect to the maturity(ies) of the Bonds listed in the immediately preceding section, such Bonds were continuously offered to the general public at the Initial Offering Price(s) for a period of __ hours after the Underwriter was awarded the Bonds (the “Initial Offering Period”), and the Underwriter made reasonable efforts to sell such Bonds to the general public at the Initial Offering Price(s) throughout the Initial Offering Period. During the Initial Offering Period such Bonds were not offered to bond houses, brokers, or similar persons acting in the capacity of underwriters or wholesalers. Market conditions during the Initial Offering Period prevented a substantial amount of such Bonds from being sold at or above the Initial Offering Price(s).]

Dated: __________

[UNDERWRITER]

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

$40,000,000*

PALO ALTO UNIFIED SCHOOL DISTRICT
(COUNTY OF SANTA CLARA, STATE OF CALIFORNIA)

GENERAL OBLIGATION BONDS (ELECTION OF 2008), SERIES 2014

Dated: Date of Delivery

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

The Palo Alto Unified School District General Obligation Bonds (Election of 2008), Series 2014 (the “Bonds”) are being issued by the Palo Alto Unified School District (the “District”), located in the County of Santa Clara (the “County”) to finance specific construction and modernization projects approved by the voters and to pay costs of issuance of the Bonds. The Board of Supervisors of the County is empowered and is obligated to levy ad valorem taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Bonds, all as more fully described herein. See “SECURITY AND SOURCE OF PAYMENT FOR THE BONDS” herein.

The Bonds will be issued as current interest bonds. Interest on the Bonds is payable commencing on August 1, 2014, and thereafter on each February 1 and August 1 to maturity or redemption prior thereto. Principal of the Bonds is payable on August 1 in each of the years and in the amounts set forth in the Maturity Schedule below. Payments of principal of and interest on the Bonds will be made by the Paying Agent (initially, U.S. Bank National Association) to the Depository Trust Company, New York, New York (“DTC”), for subsequent disbursement to DTC Participants, who will remit such payments to the beneficial owners of the Bonds. See “THE BONDS – Payment of Principal and Interest” herein.

The Bonds will be issued in book-entry form only, and initially will be issued and registered in the name of Cede & Co., as nominee of DTC. Purchasers will not receive certificates representing their interests in the Bonds. See “THE BONDS – Form and Registration” herein.

The Bonds are subject to redemption prior to maturity. See “THE BONDS – Redemption” herein. The Bonds were sold by competitive sale pursuant to the terms of an Official Notice of Sale dated __________, 2014 and awarded to [UNDERWRITER] on __________, 2014. See “SALE OF THE BONDS” herein.

The Bonds will be offered when, as and if issued by the District and received by the Underwriter, subject to approval of validity by Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel, and for the Underwriter by [UNDERWRITER’S COUNSEL], as Underwriter’s Counsel. It is anticipated that the Bonds, in book-entry form, will be available for delivery through DTC in New York, New York, on or about __________, 2014.

This Official Statement is dated __________, 2014.

* Preliminary, subject to change.

OHSUSA:757458846.5
$40,000,000*

PALO ALTO UNIFIED SCHOOL DISTRICT
(COUNTY OF SANTA CLARA, STATE OF CALIFORNIA)
GENERAL OBLIGATION BONDS (ELECTION OF 2008), SERIES 2014

MATURITY SCHEDULE*

| Maturity Date (August 1) | Principal Amount† | Interest Rate | Yield‡ | Price‡ | CUSIP‡ Number
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(________)</td>
</tr>
</tbody>
</table>

$____________ _____% Term Bond due August 1, 20__; Yield† ____%; Price† ____%; CUSIP‡ Number_________

---

* Preliminary, subject to change.
† Prices and yields certified by the Underwriter. The District takes no responsibility therefor.
‡ Copyright 2014, American Bankers Association. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor’s Financial Services LLC on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers are provided solely for the convenience of the holders of the Bonds. The District is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Bonds or as indicated above. The CUSIP numbers are subject to change after the issuance of the Bonds as a result of various subsequent actions.
This Official Statement does not constitute an offering of any security other than the original offering of the Bonds by the District. No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representations other than as contained in this Official Statement, and if given or made, such other information or representation not so authorized should not be relied upon as having been given or authorized by the District.

The issuance and sale of the Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon an exemption under Section 3(a)2 thereof. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy Bonds in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation.

The information set forth herein other than that furnished by the District, although obtained from sources which are believed to be reliable, is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the District. The District maintains a website but the information contained therein is not incorporated in this Official Statement. The information and expressions of opinion herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements.” Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget” or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The District does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur.

In connection with this offering, the Underwriter may overalot or effect transactions which stabilize or maintain the market prices of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the Bonds to certain securities dealers and dealer banks and banks acting as agent at prices lower than the public offering prices stated on the preceding pages hereof and said public offering prices may be changed from time to time by the Underwriter.
PAULO ALTO UNIFIED SCHOOL DISTRICT

Board of Education

Barb Mitchell
President

Melissa Baten Caswell
Vice President

Dana Tom
Member

Heidi Emberling
Member

Camille Townsend
Member

Administration

Dr. Kevin Skelly
Superintendent

Robert Golton
Bond Program Manager

Cathy Mak
Chief Business Official

COUNTY OF SANTA CLARA, CALIFORNIA

Board of Supervisors

Mike Wasserman
District 1

Cindy Chavez
District 2

Ken Yeager
District 4

Dave Cortese
District 3

Joe Simitian
District 5

County Administration

Emily Harrison
Director of Finance

PROFESSIONAL SERVICES

Bond Counsel and Disclosure Counsel

Orrick, Herrington & Sutcliffe LLP
San Francisco, California

Registered Municipal Advisor

Keygent LLC
El Segundo, California

Paying Agent

U.S. Bank National Association
San Francisco, California
# TABLE OF CONTENTS – TO BE UPDATED WHEN POS IS COMPLETE.

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTRODUCTION</td>
<td>1</td>
</tr>
<tr>
<td>The District</td>
<td>1</td>
</tr>
<tr>
<td>THE BONDS</td>
<td>2</td>
</tr>
<tr>
<td>Authority for Issuance; Purpose</td>
<td>2</td>
</tr>
<tr>
<td>Form and Registration</td>
<td>2</td>
</tr>
<tr>
<td>Payment of Principal and Interest</td>
<td>2</td>
</tr>
<tr>
<td>Redemption of Bonds</td>
<td>3</td>
</tr>
<tr>
<td>Defeasance of Bonds</td>
<td>4</td>
</tr>
<tr>
<td>Unclaimed Moneys</td>
<td>5</td>
</tr>
<tr>
<td>Application and Investment of Bond Proceeds</td>
<td>5</td>
</tr>
<tr>
<td>ESTIMATED SOURCES AND USES OF FUNDS</td>
<td>6</td>
</tr>
<tr>
<td>Semi-Annual Debt Service of the Bonds</td>
<td>7</td>
</tr>
<tr>
<td>Combined Annual Debt Service</td>
<td>8</td>
</tr>
<tr>
<td>SECURITY AND SOURCE OF PAYMENT FOR THE BONDS</td>
<td>9</td>
</tr>
<tr>
<td>General</td>
<td>9</td>
</tr>
<tr>
<td>Property Taxation System</td>
<td>9</td>
</tr>
<tr>
<td>Assessed Valuation of Property Within the District</td>
<td>9</td>
</tr>
<tr>
<td>Tax Rate</td>
<td>15</td>
</tr>
<tr>
<td>Tax Collections and Delinquencies</td>
<td>15</td>
</tr>
<tr>
<td>TAX MATTERS</td>
<td>19</td>
</tr>
<tr>
<td>The Bonds</td>
<td>19</td>
</tr>
<tr>
<td>OTHER LEGAL MATTERS</td>
<td>20</td>
</tr>
<tr>
<td>Legal Opinion</td>
<td>20</td>
</tr>
<tr>
<td>Legality for Investment in California</td>
<td>20</td>
</tr>
<tr>
<td>Continuing Disclosure</td>
<td>21</td>
</tr>
<tr>
<td>No Litigation</td>
<td>21</td>
</tr>
<tr>
<td>MISCELLANEOUS</td>
<td>21</td>
</tr>
<tr>
<td>Ratings</td>
<td>21</td>
</tr>
<tr>
<td>Professionals Involved in the Offering</td>
<td>21</td>
</tr>
<tr>
<td>Underwriting</td>
<td>22</td>
</tr>
<tr>
<td>Additional Information</td>
<td>23</td>
</tr>
</tbody>
</table>

## APPENDICES

- APPENDIX A: DISTRICT FINANCIAL AND OPERATING INFORMATION A-1
- APPENDIX B: FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2013 B-1
- APPENDIX C: PROPOSED FORM OF OPINION OF BOND COUNSEL C-1
- APPENDIX D: FORM OF CONTINUING DISCLOSURE CERTIFICATE D-1
- APPENDIX E: SANTA CLARA COUNTY STATEMENT OF INVESTMENT POLICY AND QUARTERLY INVESTMENT REPORT E-1
- APPENDIX F: BOOK-ENTRY ONLY SYSTEM F-1
INTRODUCTION

This Official Statement, which includes the cover page and appendices hereto, is provided to furnish information in connection with the Palo Alto Unified School District General Obligation Bonds (Election of 2008), Series 2014 (the “Bonds”), as described more fully herein. The information contained herein is necessarily of a summary nature. Copies of the legal documents referred to herein providing for the issuance of the Bonds and further information regarding the Bonds may be requested from the Palo Alto Unified School District (the “District”). See “MISCELLANEOUS – Additional Information” herein.

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

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

The District

The District was established in 1893 and is located approximately 35 miles south of San Francisco in Santa Clara County (the “County”), the heart of California’s Silicon Valley. The District provides educational services to the City of Palo Alto, the Stanford University campus, and portions of the towns of Los Altos Hills and Portola Valley. The District encompasses an area of approximately 45 square miles and had an estimated 2013 population of approximately 66,000 persons, which fluctuates seasonally due to changing student populations on the Stanford University campus.

The District operates twelve elementary schools (grades K-5), three middle schools (grades 6-8), two high schools (grades 9-12), a pre-school, an adult education program, and a hospital school program. For Fiscal Year 2013-14, the District estimates it has a K-12 enrollment of 12,466 students. As of March 1, 2014, the District employed 921 certificated (credentialed teaching), 722 classified (non-teaching) employees and 639 part-time faculty and staff. The District has budgeted general fund expenditures of approximately $182.3 million for Fiscal Year 2013-14. Total assessed valuation of taxable property in the District in Fiscal Year 2013-14 was $28.2 billion. The District operates under the jurisdiction of the Santa Clara County Superintendent of Schools.

The District is governed by a five-member board of education (the “Board”), with two non-voting student members. The voting members are each elected to a four-year term, and elections are held every two years. The management and policies of the District are administered by the Superintendent, who is appointed by the Board and responsible for day-to-day District operations as well as the supervision of the District’s other key personnel.

Dr. Kevin Skelly became Superintendent of the District in 2007. Prior to his current position, Dr. Skelly served three years as an Associate Superintendent for the Poway Unified School District, a district of 33,000 students in San Diego County. His background includes work with budgeting, benefits, compensation, policy, curriculum and instruction, standards and assessment, special education, and staff development. His passion for education and children began with his work after college with talented students from low-income neighborhoods in Washington, D.C. and with shoe-shine boys and their families in Quito, Ecuador. Dr. Skelly received his Bachelor of Arts in Economics from Harvard and his Ph.D. in Education Management and Policy from UC Berkeley. [ADD INFORMATION RE RESIGNATION AND NEW SUPERINTENDENT SEARCH.]

* Preliminary, subject to change.
Ms. Cathy Mak joined the Palo Alto Unified School District as the Fiscal Services Manager. She became the Chief Business Official in 2007. Prior to serving the District, she has held managerial and accounting positions at two other school districts and the Santa Clara Office of Education. She has a MBA in Finance and a Bachelor of Science in Accounting from Cal State University, East Bay.

Dr. Robert Golton has managed the Strong Schools Bond Program since its approval by the voters in 2008. He has previously served the District since 1997 holding titles such as Assistant Superintendent, Chief Business Official, Deputy Superintendent, and Interim Superintendent. He has also been Chief Business Official in four other school districts. He has 48 years of experience in education. He has a Ph.D. from the University of California, Berkeley and a MBA from San Francisco State University.

The District is a “basic aid district,” which means that it receives a minimal amount of financial support from the State. For additional information about the District’s operations and finances, see APPENDIX A: “DISTRICT FINANCIAL AND OPERATING INFORMATION.”

THE BONDS

Authority for Issuance; Purpose

The Bonds are issued pursuant to the Constitution and laws of the State of California (the “State”), including the provisions of the Government and Education Codes of the State, a paying agent agreement (the “Paying Agent Agreement”) by and between the District and U.S. Bank National Association, as paying agent (the “Paying Agent”) and a resolution adopted by the Governing Board of the District on May 6, 2014 (the “District Resolution”).

The District received authorization to issue the bonds at an election held on June 3, 2008, by more than 55% of the votes cast by eligible voters within the District. The voter-approved measure, known locally as “Measure A” or the “Strong Schools Bond”, authorized the District to issue bonds in an aggregate principal amount not to exceed $378,000,000 to finance specific construction and modernization projects approved by the voters, summarized as follows: to provide safe and modern schools; accommodate enrollment growth; upgrade aging classrooms, libraries, computer and science labs; repair or replace roofs, plumbing, heating, ventilation and electrical systems; improve fire alarms and school security; meet current earthquake standards; provide current technology; and replace old portables with permanent classrooms. The Bonds are the fourth series of the authorized bonds to be issued. In 2008, the District issued $119,999,248.80 of the authorized bonds. In 2010, the District issued $25,000,000 of the authorized bonds. In 2013, the District issued $70,000,000 of the authorized bonds. For a discussion of all outstanding bonds of the District, see APPENDIX A: “DISTRICT FINANCIAL AND OPERATING INFORMATION – District Debt Structure.”

As required by Measure A, the District has established a Citizens’ Oversight Committee to review District expenditures of bond proceeds and progress in completing the projects specified in the measure, and to make periodic reports to the public in order to ensure that bond funds are spent only for authorized purposes. The District makes no representations herein as to the specific application of the proceeds of the Bonds, the estimated completion date of any of the projects, or whether the authorized bonds will provide sufficient funds to complete all of the projects, or any particular project.

Form and Registration

The Bonds will be issued in fully registered book-entry form only, as current interest bonds without coupons, in denominations of $5,000 principal amount each or any integral multiple thereof. The Bonds will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Bonds. Registered ownership of the Bonds may not be transferred except as described in APPENDIX F. Purchases of Bonds under the DTC system must be made by or through a DTC participant, and ownership interests in Bonds or any transfer thereof will be recorded as entries on the books of said participants. Except in the event that use of this book-entry system is discontinued for the Bonds,
Payment of Principal and Interest

The Bonds will be dated the date of their delivery, and bear interest at the rates set forth on the preceding pages hereof, payable by check or draft on February 1 and August 1 of each year, commencing on August 1, 2014 (each, an “Interest Payment Date”), until payment of the principal amount thereof, computed using a year of 360 days consisting of twelve 30-day months. The Bonds authenticated and registered on any date prior to the close of business on July 15, 2014 will bear interest from the date of their delivery. The Bonds authenticated during the period between the 15th day of the calendar month immediately preceding an Interest Payment Date (each a “Record Date”) and the close of business on that Interest Payment Date will bear interest from that Interest Payment Date. Any other Bond will bear interest from the Interest Payment Date immediately preceding the date of its authentication. If, at the time of authentication of any Bond, interest is then in default on outstanding Bonds, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

The principal of the Bonds is payable in lawful money of the United States of America upon the surrender thereof at the principal corporate trust office of the Paying Agent with respect to the Bonds, initially U.S. Bank National Association (the “Paying Agent”), at the maturity thereof or upon redemption prior to maturity. Payment of interest on any Bond on each Interest Payment Date (or on the following business day, if the Interest Payment Date does not fall on a business day) will be made to the person appearing on the registration books of the Paying Agent as the registered owner thereof (the “Owner”) as of the preceding Record Date, such interest to be paid by check or draft mailed to such Owner at such Owner’s address as it appears on such registration books or at such other address as the Owner may have filed with the Paying Agent for that purpose on or before the Record Date. The Owner of an aggregate principal amount of $1,000,000 or more of Bonds may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the applicable Record Date.

Payment of principal and premium, if any, will be made in lawful money of the United States of America upon the surrender thereof at the principal corporate trust office of the Paying Agent with respect to the Bonds, initially U.S. Bank National Association, at the maturity thereof or upon redemption prior to maturity. Payments will be made from moneys on deposit in the Interest and Sinking Fund of the District within the County treasury (the “Interest and Sinking Fund”), consisting of ad valorem taxes collected and held by the County Director of Finance, together with any net premium and accrued interest received upon issuance of the Bonds and any other moneys in the Interest and Sinking Fund. So long as all outstanding Bonds are held in book-entry form and registered in the name of a securities depository or its nominee, all payments of principal of, premium, if any, and interest on the Bonds and all notices with respect to such Bonds will be made and given, respectively, to such securities depository or its nominee and not to beneficial owners. So long as the Bonds are held by Cede & Co., as nominee of DTC, payment will be made by wire transfer. See APPENDIX F: “BOOK-ENTRY ONLY SYSTEM.”

Redemption of Bonds

Optional Redemption. The Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their respective stated maturity dates. The Bonds maturing on or after August 1, 20__, are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1, 20__, and on any date thereafter, at a redemption price of 100% of the principal amount of Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption.

* Preliminary, subject to change.
Mandatory Sinking Fund Redemption. The $__________ Term Bond maturing on August 1, 20__, is also subject to mandatory sinking fund redemption on each mandatory sinking fund redemption date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption:

<table>
<thead>
<tr>
<th>Mandatory Sinking Fund Redemption Date</th>
<th>Principal Amount to Be Redeemed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(August 1)</td>
<td>*</td>
</tr>
</tbody>
</table>

*Maturity.

The principal amount to be redeemed in each year shown in the table above will be reduced proportionately, in integral multiples of $5,000, by the amount of such Term Bond optionally redeemed prior to the mandatory sinking fund redemption date.

Selection of Bonds for Redemption. If less than all of the Bonds are called for redemption, such Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District. Whenever less than all of the Bonds of any one maturity are designated for redemption, the Paying Agent shall select the Bonds to be redeemed by lot in any manner deemed fair by the Paying Agent. For purposes of such selection, each Bond shall be deemed to consist of individual Bonds of $5,000 denominations each, which may be separately redeemed.

Notice of Redemption. Notice of redemption of the Bonds will be mailed postage prepaid not less than 20 nor more than 45 days prior to the redemption date (i) by first class mail to the respective Owners of Bonds at the addresses appearing on the bond registration books of the Paying Agent, and (ii) as may be further required in accordance with the Continuing Disclosure Certificate. See APPENDIX D: “FORM OF CONTINUING DISCLOSURE CERTIFICATE.”

Each notice of redemption shall contain all of the following information: (i) the date of such notice; (ii) the name of the affected Bonds and the date of issue of the Bonds; (iii) the redemption date; (iv) the redemption price, if available; (v) the dates of maturity of the Bonds to be redeemed; (vi) if less than all of the Bonds are to be redeemed, the distinctive numbers of the Bonds of each maturity to be redeemed; (vii) in the case of Bonds redeemed in part only, the respective maturities or portions of the principal amount of the Bonds of each maturity to be redeemed; (viii) theCUSIP number, if any, of each maturity of Bonds to be redeemed; and (ix) a statement that such Bonds must be surrendered by the Owners at the office of the Paying Agent designated for such purpose. The actual receipt by any Owner of any Bond of notice of such redemption will not be a condition precedent to redemption, and failure to receive such notice, or any defect in the notice given, will not affect the validity of the proceedings for the redemption of such Bonds.

Rescission of Notice of Redemption. The District may rescind any redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Bonds so called for redemption. Notice of rescission of redemption will be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Bond of notice of such rescission will not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice will not affect the validity of the rescission.

Conditional Notice. Any notice of optional redemption delivered hereunder may be conditioned on any fact or circumstance stated therein, and if such condition shall not have been satisfied on or prior to the redemption date stated in such notice, said notice shall be of no force and effect on and as of the stated redemption date, the redemption shall be cancelled, and the District shall not be required to redeem the Bonds that were the subject of the notice. The Paying Agent shall give notice of such cancellation and the reason therefor in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Bond of notice of such...
cancellation shall not be a condition precedent to cancellation, and failure to receive such notice or any defect in such notice shall not affect the validity of the cancellation.

**Effect of Notice of Redemption.** When notice of redemption has been given substantially as provided for in the Paying Agent Agreement, and when the redemption price of the Bonds called for redemption is set aside for the purpose as described in the Paying Agent Agreement, the Bonds designated for redemption will become due and payable on the specified redemption date and interest will cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Bonds at the place specified in the notice of redemption, such Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The owners of such Bonds so called for redemption after such redemption date shall look for the payment of such Bonds and the redemption premium thereon, if any, only to moneys on deposit for the purpose in the Interest and Sinking Fund of the District or the escrow fund established for such purpose. All Bonds redeemed will be cancelled forthwith by the Paying Agent and will not be reissued.

**Defeasance of Bonds**

The District may pay and discharge any or all of the Bonds by depositing in trust with the Paying Agent or an escrow agent at or before maturity, money or non-callable direct obligations of the United States of America or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available moneys then on deposit in the Interest and Sinking Fund, be fully sufficient in the opinion of a certified public accountant licensed to practice in the State to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

If at any time the District pays or causes to be paid or there is otherwise paid to the owners of any or all outstanding Bonds all of the principal, interest and premium, if any, represented by such Bonds when due, or as described above, or as otherwise provided by law, then such Owners shall cease to be entitled to the obligation of the County to levy and collect taxes to pay the Bonds as described in the Paying Agent Agreement, and such obligation and all agreements and covenants of the District to such Owners hereunder shall thereupon be satisfied and discharged and shall terminate, except only that the District will remain liable for payment of all principal, interest and premium, if any, represented by such Bonds, but only out of moneys on deposit in the Interest and Sinking Fund or otherwise held in trust for such payment, provided, that the unclaimed moneys provisions described in the Paying Agent Agreement will apply in all events.

**Unclaimed Moneys**

Any money held in any fund created pursuant to this Paying Agent Agreement, or held by the Paying Agent in trust, for the payment of the principal of, redemption premium, if any, or interest on the Bonds and remaining unclaimed for two years after the principal of all of the Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the Interest and Sinking Fund for payment of any outstanding bonds of the District payable from said fund; or, if no such bonds of the District are at such time outstanding, said moneys shall be transferred to the general fund of the District as provided and permitted by law.

**Application and Investment of Bond Proceeds**

The proceeds of sale of the Bonds, exclusive of any premium and accrued interest received, shall be deposited in the County treasury to the credit of the Building Fund of the District. Any premium and accrued interest shall be deposited upon receipt in the Interest and Sinking Fund of the District within the County treasury.

All funds held by the Director of Finance with respect to the Bonds hereunder or under the Law shall be invested at the Director of Finance’s discretion pursuant to law and the investment policy of the County. The written direction of the District, all or any portion of the building fund of the District may also be invested on behalf of the District in the Local Agency Investment Fund in the treasury of the State, or, with the approval of the Director of Finance, in investment agreements which comply with the requirements of each rating agency then rating the Bonds necessary in order to maintain the then-current rating on the Bonds; provided that the Director of Finance is a signatory to any such investment agreement.
The District shall not take any action or inaction, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstances within its control to arise or continue, if such action or inaction would adversely affect the exclusion from gross income of the interest payable on the Bonds under Section 103 of the Code.

In the event that at any time the District is of the opinion that it is necessary or helpful to restrict or limit the yield on the investment of any moneys held by the Director of Finance with respect to the Bonds, or by the Paying Agent under the Paying Agent Agreement, the District shall so instruct the Director of Finance or the Paying Agent, as appropriate, in writing, and the Director of Finance and the Paying Agent shall take such action as may be necessary in accordance with such instructions.

If the District shall provide to the Director of Finance or the Paying Agent an opinion of Bond Counsel that any specified action required under the Paying Agent Agreement is no longer required or that some further or different action is required in order to maintain the exclusion from federal income tax of interest on Bonds under Section 103 of the Code, the Director of Finance and the Paying Agent may conclusively rely on such opinion in complying with the requirements of the Paying Agent Agreement, and the covenants thereunder shall be deemed to be modified to that extent.

Earnings on the investment of moneys in either fund will be retained in that fund and used only for the purposes to which that fund may lawfully be applied. Moneys in the Building Fund may only be applied for the purposes for which the Bonds were approved. Moneys in the Interest and Sinking Fund may only be applied to make payments of interest, principal, and premium, if any, on bonds of the District.

See APPENDIX E: “SANTA CLARA COUNTY STATEMENT OF INVESTMENT POLICY AND QUARTERLY INVESTMENT REPORT.”

**ESTIMATED SOURCES AND USES OF FUNDS**

The net proceeds of the Bonds are expected to be applied as follows:

**Sources of Funds**

Initial Principal Amount of Bonds
Original Issue Premium/Discount

Total Sources:

**Uses of Funds**

Deposit to Building Fund
Deposit to Interest and Sinking Fund
Underwriter’s Discount
Costs of Issuance (1)

Total Uses:

(1) Includes Registered Municipal Advisor fees, Bond Counsel fees, Disclosure Counsel fees, rating agency fees, Paying Agent fees, printing fees, and other miscellaneous expenses. The District will pay all of the costs of issuance out of the proceeds of the Bonds.

[Remainder of This Page Intentionally Left Blank]
**SCHEDULED DEBT SERVICE**

**Semi-Annual Debt Service of the Bonds**

The scheduled semi-annual principal and interest payments on the Bonds, assuming no optional redemptions prior to maturity, are shown in the following table:

<table>
<thead>
<tr>
<th>Period Ending</th>
<th>Principal</th>
<th>Interest</th>
<th>Semi-Annual Debt Service</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Total         |           |          |                          |

---
**Combined Annual Debt Service**

The District has previously issued and currently has outstanding its 2005 General Obligation Refunding Bonds, its General Obligation Bonds (Election of 2008) Series 2008, Series 2010 and Series 2013, and its 2012 General Obligation Refunding Bonds. See APPENDIX A: “DISTRICT FINANCIAL AND OPERATING INFORMATION – District Debt Structure” herein. Annual debt service obligations for all outstanding bonds of the District (without regard to redemption prior to maturity) will be as follows:

<table>
<thead>
<tr>
<th>Year Ending (August 1)</th>
<th>Other Outstanding Bonds(^{\text{(1)}})</th>
<th>The Bonds</th>
<th>Total Annual Debt Service</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL** $  

\(^{\text{(1)}}\) Excludes expected federal subsidy payment in connection with qualified school construction bonds.
SECURITY AND SOURCE OF PAYMENT FOR THE BONDS

General

In order to provide sufficient funds for repayment of principal and interest when due on the Bonds, the Board of Supervisors of the County is empowered and is obligated to levy ad valorem taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). Such taxes are in addition to other taxes levied upon property within the District, including the countywide tax of 1% of taxable value. When collected, the tax revenues will be deposited by the County in the District’s Interest and Sinking Fund, which is required to be maintained by the County and to be used solely for the payment of bonds of the District.

Property Taxation System

Property tax revenues result from the application of the appropriate tax rate to the total assessed value of taxable property in the District. School districts levy property taxes for payment of voter-approved bonds and receive property taxes for general operating purposes as well. The District receives approximately 71.0% of its total operating revenues from local property taxes.

Local property taxation is the responsibility of various county officers. For each school district located in a county, the county assessor computes the value of locally assessed taxable property. Based on the assessed value of property and the scheduled debt service on outstanding bonds in each year, the county auditor-controller computes the rate of tax necessary to pay such debt service, and presents the tax rolls (including rates of tax for all taxing jurisdictions in the county) to the county board of supervisors for approval. The county treasurer-tax collector prepares and mails tax bills to taxpayers and collects the taxes. In addition, the treasurer-tax collector, as ex officio treasurer of each school district located in the county, holds and invests school district funds, including taxes collected for payment of school bonds, and is charged with payment of principal and interest on such bonds when due. Taxes on property in a school district whose boundaries extend into more than one county are administered separately by the county in which the property is located. The State Board of Equalization also assesses certain special classes of property, as described later in this section.

The Finance Agency of the County, through its four departments (Controller-Treasurer Department, Tax Collector’s Office, Department of Revenue, and Clerk-Recorder’s Office), performs the functions of each of the county officers described in the preceding paragraph, and manages the County’s financial systems and cash resources as well as the cash resources of school districts within the County. The Director of Finance of the County is head of the Finance Agency. The role of assessor is an elected position in the County.

Assessed Valuation of Property Within the District

Under Proposition 13, an amendment to the California Constitution adopted in 1978, the county assessor’s valuation of real property is established as shown on the fiscal year 1975-76 tax bill, or, thereafter, as the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred. Assessed value of property may be increased annually to reflect inflation at a rate not to exceed 2% per year, or reduced to reflect a reduction in the consumer price index or comparable data for the area under taxing jurisdiction or in the event of declining property value caused by substantial damage, destruction, market forces or other factors. As a result of these rules, real property that has been owned by the same taxpayer for many years can have an assessed value that is much lower than the market value of the property and of similar properties more recently sold. Likewise, changes in ownership of property and reassessment of such property to market value may lead to increases in aggregate assessed value greater than the actual rate of inflation or the 2% limit on inflation adjustments for properties that have not changed ownership. See generally, APPENDIX A: “DISTRICT FINANCIAL AND OPERATING INFORMATION – CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS.”

Proposition 13 has had the effect of stabilizing assessed valuation such that it does not fluctuate as significantly as the market value of property, but instead gradually changes as longer owned residential properties
are transferred and reassessed upon such transfer. Newer residences or those acquired in recent years prior to a
downturn in the housing market may upon transfer substantially decrease in assessed value.

State law provides exemptions from ad valorem property taxation for certain classes of property such as
churches, colleges, non-profit hospitals and charitable institutions. State law also exempts from taxation $7,000 of
the full cash value of an owner-occupied dwelling provided that the owner files for such exemption. This exemption
does not result in any loss of revenue to local agencies, since the State reimburses local agencies for the value of the
exemptions.

For assessment and tax collection purposes, property is classified either as “secured” or “unsecured,” and is
listed accordingly on separate parts of the assessment roll. The “secured roll” is that part of the assessment roll
containing State-assessed property and property (real or personal) for which there is a lien on real property
sufficient, in the opinion of the county assessor, to secure payment of the taxes. All other property is “unsecured,”
and is assessed on the “unsecured roll.” State law requires that the assessment roll be finalized by August 20 of each
year.

The greater the assessed value of taxable property in the District, the lower the tax rate necessary to
generate taxes sufficient to pay scheduled debt service on the Bonds. The following table shows recent history of
taxable property assessed valuation in the District. In 2013-14, the total assessed valuation of taxable property in the
District increased from the previous year by approximately $1.9 billion, or 7.4%.

### RECENT HISTORY OF TOTAL ASSESSED VALUATION

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Local Secured</th>
<th>Utility</th>
<th>Unsecured</th>
<th>Total</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003-04</td>
<td>$14,086,002,806</td>
<td>$3,956,286</td>
<td>$1,590,064,949</td>
<td>$15,680,024,041</td>
<td>–</td>
</tr>
<tr>
<td>2004-05</td>
<td>15,245,141,293</td>
<td>4,150,042</td>
<td>1,414,543,113</td>
<td>16,663,834,448</td>
<td>6.27%</td>
</tr>
<tr>
<td>2005-06</td>
<td>16,651,275,379</td>
<td>4,084,441</td>
<td>1,381,447,873</td>
<td>18,016,134,693</td>
<td>8.24%</td>
</tr>
<tr>
<td>2006-07</td>
<td>18,197,981,147</td>
<td>3,922,614</td>
<td>1,417,066,056</td>
<td>19,536,673,819</td>
<td>8.77%</td>
</tr>
<tr>
<td>2007-08</td>
<td>19,424,285,280</td>
<td>3,174,384</td>
<td>1,578,417,893</td>
<td>21,005,877,557</td>
<td>7.07%</td>
</tr>
<tr>
<td>2008-09</td>
<td>21,606,726,965</td>
<td>2,572,716</td>
<td>1,777,889,184</td>
<td>23,387,188,865</td>
<td>11.34%</td>
</tr>
<tr>
<td>2009-10</td>
<td>22,506,406,384</td>
<td>2,572,716</td>
<td>1,680,777,737</td>
<td>24,189,754,837</td>
<td>4.34%</td>
</tr>
<tr>
<td>2010-11</td>
<td>23,002,094,306</td>
<td>2,572,716</td>
<td>1,514,397,857</td>
<td>24,519,064,879</td>
<td>1.36%</td>
</tr>
<tr>
<td>2011-12</td>
<td>23,350,187,100</td>
<td>2,572,716</td>
<td>1,550,594,949</td>
<td>24,903,454,849</td>
<td>1.57%</td>
</tr>
<tr>
<td>2012-13</td>
<td>24,846,301,944</td>
<td>2,572,716</td>
<td>1,388,151,619</td>
<td>26,737,026,564</td>
<td>5.36%</td>
</tr>
<tr>
<td>2013-14</td>
<td>26,677,328,006</td>
<td>2,572,716</td>
<td>1,499,187,999</td>
<td>28,179,088,721</td>
<td>7.40%</td>
</tr>
</tbody>
</table>

*Source: California Municipal Statistics, Inc.*

**Risk of Decline in Property Values: Earthquakes and Other Risks.** Property values could be reduced by
factors beyond the District’s control, including earthquake and a depressed real estate market due to general
economic conditions in the County, the region and the State.

The District is located in a seismically active region. Active earthquake faults underlie both the District
and the surrounding Bay Area. Three major earthquake faults that comprise the San Andreas fault system extend
through the Bay Area. They include the San Andreas fault, the Hayward fault and the Calaveras fault. The
Hayward Fault is considered one of the most active faults in California. The Calaveras Fault is a fork of the
Hayward Fault. The most recent significant seismic event was the 1989 Loma Prieta earthquake on the San Andreas
Fault, centered about 30 miles south of the District, which registered 6.9 on the Richter scale of earthquake intensity.
That earthquake caused fires and collapse of and structural damage to buildings, highways and bridges in the Bay
Area.
In April 2008, the Working Group on California Earthquake Probabilities (a collaborative effort of the U.S. Geological Survey, the California Geological Society, and the Southern California Earthquake Center) reported that there is a 63% chance that one or more quakes of magnitude 6.7 or larger will occur in the Bay Area before the year 2038. Such earthquakes may be very destructive. For example, the U.S.G.S. predicts a magnitude 7 earthquake occurring today on the Hayward Fault would likely cause hundreds of deaths and almost $100 billion of damage. Property within the District could sustain extensive damage in a major earthquake, and a major earthquake could adversely affect the area’s economic activity.

Other possible causes for a reduction in assessed values include the complete or partial destruction of taxable property caused by other natural or manmade disasters, such as flood, fire, toxic dumping, acts of terrorism, etc., or reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes). Lower assessed values could necessitate a corresponding increase in the annual tax rate to be levied to pay the principal of and interest on the Bonds. Issuance of additional bonds in the future might also cause the tax rate to increase.

**State-Assessed Property.** Under the State Constitution, the State Board of Equalization assesses property of State-regulated transportation and communications utilities, including railways, telephone and telegraph companies, and companies transmitting or selling gas or electricity. The Board of Equalization also is required to assess pipelines, flumes, canals and aqueducts lying within two or more counties. The value of property assessed by the Board of Equalization is allocated by a formula to local jurisdictions in the county, including school districts, and taxed by the local county tax officials in the same manner as for locally assessed property. Taxes on privately owned railway cars, however, are levied and collected directly by the Board of Equalization. Property used in the generation of electricity by a company that does not also transmit or sell that electricity is taxed locally instead of by the Board of Equalization. Thus, the reorganization of regulated utilities and the transfer of electricity-generating property to non-utility companies, as often occurred under electric power deregulation in California, affects how those assets are assessed, and which local agencies benefit from the property taxes derived. In general, the transfer of State-assessed property located in the District to non-utility companies will increase the assessed value of property in the District, since the property’s value will no longer be divided among all taxing jurisdictions in the County. The transfer of property located and taxed in the District to a State-assessed utility will have the opposite effect, generally reducing the assessed value in the District as the value is shared among the other jurisdictions in the County. The District is unable to predict future transfers of State-assessed property in the District and the County, the impact of such transfers on its utility property tax revenues, or whether future legislation or litigation may affect ownership of utility assets, the State’s methods of assessing utility property, or the method by which tax revenues of utility property is allocated to local taxing agencies, including the District.

**Appeals of Assessed Valuation.** State law affords an appeal procedure to taxpayers who disagree with the assessed value of their taxable property. Taxpayers may request a reduction in assessment directly from the County Assessor (the “Assessor”), who may grant or refuse the request, and may appeal an assessment directly to the Santa Clara County Board of Equalization, which rules on appealed assessments whether or not settled by the Assessor. The Assessor is also authorized to reduce the assessed value of any taxable property upon a determination that the market value has declined below the then-current assessment, whether or not appealed by the taxpayer.

The District can make no predictions as to the changes in assessed values that might result from pending or future appeals by taxpayers. Any reduction in aggregate District assessed valuation due to appeals, as with any reduction in assessed valuation due to other causes, will cause the tax rate levied to repay the Bonds to increase accordingly, so that the fixed debt service on the Bonds (and other outstanding bonds) may be paid. Any refund of paid taxes triggered by a successful assessment appeal will be debited by the County Assessor against all taxing agencies who received tax revenues, including the District.

**Bonding Capacity.** As a unified school district, the District may not issue bonds in excess of [2.5]% of the assessed valuation of taxable property within its boundaries, as shown on the final assessment roll as of August 20 of each year. The District’s gross bonding capacity is estimated at $[655.9] million, and its net bonding capacity is approximately $[436.4] million, prior to the issuance of the Bonds. In accordance with the law which permitted the Bonds to be approved by a 55% affirmative vote, bonds approved by the District’s voters at the June 3, 2008 election may not be issued unless the District projects that repayment of all outstanding bonds approved at the
election will require a tax rate no greater than $60.00 per $100,000 of assessed value. Based on the assessed value of taxable property in the District at the time of issuance of the Bonds, the District projects that the maximum tax rate required to repay all outstanding bonds approved at the election held on June 3, 2008 will not exceed $60.00 per $100,000 of assessed value.

**Assessed Valuation by Land Use.** The following table gives a distribution of taxable real property located in the District by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use.

<table>
<thead>
<tr>
<th>Land Use</th>
<th>2013-14 Assessed Valuation</th>
<th>% of Total</th>
<th>No. of Parcels</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Residential</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automotive/Rural</td>
<td>$19,120,413</td>
<td>0.07%</td>
<td>30</td>
<td>0.13%</td>
</tr>
<tr>
<td>Commercial/Office</td>
<td>3,848,796,889</td>
<td>14.43</td>
<td>946</td>
<td>4.24</td>
</tr>
<tr>
<td>Industrial</td>
<td>2,013,588,490</td>
<td>7.55</td>
<td>143</td>
<td>0.64</td>
</tr>
<tr>
<td>Recreational</td>
<td>27,873,171</td>
<td>0.10</td>
<td>28</td>
<td>0.13</td>
</tr>
<tr>
<td>Government/Social/Institutional</td>
<td>253,010,938</td>
<td>0.95</td>
<td>169</td>
<td>0.76</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>10,800,441</td>
<td>0.04</td>
<td>32</td>
<td>0.14</td>
</tr>
<tr>
<td>Subtotal Non-Residential</td>
<td>$6,173,190,342</td>
<td>23.14%</td>
<td>1,348</td>
<td>6.04%</td>
</tr>
<tr>
<td>Residential</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single Family Residence</td>
<td>$16,873,161,543</td>
<td>63.25%</td>
<td>16,612</td>
<td>74.44%</td>
</tr>
<tr>
<td>Condominium/Townhouse</td>
<td>1,889,771,590</td>
<td>7.08</td>
<td>3,072</td>
<td>13.77</td>
</tr>
<tr>
<td>Mobile Home</td>
<td>59,391</td>
<td>0.00</td>
<td>7</td>
<td>0.03</td>
</tr>
<tr>
<td>2-4 Residential Units</td>
<td>375,563,884</td>
<td>1.41</td>
<td>525</td>
<td>2.35</td>
</tr>
<tr>
<td>5+ Residential Units/Apartments</td>
<td>1,166,899,698</td>
<td>4.37</td>
<td>351</td>
<td>1.57</td>
</tr>
<tr>
<td>Subtotal Residential</td>
<td>$20,305,456,106</td>
<td>76.12%</td>
<td>20,567</td>
<td>92.16%</td>
</tr>
<tr>
<td>Vacant Parcels</td>
<td>$198,681,558</td>
<td>0.74%</td>
<td>402</td>
<td>1.80%</td>
</tr>
<tr>
<td>Total</td>
<td>$26,677,328,006</td>
<td>100.00%</td>
<td>22,317</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

(1) Local Secured Assessed Valuation, excluding tax-exempt property.

Source: California Municipal Statistics, Inc.

[Remainder of This Page Intentionally Left Blank]
**Assessed Valuation of Single-Family Residential Properties.** The following table focuses on single-family residential properties only, which comprise approximately 59.9% of the assessed value of taxable property in the District. The average assessed valuation of a single family home in the District is $1,015,416, and the median assessed valuation of a home in the District is $756,793.

**PER PARCEL ASSESSED VALUATION OF SINGLE FAMILY HOMES**
**PALO ALTO UNIFIED SCHOOL DISTRICT**
**FISCAL YEAR 2013-14**

<table>
<thead>
<tr>
<th>Assessed Valuation</th>
<th>No. of Parcels (1)</th>
<th>2013-14</th>
<th>Average</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Parcels</td>
<td>Assessed Valuation</td>
<td>Assessed Valuation</td>
</tr>
<tr>
<td>$0 - $99,999</td>
<td>1,555</td>
<td>16,612</td>
<td>$16,873,161,543</td>
<td>$1,015,416</td>
</tr>
<tr>
<td>$100,000 - $199,999</td>
<td>2,170</td>
<td>13.063%</td>
<td>22.424%</td>
<td>302,409,336</td>
</tr>
<tr>
<td>$200,000 - $299,999</td>
<td>1,008</td>
<td>6.068%</td>
<td>28.491%</td>
<td>250,805,557</td>
</tr>
<tr>
<td>$300,000 - $399,999</td>
<td>822</td>
<td>4.948%</td>
<td>33.440%</td>
<td>285,850,419</td>
</tr>
<tr>
<td>$400,000 - $499,999</td>
<td>784</td>
<td>4.719%</td>
<td>38.159%</td>
<td>353,826,310</td>
</tr>
<tr>
<td>$500,000 - $599,999</td>
<td>830</td>
<td>4.996%</td>
<td>43.156%</td>
<td>456,289,205</td>
</tr>
<tr>
<td>$600,000 - $699,999</td>
<td>742</td>
<td>4.467%</td>
<td>47.622%</td>
<td>481,741,379</td>
</tr>
<tr>
<td>$700,000 - $799,999</td>
<td>668</td>
<td>4.021%</td>
<td>51.643%</td>
<td>499,709,689</td>
</tr>
<tr>
<td>$800,000 - $899,999</td>
<td>760</td>
<td>4.575%</td>
<td>56.218%</td>
<td>647,139,715</td>
</tr>
<tr>
<td>$900,000 - $999,999</td>
<td>730</td>
<td>4.394%</td>
<td>60.613%</td>
<td>693,739,492</td>
</tr>
<tr>
<td>$1,000,000 - $1,099,999</td>
<td>671</td>
<td>4.039%</td>
<td>64.652%</td>
<td>703,501,079</td>
</tr>
<tr>
<td>$1,100,000 - $1,199,999</td>
<td>585</td>
<td>3.522%</td>
<td>68.174%</td>
<td>670,891,116</td>
</tr>
<tr>
<td>$1,200,000 - $1,299,999</td>
<td>555</td>
<td>3.341%</td>
<td>71.515%</td>
<td>693,858,044</td>
</tr>
<tr>
<td>$1,300,000 - $1,399,999</td>
<td>562</td>
<td>3.383%</td>
<td>74.898%</td>
<td>758,604,298</td>
</tr>
<tr>
<td>$1,400,000 - $1,499,999</td>
<td>491</td>
<td>2.956%</td>
<td>77.853%</td>
<td>710,987,415</td>
</tr>
<tr>
<td>$1,500,000 - $1,599,999</td>
<td>449</td>
<td>2.703%</td>
<td>80.556%</td>
<td>695,796,208</td>
</tr>
<tr>
<td>$1,600,000 - $1,699,999</td>
<td>372</td>
<td>2.239%</td>
<td>82.796%</td>
<td>613,254,207</td>
</tr>
<tr>
<td>$1,700,000 - $1,799,999</td>
<td>315</td>
<td>1.896%</td>
<td>84.692%</td>
<td>551,222,468</td>
</tr>
<tr>
<td>$1,800,000 - $1,899,999</td>
<td>242</td>
<td>1.457%</td>
<td>86.149%</td>
<td>446,937,488</td>
</tr>
<tr>
<td>$1,900,000 - $1,999,999</td>
<td>282</td>
<td>1.698%</td>
<td>87.846%</td>
<td>549,078,820</td>
</tr>
<tr>
<td>$2,000,000 and greater</td>
<td>2,019</td>
<td>12.154%</td>
<td>100.000%</td>
<td>6,385,224,186</td>
</tr>
</tbody>
</table>

(1) Improved single family residential parcels. Excludes condominiums and parcels with multiple family units. 
*Source:* California Municipal Statistics, Inc.

[Remainder of This Page Intentionally Left Blank]
**Largest Taxpayers in District.** The twenty taxpayers in the District with the greatest combined assessed valuation of taxable property on the 2013-14 tax roll, and the assessed valuations thereof, are shown below. The more property (by assessed value) owned by a single taxpayer, the more tax collections are exposed to weakness in the taxpayer’s financial situation and ability or willingness to pay property taxes. Each taxpayer listed is a unique name appearing on the tax rolls; the District cannot determine from County assessment records whether individual persons, corporations or other organizations are liable for tax payments with respect to multiple properties held in various names that in aggregate may be larger than is suggested by the table.

**LARGEST 2013-14 LOCAL SECURED TAXPAYERS**
**PALO ALTO UNIFIED SCHOOL DISTRICT**

<table>
<thead>
<tr>
<th>Property Owner</th>
<th>Primary Land Use</th>
<th>Assessed Valuation</th>
<th>Total (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Board of Regents Leland Stanford Jr. University</td>
<td>Various Land Holdings</td>
<td>$4,399,093,635</td>
<td>16.49%</td>
</tr>
<tr>
<td>2. Space Systems/Loral Land LLC</td>
<td>Research and Development</td>
<td>252,085,992</td>
<td>0.94</td>
</tr>
<tr>
<td>3. EOSII Palo Alto Technology Center LLC</td>
<td>Office Building</td>
<td>118,769,000</td>
<td>0.45</td>
</tr>
<tr>
<td>4. Whisman Ventures LLC</td>
<td>Office Building</td>
<td>109,311,174</td>
<td>0.41</td>
</tr>
<tr>
<td>5. Pacific Hotel Development Venture LP</td>
<td>Hotel</td>
<td>81,728,604</td>
<td>0.31</td>
</tr>
<tr>
<td>6. Ronald &amp; Ann Williams Charitable Foundation</td>
<td>Office Building</td>
<td>61,179,305</td>
<td>0.23</td>
</tr>
<tr>
<td>7. PPC Forest Towers LLC</td>
<td>Office Building</td>
<td>55,323,184</td>
<td>0.21</td>
</tr>
<tr>
<td>8. Blackhawk Parent LLC</td>
<td>Office Building</td>
<td>52,223,904</td>
<td>0.20</td>
</tr>
<tr>
<td>9. 529 Bryant St. Parts LLC</td>
<td>Office Building</td>
<td>44,357,847</td>
<td>0.17</td>
</tr>
<tr>
<td>10. Dennis A. Levett</td>
<td>Apartments</td>
<td>42,477,111</td>
<td>0.16</td>
</tr>
<tr>
<td>11. Park Village Peninsula LLC</td>
<td>Apartments</td>
<td>39,007,552</td>
<td>0.15</td>
</tr>
<tr>
<td>12. ECI 2 Bayshore LLC</td>
<td>Office Building</td>
<td>33,150,000</td>
<td>0.12</td>
</tr>
<tr>
<td>13. Hohbach Realty Co. LP</td>
<td>Apartments</td>
<td>32,795,896</td>
<td>0.12</td>
</tr>
<tr>
<td>14. BVK Hamilton Ave. LLC</td>
<td>Office Building</td>
<td>32,260,663</td>
<td>0.12</td>
</tr>
<tr>
<td>15. Thoits Bros. Inc.</td>
<td>Office Building</td>
<td>32,087,547</td>
<td>0.12</td>
</tr>
<tr>
<td>16. Hamilton Associates 400</td>
<td>Office Building</td>
<td>31,063,977</td>
<td>0.12</td>
</tr>
<tr>
<td>17. California Pacific Commercial Corp.</td>
<td>Industrial</td>
<td>29,259,000</td>
<td>0.11</td>
</tr>
<tr>
<td>18. Salvatore and Stella Giovannotto</td>
<td>Apartments</td>
<td>29,146,541</td>
<td>0.11</td>
</tr>
<tr>
<td>19. APIP 2007 LLC</td>
<td>Apartments</td>
<td>26,847,408</td>
<td>0.10</td>
</tr>
<tr>
<td>20. Inspire Real Est. Holdings LLC</td>
<td>Office Building</td>
<td>25,978,322</td>
<td>0.10</td>
</tr>
</tbody>
</table>

$5,528,145,762  20.72%

---

(1) 2013-14 Local Secured Assessed Valuation: $26,677,328,006.

Source: California Municipal Statistics, Inc.

[Remainder of This Page Intentionally Left Blank]
Tax Rate

The State Constitution permits the levy of an ad valorem tax on taxable property not to exceed 1% of the full cash value of the property, and State law requires the full 1% tax to be levied. The levy of special ad valorem property taxes in excess of the 1% levy is permitted as necessary to provide for debt service payments on school bonds and other voter-approved indebtedness. Significant changes in assessed value of taxable property in the district could affect the tax rate levied on taxpayers. See, “– Assessed Valuation of Property Within the District – Risk of Decline in Property Values; Earthquakes and Other Risks” in this section, above.

One factor in the ability of taxpayers to pay additional taxes for school bonds is the cumulative rate of tax. The following table shows ad valorem property tax rates for the last several years in two typical tax rate areas of the District, TRA 6-001. TRA 6-001 comprises 73.79% of the total assessed value of property in the District as of fiscal year 2013-14.

### SUMMARY OF AD VALOREM TAX RATES

<table>
<thead>
<tr>
<th></th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
<th>2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General</strong></td>
<td>$1.0000</td>
<td>$1.0000</td>
<td>$1.0000</td>
<td>$1.0000</td>
<td>$1.0000</td>
</tr>
<tr>
<td>County Retirement Levy</td>
<td>.0388</td>
<td>.0388</td>
<td>.0388</td>
<td>.0388</td>
<td>.0388</td>
</tr>
<tr>
<td>County Hospital Bond</td>
<td>.0122</td>
<td>.0095</td>
<td>.0047</td>
<td>.0051</td>
<td>.0035</td>
</tr>
<tr>
<td>City of Palo Alto</td>
<td>–</td>
<td>.01711</td>
<td>.0155</td>
<td>.0129</td>
<td>.0177</td>
</tr>
<tr>
<td>Palo Alto Unified School District</td>
<td>.0445</td>
<td>.04450</td>
<td>.0456</td>
<td>.0951</td>
<td>.0914</td>
</tr>
<tr>
<td>Foothill-De Anza Community College District</td>
<td>.0322</td>
<td>.03260</td>
<td>.0297</td>
<td>.0287</td>
<td>.0290</td>
</tr>
<tr>
<td><strong>Total All Property</strong></td>
<td>$1.1277</td>
<td>$1.1425</td>
<td>$1.1343</td>
<td>$1.1806</td>
<td>$1.1804</td>
</tr>
<tr>
<td>Santa Clara Valley Water District - State Water Project</td>
<td>.0071</td>
<td>.00700</td>
<td>.0063</td>
<td>.0069</td>
<td>.0070</td>
</tr>
<tr>
<td><strong>Total Land and Improvement</strong></td>
<td>$0.0071</td>
<td>$0.0070</td>
<td>$0.0063</td>
<td>$0.0069</td>
<td>$0.0070</td>
</tr>
</tbody>
</table>

(1) 2013-14 assessed valuation of TRA 6-001 is $20,792,366,202.

Source: California Municipal Statistics, Inc.

Tax Collections and Delinquencies

A school district’s share of the 1% countywide tax is based on the allocation of property tax revenues to each taxing jurisdiction in the county in Fiscal Year 1978-79, as adjusted according to a complex web of statutory modifications enacted since that time. Revenues derived from special ad valorem taxes for voter-approved indebtedness, including the Bonds, are reserved to the taxing jurisdiction that approved and issued the debt, and may only be used to repay that debt.

The County Director of Finance-Tax Collector’s Office prepares the property tax bills. Property taxes on the regular secured assessment roll are due in two equal installments: the first installment is due on November 1, and becomes delinquent after December 10. The second installment is due on February 1 and becomes delinquent after April 10. If taxes are not paid by the delinquent date, a 10% penalty attaches. If taxes remain unpaid by June 30, the tax is deemed to be in default. Penalties then begin to accrue at the rate of 1.5% per month. The property owner has the right to redeem the property by paying the taxes, accrued penalties, and costs within five years of the date the property went into default. If the property is not redeemed within five years, it is subject to sale at a public auction by the Tax Collector.

Annual bills for property taxes on the unsecured roll are generally issued in July, are due in a single payment within 30 days, and become delinquent after August 31. A 10% penalty attaches to delinquent taxes on property on the unsecured roll. Unsecured taxes remaining unpaid at 5 p.m. on the last day of the second month after the 10% penalty attaches shall be subject to an additional penalty of 1.5%, attaching on the first day of each succeeding month on the amount of the original tax. To collect unpaid taxes, the Tax Collector may obtain a
judgment lien upon and cause the sale of all property owned by the taxpayer in the County, and may seize and sell personal property, improvements and possessory interest of the taxpayer. The Tax Collector may also bring a civil suit against tax taxpayer for payment. The date on which taxes on supplemental assessments are due depends on when the supplemental tax bill is mailed.

**Teeter Plan.** The County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “Teeter Plan”), as provided for in Section 4701 and following of the California Revenue and Taxation Code. Under the Teeter Plan, each participating local agency levying property taxes in the County, including school districts, receives the amount of uncollected taxes credited to its fund, in the same manner as if the amount due from taxpayers had been collected. In return, the County receives and retains delinquent payments, penalties and interest as collected that would have been due the local agency. The County applies the Teeter Plan to taxes levied for repayment of school district bonds.

The Teeter Plan is to remain in effect unless the County Board of Supervisors orders its discontinuance or unless, prior to the commencement of any fiscal year of the County (which commences on July 1), the Board of Supervisors receives a petition for its discontinuance from two-thirds of the participating revenue districts in the County. The Board of Supervisors may also, after holding a public hearing on the matter, discontinue the Teeter Plan with respect to any tax levying agency or assessment levying agency in the County if the rate of secured tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured roll in that agency. The Board of Supervisors has never elected to exercise this right.

The recent history of real property tax collections and delinquencies in the District is available only with respect to bond debt service levies, as shown in the table below.

<table>
<thead>
<tr>
<th>Year</th>
<th>Secured Tax Charge(1)</th>
<th>Amount Delinquent June 30</th>
<th>% Delinquent June 30</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>$7,639,411.80</td>
<td>$ 89,514.72</td>
<td>1.17%</td>
</tr>
<tr>
<td>2002-03</td>
<td>8,683,085.36</td>
<td>60,793.05</td>
<td>0.70</td>
</tr>
<tr>
<td>2003-04</td>
<td>8,466,012.54</td>
<td>170,183.89</td>
<td>2.01</td>
</tr>
<tr>
<td>2004-05</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>2005-06</td>
<td>8,606,871.45</td>
<td>72,393.08</td>
<td>0.84</td>
</tr>
<tr>
<td>2006-07</td>
<td>7,891,482.41</td>
<td>58,494.97</td>
<td>0.74</td>
</tr>
<tr>
<td>2007-08</td>
<td>8,600,616.67</td>
<td>80,333.80</td>
<td>0.93</td>
</tr>
<tr>
<td>2008-09</td>
<td>8,563,699.84</td>
<td>90,266.84</td>
<td>1.05</td>
</tr>
<tr>
<td>2009-10</td>
<td>9,923,832.59</td>
<td>101,246.77</td>
<td>1.02</td>
</tr>
<tr>
<td>2010-11</td>
<td>9,913,466.42</td>
<td>100,737.09</td>
<td>1.02</td>
</tr>
<tr>
<td>2011-12</td>
<td>10,425,337.53</td>
<td>79,352.03</td>
<td>0.76</td>
</tr>
<tr>
<td>2012-13</td>
<td>[_____]</td>
<td>[_____]</td>
<td>0.39</td>
</tr>
</tbody>
</table>

(1) Amounts represent taxes collected by the County within the District’s boundaries for bond debt service only. 
**Source:** California Municipal Statistics, Inc.

**Direct and Overlapping Debt.** Set forth below is a schedule of direct and overlapping debt prepared by California Municipal Statistics Inc. The table is included for general information purposes only. The District has not reviewed this table for completeness or accuracy and makes no representations in connection therewith. The first column in the table names each public agency which has outstanding debt as of May 1, 2014, and whose territory overlaps the District in whole or in part. The second column shows the percentage of each overlapping agency’s assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not shown in the table) produces the amount shown in the
third column, which is the apportionment of each overlapping agency’s outstanding debt to taxable property in the District.

The table generally includes long-term obligations sold in the public credit markets by the public agencies listed. Such long-term obligations generally are not payable from revenues of the District (except as indicated) nor are they necessarily obligations secured by land within the District. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

**DIRECT AND OVERLAPPING BONDED DEBT**
**PALO ALTO UNIFIED SCHOOL DISTRICT**

2013-14 Assessed Valuation: $28,179,088,721

<table>
<thead>
<tr>
<th></th>
<th>% Applicable</th>
<th>Debt 5/1/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct and Overlapping Tax and Assessment Debt:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Santa Clara County</td>
<td>8.425%</td>
<td>$67,795,975</td>
</tr>
<tr>
<td>Foothill-DeAnza Community College District</td>
<td>24.858%</td>
<td>152,424,107</td>
</tr>
<tr>
<td><strong>Palo Alto Unified School District</strong></td>
<td><strong>100.</strong></td>
<td><strong>279,849,249</strong></td>
</tr>
<tr>
<td>El Camino Hospital District</td>
<td>3.543%</td>
<td>4,960,554</td>
</tr>
<tr>
<td>City of Palo Alto</td>
<td>98.740%</td>
<td>72,292,491</td>
</tr>
<tr>
<td>City of Palo Alto Parking 1915 Act Bonds</td>
<td>100.</td>
<td>29,745,000</td>
</tr>
<tr>
<td>Santa Clara Valley Water District Benefit Assessment District</td>
<td>8.425%</td>
<td>9,692,541</td>
</tr>
<tr>
<td><strong>TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</strong></td>
<td><strong>8.425%</strong></td>
<td><strong>$616,759,917</strong></td>
</tr>
</tbody>
</table>

|                                |              |              |
| Overlapping General Fund Debt: |              |              |
| Santa Clara County General Fund Obligations | 8.425%       | $66,464,346  |
| Santa Clara County Pension Obligations | 8.425%       | 31,629,063   |
| Santa Clara County Board of Education Certificates of Participation | 8.425%       | 819,753      |
| Foothill Community College District Certificates of Participation | 24.858%      | 3,852,990    |
| City of Palo Alto General Fund Obligations | 98.740%      | 1,411,982    |
| Santa Clara County Vector Control District Certificates of Participation | 8.425%       | 291,084      |
| Midpeninsula Regional Open Space Park District General Fund Obligations | 14.559%      | 19,394,003   |
| **TOTAL GROSS OVERLAPPING GENERAL FUND DEBT** | **8.425%**   | **$123,863,221** |
| Less: Santa Clara County obligations supported by Medical Center and airport operating revenues | 45,654,363   |              |
| **TOTAL NET OVERLAPPING GENERAL FUND DEBT** | **8.425%**   | **$78,208,858** |

GROSS COMBINED TOTAL DEBT $740,623,138 (2)

NET COMBINED TOTAL DEBT $694,968,775 (2)

Ratios to Assessed Valuation:

|                                |              |              |
| Direct Debt ($279,849,249)     |              | 0.99%        |
| Total Direct and Overlapping Tax and Assessment Debt |              | 2.19%        |
| Gross Combined Total Debt      |              | 2.63%        |
| Net Combined Total Debt        |              | 2.47%        |

(1) Excludes issue to be sold.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

*Source: California Municipal Statistics, Inc.*
TAX MATTERS

The Bonds

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. A complete copy of the proposed form of opinion of Bond Counsel is set forth in APPENDIX C hereto.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and State of California personal income taxes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Beneficial Owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The District has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel’s attention after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds may otherwise affect a Beneficial Owner’s federal, state or local tax liability. The nature and extent of these other tax consequences
depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner’s other items of income or
deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions
may cause interest on the Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation
or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing
the full current benefit of the tax status of such interest. For example, Representative Dave Camp, Chair of the
House Ways and Means Committee released draft legislation that would subject interest on the Bonds to a federal
income tax at an effective rate of 10% or more for individuals, trusts, and estates in the highest tax bracket, and the
Obama Administration proposed legislation that would limit the exclusion from gross income of interest on the
Bonds to some extent for high-income individuals. The introduction or enactment of any such legislative proposals
or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or
marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding
the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which
Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly
addressed by such authorities, and represents Bond Counsel’s judgment as to the proper treatment of the Bonds for
federal income tax purposes. It is not binding on the Internal Revenue Service (the “IRS”) or the courts.
Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the
District, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the
enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the
Code.

Bond Counsel’s engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless
separately engaged, Bond Counsel is not obligated to defend the District or the Beneficial Owners regarding the
tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, parties
other than the District and its appointed counsel, including the Beneficial Owners, would have little, if any, right to
participate in the audit examination process. Moreover, because achieving judicial review in connection with an
audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the
District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection
of the Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may
affect the market price for, or the marketability of, the Bonds, and may cause the District or the Beneficial Owners
to incur significant expense.

OTHER LEGAL MATTERS

Legal Opinion

The validity of the Bonds and certain other legal matters are subject to the approving opinion of Orrick,
Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel to the District. A complete copy of the
proposed form of Bond Counsel opinion is set forth in APPENDIX C: “PROPOSED FORM OF OPINION OF
BOND COUNSEL.” Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this
Official Statement.

Legality for Investment in California

Under provisions of the Financial Code of the State, the Bonds are legal investments for commercial banks
in the State to the extent that the Bonds, in the informed opinion of the bank, are prudent for the investment of funds
of its depositors. Under provisions of the Government Code of the State, the Bonds are eligible securities for
deposits of public moneys in the State.
Continuing Disclosure

The District has covenanted for the benefit of the holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the District (the “Annual Report”) by not later than nine months following the end of the District’s fiscal year (currently ending June 30), commencing with the report for the 2013-14 fiscal year (which is due no later than April 1, 2015) and to provide notice of the occurrence of certain enumerated events. The Annual Report and the notices of enumerated events will be filed by the District with the Municipal Securities Rulemaking Board. The specific nature of the information to be contained in the Annual Report or the notices of enumerated events is set forth in APPENDIX D: “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”).

As of the date of this Official Statement, all reports required under the Rule have been filed with the MSRB. In the past five years, the District has failed to timely file certain information required by the terms of its previous undertakings under the Rule, being: (1) continuing disclosure annual report for fiscal year 2008-09, (2) two separate reports of rating changes and recalibrations based on insurer rating downgrades, and (3) one report of a rating change based on an upgrade from a rating agency. The District has since filed such reports and all other required filings and has complied in all material respects with its previous undertakings with regard to the Rule in the last five years.

No Litigation

No litigation is pending or, to the best knowledge of the District, threatened, concerning the validity of the Bonds or the District’s ability to receive ad valorem taxes and to collect other revenues, or contesting the District’s ability to issue and retire the Bonds, the political existence of the District, the title to their offices of District or County officials who will sign the Bonds and other certifications relating to the Bonds, or the powers of those offices. A certificate (or certificates) to that effect will be furnished to the original purchasers at the time of the original delivery of the Bonds.

The District is routinely subject to lawsuits and claims. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the financial position or operations of the District.

MISCELLANEOUS

Ratings

The Bonds have been assigned the rating of “___” by Moody’s Investors Service and “___” by Standard & Poor’s Ratings Services, a division of Standard & Poor’s Financial Services LLC. The rating agencies generally base their ratings on their own investigations, studies, and assumptions. The District has provided certain additional information and materials to the rating agencies (some of which does not appear in this Official Statement). The ratings reflect only the views of the rating agencies, and any explanation of the significance of such ratings may be obtained only from Moody’s at www.moodys.com or Standard & Poor’s at www.standardandpoors.com. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agencies, if, in the judgment of the rating agencies, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Bonds. The District undertakes no responsibility to oppose any such downward revision, suspension or withdrawal.

Professionals Involved in the Offering

Orrick, Herrington & Sutcliffe LLP is acting as Bond Counsel and as Disclosure Counsel to the District with respect to the Bonds, and will receive compensation from the District contingent upon the sale and delivery of the Bonds. Keygent LLC is acting as Registered Municipal Advisor with respect to the Bonds, and will receive compensation from the District contingent upon the sale and delivery of the Bonds.
Underwriting

The Bonds are being purchased for public offering by ____________________ (the “Underwriter”). The Underwriter has agreed to purchase the Bonds for an aggregate price of $________, representing the principal amount of the Bonds of $________, plus a premium of $________, less an Underwriter’s discount of $________. The Official Notice of Sale, dated _________, 2014 (the “Official Notice of Sale”) provides that the Underwriter will purchase all of the Bonds if any are purchased. The obligation to make such purchase is subject to certain terms and conditions set forth in the Official Notice of Sale, the approval of certain legal matters by Bond Counsel and certain other conditions. The Underwriter will represent to the District that the Bonds have been reoffered to the public at the price or yield as stated on the cover page hereof.

The Underwriter may offer and sell the Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover page. The offering prices may be changed from time to time by the Underwriter.

[Remainder of This Page Intentionally Left Blank]
Additional Information

Quotations from and summaries and explanations of the Bonds, the resolutions providing for the issuance of the Bonds, and the constitutional provisions, statutes and other documents described herein, do not purport to be complete, and reference is hereby made to said documents, constitutional provisions and statutes for the complete provisions thereof. Copies of documents referred to herein and information concerning the Bonds are available from the District through the Office of the Superintendent, 25 Churchill Avenue, Palo Alto, CA 94306. The District may impose a charge for copying, mailing and handling.

*   *   *

All data contained herein have been taken or constructed from the District’s records and other sources, as indicated. This Official Statement and its distribution have been duly authorized and approved by the District.

PALO ALTO UNIFIED SCHOOL DISTRICT

By: ________________________________
    Bond Program Manager
The information in this appendix concerning the operations of the District, the District’s finances, and State funding of education, is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of or interest on the Bonds is payable from the general fund of the District or from State revenues. The Bonds are payable from the proceeds of an ad valorem tax approved by the voters of the District pursuant to all applicable laws and Constitutional requirements, and required to be levied by the County on property within the District in an amount sufficient for the timely payment of principal of and interest on the Bonds. See “SECURITY AND SOURCE OF PAYMENT FOR THE BONDS” in the body of this Official Statement.

General

The District was established in 1893 and is located approximately 35 miles south of San Francisco in Santa Clara County, the heart of California’s Silicon Valley. The District provides educational services to the City of Palo Alto, the Stanford University campus, and portions of the towns of Los Altos Hills and Portola Valley. The District encompasses an area of approximately 45 square miles and had an estimated 2010 population of approximately 65,000 persons, which number fluctuates seasonally due to changing student populations on the Stanford University campus.

The District operates twelve elementary schools (grades K-5), three middle schools (grades 6-8), two high schools (grades 9-12), a pre-school, an adult education program, and a hospital school program. For Fiscal Year 2013-14, the District estimates it has a K-12 enrollment of 12,466 students. As of March 1, 2014, the District employed 921 certificated (credentialed teaching), 722 classified (non-teaching) employees and 639 part-time faculty and staff. The District has budgeted general fund expenditures of approximately $182.3 million for Fiscal Year 2013-14. Total assessed valuation of taxable property in the District in Fiscal Year 2013-14 was $28.2 billion. The District operates under the jurisdiction of the Santa Clara County Superintendent of Schools.

The District is governed by a five-member board of education (the “Board”), with two non-voting student members. The voting members are each elected to a four year term, and elections are held every two years. The management and policies of the District are administered by the Superintendent, who is appointed by the Board and responsible for day-to-day District operations as well as the supervision of the District’s other key personnel.

Dr. Kevin Skelly became Superintendent of the District in 2007. Prior to his current position, Dr. Skelly served three years as an Associate Superintendent for the Poway Unified School District, a district of 33,000 students in San Diego County. His background includes work with budgeting, benefits, compensation, policy, curriculum and instruction, standards and assessment, special education, and staff development. His passion for education and children began with his work after college with talented students from low-income neighborhoods in Washington, D.C. and with shoe-shine boys and their families in Quito, Ecuador. Dr. Skelly received his Bachelor of Arts in Economics from Harvard and his Ph.D. in Education Management and Policy from UC Berkeley. [ADD INFORMATION RE RESIGNATION AND NEW SUPERINTENDENT SEARCH.]

Ms. Cathy Mak joined the Palo Alto Unified School District as the Fiscal Services Manager. She became the Chief Business Official in 2007. Prior to serving the District, she has held managerial and accounting positions at two other school districts and the Santa Clara Office of Education. She has a MBA in Finance and a Bachelor of Science in Accounting from Cal State University, East Bay.

Dr. Robert Golton has managed the Strong Schools Bond Program since its approval by the voters in 2008. He has previously served the District since 1997 holding titles such as Assistant Superintendent, Chief Business Official, Deputy Superintendent, and Interim Superintendent. He has also been Chief Business Official in four other school districts. He has 48 years of experience in education. He has a Ph.D. from the University of California, Berkeley and a MBA from San Francisco State University.
State Funding of Education; State Budget Process

**General.** As is true for all school districts in the State, the District’s operating income consists primarily of two components: a State portion funded from the State’s general fund and a locally-generated portion derived from the District’s share of the 1% county-wide ad valorem property tax authorized by the State Constitution. School districts may be eligible for other special categorical funding, including for State and federal programs.

The District receives approximately 4.7% of its total general fund revenues from State funds, budgeted at approximately $8.6 million in fiscal year 2013-14. As a result, decreases in State revenues, or in State legislative appropriations made to fund education, may affect District operations; although the impact on the District will likely be relatively less significant than on most school districts in the State. However, the State funding formula for allocating education funding to school districts, and the ability of a basic aid district to retain local property tax revenues (including parcel tax revenues) in excess of its revenue limit, is always subject to change by the Legislature. This section describes the State funding formula for schools and provides current-year and historical information about the State budget for education.

State funding is guaranteed to a minimum level for school districts, community college districts, and other State agencies that provide direct elementary and secondary instructional programs. The funding guarantee is known as “Proposition 98”, a constitutional and statutory initiative amendment adopted by the State’s voters in 1988, and amended by Proposition 111 in 1990 (now found at Article XVI, Sections 8 and 8.5 of the Constitution).

Recent years have seen frequent disruptions in State personal income taxes, sales and use taxes, and corporate taxes, making it increasingly difficult for the State to meet its Proposition 98 funding mandate, which normally commands about 45% of all State general fund revenues, while providing for other fixed State costs and priority programs and services. Because education funding constitutes such a large part of the State’s general fund expenditures, it is at the heart of annual budget negotiations and adjustments.

**Adoption of Annual State Budget.** According to the State Constitution, the Governor must propose a budget to the State Legislature no later than January 10 of each year, and a final budget must be adopted no later than June 15. Historically, the budget required a two-thirds vote of each house of the State Legislature for passage. However, on November 2, 2010, the State’s voters approved Proposition 25, which amended the State Constitution to lower the vote requirement necessary for each house of the State Legislature to pass a budget bill and send it to the Governor. Specifically, the vote requirement was lowered from two-thirds to a simple majority (50% plus one) of each house of the State Legislature. The lower vote requirement also would apply to trailer bills that appropriate funds and are identified by the State Legislature “as related to the budget in the budget bill.” The budget becomes law upon the signature of the Governor, who may veto specific items of expenditure. Under Proposition 25, a two-thirds vote of the State Legislature is still required to override any veto by the Governor. School district budgets must generally be adopted by July 1, and revised by the school board within 45 days after the Governor signs the budget act to reflect any changes in budgeted revenues and expenditures made necessary by the adopted State budget. The Governor signed the fiscal year 2013-14 State budget on June 27, 2013.

When the State budget is not adopted on time, basic appropriations and the categorical funding portion of each school district’s State funding are affected differently. Under the rule of White v. Davis (also referred to as Jarvis v. Connell), a State Court of Appeal decision reached in 2002, there is no constitutional mandate for appropriations to school districts without an adopted budget or emergency appropriation, and funds for State programs cannot be disbursed by the State Controller until that time, unless the expenditure is (i) authorized by a continuing appropriation found in statute, (ii) mandated by the Constitution (such as appropriations for salaries of elected State officers), or (iii) mandated by federal law (such as payments to State workers at no more than minimum wage). The State Controller has consistently stated that basic State funding for schools is continuously appropriated by statute, but that special and categorical funds may not be appropriated without an adopted budget. Should the State Legislature fail to pass a budget or emergency appropriation before the start of any fiscal year, the District might experience delays in receiving certain expected revenues. The District is authorized to borrow temporary funds to cover its annual cash flow deficits, and as a result of the White v. Davis decision, the District might find it necessary to increase the size or frequency of its cash flow borrowings, or to borrow earlier in the fiscal year. The District does not expect the White v. Davis decision to have any long-term effect on its operating budgets.


**Aggregate State Education Funding.** The Proposition 98 guaranteed amount for education is based on prior-year funding, as adjusted through various formulas and tests that take into account State proceeds of taxes, local property tax proceeds, school enrollment, per-capita personal income, and other factors. The State’s share of the guaranteed amount is based on State general fund tax proceeds and is not based on the general fund in total or on the State budget. The local share of the guaranteed amount is funded from local property taxes. The total guaranteed amount varies from year to year and throughout the stages of any given fiscal year’s budget, from the Governor’s initial budget proposal to actual expenditures to post-year-end revisions, as better information regarding the various factors becomes available. Over the long run, the guaranteed amount will increase as enrollment and per capita personal income grow.

If, at year-end, the guaranteed amount is calculated to be higher than the amount actually appropriated in that year, the difference becomes an additional education funding obligation, referred to as “settle-up.” If the amount appropriated is higher than the guaranteed amount in any year, that higher funding level permanently increases the base guaranteed amount in future years. The Proposition 98 guaranteed amount is reduced in years when general fund revenue growth lags personal income growth, and may be suspended for one year at a time by enactment of an urgency statute. In either case, in subsequent years when State general fund revenues grow faster than personal income (or sooner, as the Legislature may determine), the funding level must be restored to the guaranteed amount, the obligation to do so being referred to as “maintenance factor.”

In recent years, the State’s response to fiscal difficulties has had a significant impact on Proposition 98 funding and settle-up treatment. The State has sought to avoid or delay paying settle-up amounts when funding has lagged the guaranteed amount. In response, teachers’ unions, the State Superintendent and others sued the State or Governor in 1995, 2005, 2009 and 2011 to force them to fund schools in the full amount required. The settlement of the 1995 and 2005 lawsuits has so far resulted in over $4 billion in accrued State settle-up obligations. However, legislation enacted to pay down the obligations through additional education funding over time, including the Quality Education Investment Act of 2006, have also become part of annual budget negotiations, resulting in repeated adjustments and deferrals of the settle-up amounts.

The State has also sought to preserve general fund cash while avoiding increases in the base guaranteed amount through various mechanisms: by treating any excess appropriations as advances against subsequent years’ Proposition 98 minimum funding levels rather than current year increases; by temporarily deferring apportionments of Proposition 98 funds from one fiscal year to the next; by permanently deferring apportionments of Proposition 98 funds from one fiscal year to the next; by suspending Proposition 98, as the State did in fiscal year 2004-05, fiscal year 2010-11, fiscal year 2011-12 and fiscal year 2012-13; and by proposing to amend the State Constitution’s definition of the guaranteed amount and settle-up requirement under certain circumstances.

The District cannot predict how State income or State education funding will vary over the term to maturity of the Bonds, and the District takes no responsibility for informing owners of the Bonds as to actions the State Legislature or Governor may take affecting the current year’s budget after its adoption. Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the website of the Department of Finance, [www.dof.ca.gov](http://www.dof.ca.gov), under the heading “California Budget.” An impartial analysis of the budget is posted by the Office of the Legislative Analyst at [www.lao.ca.gov](http://www.lao.ca.gov). In addition, various State of California official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on school districts in the State, may be found at the website of the State Treasurer, [www.treasurer.ca.gov](http://www.treasurer.ca.gov). The information referred to is prepared by the respective State agency maintaining each website and not by the District, and the District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

**2013-14 State Budget.** The Governor signed the fiscal year 2013-14 State budget (the “2013-14 State Budget”) on June 27, 2013. The 2013-14 State Budget represents a multiyear plan that maintains a $1.1 billion reserve and pays down certain budgetary debt. The 2013-14 State Budget provides for $97.1 billion in revenues and transfers for fiscal year 2013-14 (down slightly from the $98.2 billion estimated for fiscal year 2012-13), and $96.3 billion in total expenditures for fiscal year 2013-14 (up slightly from the $95.7 billion estimates for fiscal year 2012-13). However, unlike recent years, the State enters fiscal year 2013-14 with a positive prior year general fund balance, approximately $872 million, as compared to a negative general fund balance of $1.7 billion at the start of fiscal year 2012-13. The 2013-14 State Budget, accordingly, is able to set aside a $1.1 billion reserve in a special fund for economic uncertainties.
The 2013-14 State Budget projects that budgetary debt, which was approximately $35 billion at the end of fiscal year 2010-11 and $27 billion at the end of fiscal year 2012-13, will be reduced to less than $5 billion by the end of fiscal year 2016-17. Although the 2013-14 State Budget is a balanced budget, the 2013-14 State Budget notes that substantial risks, uncertainties and liabilities remain, including the pace of the economic recovery, the State’s needs to address its other significant liabilities and the federal budget for federal fiscal year 2014.

With the passage of The Schools and Local Public Safety Protection Act (the “Temporary Tax Measure”) at the November 6, 2012 election, the 2013-14 State Budget reinvests in, rather than cuts, education funding. The Temporary Tax Measure increased the personal income tax rates on the State’s highest income taxpayers by up to 3% for a period of seven years beginning with the 2012 tax year, and increased the sales tax by one-quarter percent for a period of four years beginning on January 1, 2013. For kindergarten through twelfth grade (“K-12”) education, the 2013-14 State Budget provides $55.3 billion (or $8,220 per student) in Proposition 98 funding in fiscal year 2013-14, which is slightly lower than the $56.5 billion estimated in fiscal year 2012-13 but an increase of more than $8 billion (or $1,045 per student) from fiscal year 2011-12 levels. The 2013-14 State Budget projects $67.1 billion (or $10,010 per student) in Proposition 98 funding in fiscal year 2016-17. Total funding under the 2013-14 State Budget for all K-12 education in fiscal year 2013-14 is approximately $70 billion.

The 2013-14 State Budget also contains a new formula for funding the school finance system (the “Local Control Funding Formula” or “LCFF”). The LCFF is designed to increase local control and flexibility, reduce State bureaucracy and better allocate resources based on student needs. The LCFF replaces the existing revenue limit funding system and most categorical programs. See “– Allocation of State Funding to School Districts: Local Control Funding Formula” herein for more information.

Certain budget adjustments for K-12 programs include the following:

- **Local Control Funding Formula.** An increase of $2.1 billion in Proposition 98 general funds for school districts and charter schools, and $32 million in Proposition 98 general funds for county offices of education, to support first-year funding provided through the LCFF.

- **Common Core Implementation.** An increase of $1.25 billion in one-time Proposition 98 general funds to support the implementation of the Common Core, which are new standards for evaluating student achievement in English-language arts and mathematics. Such funding will be distributed to local education agencies on the basis of enrollment to support necessary investments in professional development, instructional materials and technology. Local education agencies will be required to develop a plan to spend this money over the next two years and to hold a public hearing on such plan.

- **Career Technical Education Pathways Grant Program.** An increase of $250 million in Proposition 98 general funds for one-time competitive capacity-building grants for K-12 school districts and community colleges to support programs focused on work-based learning. K-12 schools and community colleges must obtain funding commitments from program partners to support ongoing program costs.

- **K-12 Mandates Block Grant.** An increase of $50 million in Proposition 98 general funds to reflect the inclusion of the Graduation Requirements mandate within the block grant program. This increase will be distributed to school districts, county offices of education and charter schools with enrollment in grades 9-12.

- **K-12 Deferrals.** An increase of $1.6 billion in Proposition 98 general funds in fiscal year 2012-13 and an increase of $242.3 million in Proposition 98 general funds in fiscal year 2013-14 for the repayment of inter-year budgetary deferrals. When combined, total funding over such two-year period will reduce K-12 inter-year deferrals to $5.6 billion by the end of fiscal year 2013-14.

- **Special Education Funding Reform.** The 2013-14 State Budget includes several consolidations for various special education programs in an effort to simplify special education finance and provide Special Education Local Plan Areas with additional funding flexibility.
With respect to the implementation of Proposition 39 (The California Clean Energy Jobs Act), which was also approved at the November 6, 2012 election, the 2013-14 State Budget allocates $381 million in Proposition 98 general funds to K-12 local education agencies to support energy efficiency projects approved by the California Energy Commission. Of this amount, 85% will be distributed based on average daily attendance (“A.D.A.”) and 15% will be distributed based on free and reduced-price meal eligibility. The 2013-14 State Budget establishes minimum grant levels of $15,000 and $50,000 for small and exceptionally small local education agencies and allows these agencies to receive an advance on a future grant allocation. Other local education agencies would receive the greater of $100,000 or their weighted distribution amount. The 2013-14 State Budget also provides $28 million for interest-free revolving loans to assist eligible energy projects at schools and community colleges.

The complete 2013-14 State Budget is available from the California Department of Finance website at www.dof.ca.gov. The District can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

**State Cash Management Legislation.** On March 1, 2010, the Governor signed a bill (and on March 4, 2010, subsequently signed a clean-up bill to clarify certain provisions of such bill) to provide additional cash management flexibility to State fiscal officials (the “Cash Management Bill”). The Cash Management Bill authorized deferral of certain payments during the 2010-11 fiscal year for school districts (not to exceed $2.5 billion in the aggregate at any one time, and a maximum of three deferrals during the fiscal year). The Cash Management Bill permitted deferrals of payments to K-12 schools in July 2010, October 2010 and March 2011, for not to exceed 60, 90 and 30 days, respectively, but depending on actual cash flow conditions at the time, and allowed the Controller, Treasurer and Director of Finance to either accelerate or delay the deferrals up to 30 days or reduce the amounts deferred. The Cash Management Bill also permitted the State to move a deferral to the prior month or to a subsequent month upon 30 days written notice by the State Department of Finance to the Legislative Budget Committee, except that the Cash Management Bill provided that the deferral for March 2011 was required to be paid prior to April 30. The Cash Management Bill provided for exceptions to the deferrals for school districts that could demonstrate hardship. The Cash Management Bill made it necessary for many school districts (and other affected local agencies) to increase the size and/or frequency of their cash flow borrowings during fiscal year 2010-11. Similar legislation was enacted for fiscal year 2011-12. The legislation, however, sets forth a specific deferral plan for K-12 education payments. In the legislation, the July 2011 and August 2011 K-12 payments of $1.4 billion and the October 2011 payment of $2.4 billion were deferred. In September 2011, $700 million of the July deferral was paid, in January 2012, $4.5 billion from the remaining July, August and October deferrals was paid, and in March 2012, $1.4 billion was deferred and paid in April 2012.

The State Legislature enacted similar legislation for fiscal year 2012-13 that provided for $1.2 billion of K-12 payments to be deferred in July 2012, $600 million to be deferred in August 2012, $800 million to be deferred in October 2012 and $900 million to be deferred in March 2013. Of such deferred amounts, $700 million of the deferral made in July 2012 was paid in September 2012, the remaining $1.9 billion deferred in July, August and October of 2012 was paid in January 2013, and the $900 million deferred in March 2013 was repaid in April 2013. The District is authorized to borrow temporary funds to cover its annual cash flow deficits and, as a result of this or similar future legislation, the District might find it necessary to utilize cash flow borrowings or increase the size or frequency of its cash flow borrowings in fiscal year 2012-13 and in future years. In future fiscal years, if the District finds that its other funds are insufficient to cover any cash flow deficits, the District is authorized to borrow funds from the County.

The District cannot predict when, if, and to what extent the State may defer some or all of those payments due to school districts during the 2013-14 fiscal year.

**Prohibitions on Diverting Local Revenues for State Purposes.** Beginning in 1992-93, the State satisfied a portion of its Proposition 98 obligations by shifting part of the property tax revenues otherwise belonging to cities, counties, special districts, and redevelopment agencies, to school and college districts through a local Educational Revenue Augmentation Fund (ERAF) in each county. Local agencies, objecting to invasions of their local revenues by the State, sponsored a statewide ballot initiative intended to eliminate the practice. In response, the State Legislature proposed an amendment to the State Constitution, which the State’s voters approved as Proposition 1A at the November
2004 election. That measure was generally superseded by the passage of a new initiative constitutional amendment at the November 2010 election, known as “Proposition 22.”

The effect of Proposition 22 is to prohibit the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services. It prevents the State from redirecting redevelopment agency property tax increment to any other local government, including school districts, or from temporarily shifting property taxes from cities, counties and special districts to schools, as in the ERAF program. This is intended to, among other things, stabilize local government revenue sources by restricting the State’s control over local property taxes. One effect of this amendment will be to deprive the State of fuel tax revenues to pay debt service on most State bonds for transportation projects, reducing the amount of State general fund resources available for other purposes, including education.

Prior to the passage of Proposition 22, the State invoked Proposition 1A to divert $1.935 billion in local property tax revenues in 2009-10 from cities, counties, and special districts to the State to offset State general fund spending for education and other programs, and included another diversion in the adopted 2009-10 State budget of $1.7 billion in local property tax revenues from local redevelopment agencies, which local redevelopment agencies have now been dissolved (see “Dissolution of Redevelopment Agencies” below). Redevelopment agencies had sued the State over this latter diversion. However, the lawsuit was decided against the California Redevelopment Association on May 1, 2010. Because Proposition 22 reduces the State’s authority to use or shift certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget in some years—such as reducing State spending or increasing State taxes, and school and community college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State’s general fund.

**Dissolution of Redevelopment Agencies.** The adopted State budget for fiscal 2011-12, as signed by the Governor of the State on June 30, 2011, included as trailer bills Assembly Bill No. 26 (First Extraordinary Session) (“AB1X 26”) and Assembly Bill No. 27 (First Extraordinary Session) (“AB1X 27”), which the Governor signed on June 29, 2011. AB1X 26 suspended most redevelopment agency activities and prohibited redevelopment agencies from incurring indebtedness, making loans or grants, or entering into contracts after June 29, 2011. AB1X 26 dissolved all redevelopment agencies in existence and designated “successor agencies” and “oversight boards” to satisfy “enforceable obligations” of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. Certain provisions of AB1X 26 are described further below.

In July of 2011, various parties filed an action before the Supreme Court of the State of California (the “Court”) challenging the validity of AB1X 26 and AB1X 27 on various grounds (California Redevelopment Association v. Matosantos). On December 29, 2011, the Court rendered its decision in Matosantos upholding virtually all of AB1X 26 and invalidating AB1X 27. In its decision, the Court also modified various deadlines for the implementation of AB1X 26. The deadlines for implementation of AB1X 26 below take into account the modifications made by the Court in Matosantos.

On February 1, 2012, and pursuant to Matosantos, AB1X 26 dissolved all redevelopment agencies in existence and designated “successor agencies” and “oversight boards” to satisfy “enforceable obligations” of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. With limited exceptions, all assets, properties, contracts, leases, records, buildings and equipment, including cash and cash equivalents of a former redevelopment agency will be transferred to the control of its successor agency and, unless otherwise required pursuant to the terms of an enforceable obligation, distributed to various related taxing agencies pursuant to AB1X 26.

AB1X 26 requires redevelopment agencies to continue to make scheduled payments on and perform obligations required under its “enforceable obligations.” For this purpose, AB1X 26 defines “enforceable obligations” to include “bonds, including the required debt service, reserve set-asides, and any other payments required under the indenture or similar documents governing the issuance of outstanding bonds of the former redevelopment agency” and “any legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy.” AB1X 26 specifies that only payments included on an “enforceable obligation payment schedule” adopted by a redevelopment agency shall be made by a redevelopment agency until its dissolution.
However, until a successor agency adopts a “recognized obligation payment schedule” the only payments permitted to be made are payments on enforceable obligations included on an enforceable obligation payment schedule. A successor agency may amend the enforceable obligation payment schedule at any public meeting, subject to the approval of its oversight board.

Under AB1X 26, commencing February 1, 2012, property taxes that would have been allocated to each redevelopment agency if the agencies had not been dissolved will instead be deposited in a “redevelopment property tax trust fund” created for each former redevelopment agency by the related county auditor-controller and held and administered by the related county auditor-controller as provided in AB1X 26. AB1X 26 generally requires each county auditor-controller, on May 16, 2012 and June 1, 2012 and each January 16 and June 1 (now each January 2 and June 1 pursuant to AB 1484, as described below) thereafter, to apply amounts in a related redevelopment property tax trust fund, after deduction of the county auditor-controller’s administrative costs, in the following order of priority:

- To pay pass-through payments to affected taxing entities in the amounts that would have been owed had the former redevelopment agency not been dissolved; provided, however, that if a successor agency determines that insufficient funds will be available to make payments on the recognized obligation payment schedule and the county auditor-controller and State Controller verify such determination, pass-through payments that had previously been subordinated to debt service may be reduced;
- To the former redevelopment agency’s successor agency for payments listed on the successor agency’s recognized obligation payment schedule for the ensuing six-month period;
- To the former redevelopment agency’s successor agency for payment of administrative costs; and
- Any remaining balance to school entities and local taxing agencies.

It is possible that there will be additional legislation proposed and/or enacted to “clean up” various inconsistencies contained in AB1X 26 and there may be additional legislation proposed and/or enacted in the future affecting the current scheme of dissolution and winding up of redevelopment agencies currently contemplated by AB1X 26. For example, AB 1484 was signed by the Governor on June 27, 2012, to clarify and amend certain aspects of AB1X 26. AB 1484, among other things, attempts to clarify the role and requirements of successor agencies, provides successor agencies with more control over agency bond proceeds and properties previously owned by redevelopment agencies and adds other new and modified requirements and deadlines. AB 1484 also provides for a “tax claw back” provision, wherein the State is authorized to withhold sales and use tax revenue allocations to local successor agencies to offset payment of property taxes owed and not paid by such local successor agencies to other local taxing agencies. This “tax claw back” provision has been challenged in court by certain cities and successor agencies. The District cannot predict the outcome of such litigation and what effect, if any, it will have on the District. Additionally, no assurances can be given as to the effect of any such future proposed and/or enacted legislation on the District.

There are no redevelopment project areas in the District’s territory and therefore no pass-through revenues were or are received by the District.

**Proposed 2014-15 State Budget.** The Governor released his proposed fiscal year 2014-15 State budget (the “2014-15 Proposed State Budget”) on January 10, 2014. The 2014-15 Proposed State Budget proposes a multiyear plan that is balanced, while paying off budgetary debt from past years and setting aside reserves. The 2014-15 Proposed State Budget projects general fund revenues in the amount of $100.1 billion in fiscal year 2013-14 and $106.1 billion in fiscal year 2014-15, which is an additional $3 billion and $1.6 billion in revenues in fiscal years 2013-14 and 2014-15, respectively, as compared to projections from the 2013-14 State Budget. According to the 2014-15 Proposed State Budget, the primary reason for such additional revenues is the increased level of capital gains realizations for 2013 and 2014 and, accordingly, higher forecasts for personal income tax. Of the total State general fund revenues for fiscal year 2014-15, personal income taxes are expected to contribute $69.8 billion (65.8%), sales and use taxes are expected to contribute $24.1 billion (22.7%) and corporation taxes are expected to contribute $8.7 billion (8.2%). Under the 2014-15 Proposed State Budget, general fund expenditures for fiscal year 2014-15 are $106.8 billion (an increase of $8.3 billion from fiscal year 2013-14 general fund expenditures), of which $45.3 billion (42.4%) is allocated to K-12 education.
The 2014-15 Proposed State Budget proposes to reduce budgetary debt (totaling $24.9 billion at the end of fiscal year 2013-14) by more than $11 billion in fiscal year 2014-15 (which includes the payment of more than $6 billion to eliminate the remaining deferred payments to school districts and community college districts), and to fully eliminate all budgetary debt by fiscal year 2017-18. Additionally, the 2014-15 Proposed State Budget sets aside $2.3 billion in reserves, consisting of $1.6 billion in a rainy day fund (the “Rainy Day Fund”) and $693 million in the general fund traditional reserve. Such amount is $700 million below the revised reserve level at the end of fiscal year 2013-14. The 2014-15 Proposed State Budget also proposes to the voters certain constitutional amendments relating to the Rainy Day Fund, which amendments are intended to increase the size of the Rainy Day Fund, base deposits on capital gains revenues, create a Proposition 98 reserve and require certain deposits therein, limit withdrawals and allow amounts otherwise required to be transferred to the Rainy Day Fund to be applied to pay down various budgetary liabilities.

Despite the recent budgetary improvements as compared to recent years, the 2014-15 Proposed State Budget acknowledges that the additional tax revenues from capital gains are temporary in nature and that the additional revenues from Proposition 30 will expire in 2016 and 2018. Further, the 2014-15 Proposed State Budget observes several risks that the State should plan for, including: the inevitable occurrence of another recession, ongoing fiscal challenges of the federal government, the budget’s heavy dependency on the performance of the stock market in fiscal year 2014-15, the high levels of State debts and liabilities, including unfunded retirement liabilities, and ongoing court involvement relating to the State’s prisons and dissolved redevelopment agencies. With respect to the State Teachers’ Retirement System (“CalSTRS”), the 2014-15 Proposed State Budget notes that there is an increasing unfunded liability of approximately $80.4 billion and, absent any changes, CalSTRS is expected to exhaust its assets in approximately 30 years. As contributions to the CalSTRS pension fund were established in statute and can only be changed by the Legislature, the 2014-15 Proposed State Budget acknowledges that the Governor’s administration will need to begin working with the State Legislature, school districts, teachers and the pension system on a sustainable funding plan, which is expected to be adopted as part of the fiscal year 2015-16 budget.

As it relates to K-12 education, the 2014-15 Proposed State Budget provides Proposition 98 funding of $61.6 billion for fiscal year 2014-15, as well as an additional $1.5 billion and $1.8 billion for fiscal years 2013-14 and 2012-13, respectively. This translates to K-12 Proposition 98 per-pupil expenditures of $8,469 in fiscal year 2013-14 and $9,194 in fiscal year 2014-15. Such amounts are significant increases when compared to recent years, such as the $7,006 provided in fiscal year 2011-12. Total per-pupil expenditures from all sources are projected to be $11,985 in fiscal year 2013-14 and $12,833 in fiscal year 2014-15, including funds provided for prior year “settle-up” obligations. The 2014-15 Proposed State Budget notes that attendance in public schools began to decline in fiscal year 2012-13. For fiscal year 2013-14, K-12 A.D.A. is estimated to be 5,963,132, a slight increase of 702 from fiscal year 2012-13. K-12 A.D.A. is estimated to drop by 7,002 in fiscal year 2014-15 to 5,956,130.

The 2014-15 Proposed State Budget provides a second-year investment of $4.5 billion in the LCFF, which is expected to eliminate more than 28% of the remaining funding gap between actual funding and the target level of funding (see “- Allocation of State Funding to School Districts; Local Control Funding Formula” herein). With respect to K-12 school facilities, the 2014-15 Proposed State Budget acknowledges the ongoing discussion of the State’s role, if any, in future school facilities funding and notes several problems with the current program that should be addressed in any future plan. While such discussion is ongoing, the 2014-15 Proposed State Budget transfers $211 million of remaining bond authority from the specialized programs to the core new construction and modernization programs to continue construction of new classrooms and modernization of existing classrooms, and dedicates $188 million of one-time Proposition 98 general funds to an emergency repair program to provide funds to local educational agencies for costs of repairing or replacing building systems that post a health and safety threat. The 2014-15 Proposed State Budget also includes reforms and investments relating to adult education, the implementation of Common Core standards, and energy efficiency (Proposition 39).

Certain workload adjustments for K-12 programs included in the 2014-15 Proposed State Budget include the following:

• **K-12 Deferrals.** An increase of more than $2.2 billion in Proposition 98 general funds in fiscal year 2014-15 which, when combined with the $3.3 billion in Proposition 98 general funds provided from fiscal years 2012-13 and 2013-14, will be applied to eliminate all remaining outstanding deferral debt for K-12 education.
• **School District Local Control Funding Formula.** Additional growth of approximately $4.5 billion in Proposition 98 general funds for school districts and charter schools in fiscal year 2014-15.

• **Charter Schools.** An increase of $74.3 million in Proposition 98 general funds to support projected charter school A.D.A. growth.

• **Special Education.** A decrease of $16.2 million in Proposition 98 general funds to reflect a decline in Special Education A.D.A.

• **Cost-of-Living Adjustment Increases.** $33.3 million to support a 0.86% cost-of-living adjustment (“C.O.L.A.”) for categorical programs that remain outside of the LCFF. C.O.L.A. for school districts and county offices of education are provided within the increases for school district and county office of education under the LCFF.

• **Emergency Repair Program.** An increase of $188.1 million in one-time Proposition 98 general fund resources for the emergency repair program, as described above.

• **Local Property Tax Adjustments.** An increase of $287.1 million in Proposition 98 general funds for school districts and county offices of education under the LCFF in fiscal year 2013-14 as a result of lower offsetting property tax revenues. A decrease of $529.7 million in Proposition 98 general funds for school districts and county offices of education in fiscal year 2014-15 as a result of increased offsetting local property tax revenues.

• **A.D.A.** A decrease of $214.5 million in fiscal year 2013-14 for school districts and county offices of education under the LCFF as a result of a decrease in projected A.D.A. from the 2013-14 State Budget. A decrease of $42.9 million in fiscal year 2014-15 for school districts and county offices of education as a result of projected decline in A.D.A. for fiscal year 2014-15.

The complete 2014-15 Proposed State Budget is available from the California Department of Finance website at [www.dof.ca.gov](http://www.dof.ca.gov). The District can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

**LAO Overview of 2014-15 Proposed State Budget.** The Legislative Analyst’s Office (“LAO”), a nonpartisan State office which provides fiscal and policy information and advice to the State Legislature, released its report on the 2014-15 Proposed State Budget entitled “The 2014-15 Budget: Overview of the Governor’s Budget” on January 14, 2014 (the “2014-15 Proposed Budget Overview”), in which the LAO acknowledges that the State has made substantial progress in recent years in addressing its prior budgetary problems. The LAO notes that such progress has been facilitated by the recovering economy, the stock market, increased revenues from temporary taxes of Proposition 30, and the State Legislature’s recent decisions to make few new non-Proposition 98 spending commitments. Further, the LAO commends the 2014-15 Proposed State Budget’s emphasis on debt repayment, which the LAO expects to place the State on even stronger fiscal footing. Nonetheless, the LAO is not without any suggestions. For example, although the LAO agrees that the State will need to work with school districts and teachers to reach an agreement on a long-term CalSTRS funding plan, the LAO suggests that the State set aside money during fiscal year 2014-15 in anticipation of the adoption of a long-term CalSTRS funding plan.

With respect to the Proposition 98 budget plan in the 2014-15 Proposed State Budget, the LAO states that the Proposition 98 budget plan provides a reasonable mix of programmatic funding increases and pay downs of outstanding obligations. The LAO commends the proposal to eliminate K-14 budgetary deferrals, and recognizes that the use of new funding for one-time purposes helps the State minimize any future disruption in school funding as a result of revenue volatility or an economic slowdown. The LAO, however, observes that the Proposition 98 minimum guarantee in fiscal year 2014-15 will be highly sensitive to changes in general fund revenues and could experience large swings over the coming months. The LAO also expresses concern with the Governor’s proposal to set in statute the specific share of Proposition 98 funding that would be dedicated to the implementation of the LCFF each year moving forward,
commenting that doing so would remove the State Legislature’s discretion to appropriate funding and make key budget decisions.

The 2014-15 Budget Overview is available on the LAO website at www.lao.ca.gov. The District can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Changes in State Budget. The final fiscal year 2014-15 State budget, which requires approval by a majority vote of each house of the State Legislature, may differ substantially from the Governor’s budget proposal. Accordingly, the District cannot predict the impact that the final fiscal year 2014-15 State Budget, or subsequent budgets, will have on its finances and operations. The final fiscal year 2014-15 State budget may be affected by national and State economic conditions and other factors which the District cannot predict.

Future Budgets and Budgetary Actions. The District cannot predict what actions will be taken in the future by the State Legislature and the Governor to address changing State revenues and expenditures or the impact such actions will have on State revenues available in the current or future years for K-12 education. The State budget will be affected by national and State economic conditions and other factors over which the District cannot predict and will have no control. Certain actions could result in a significant shortfall of revenue and cash, and could impair the State’s ability to fund schools during fiscal year 2014-15 and in future fiscal years. Certain factors, like an economic recession, could result in State budget shortfalls in any fiscal year and could have a material adverse financial impact on the District. However, the Bonds are secured by ad valorem taxes levied and collected on taxable property within the District, without limit as to rate or amount, and are not secured by a pledge of revenues of the District or its general fund.

District Revenues

Allocation of State Funding to School Districts; Local Control Funding Formula. Prior to the implementation of the Local Control Funding Formula in fiscal year 2013-14, under California Education Code Section 42238 and following, each school district was determined to have a target funding level: a “base revenue limit” per student multiplied by the district’s student enrollment measured in units of average daily attendance. The base revenue limit was calculated from the district’s prior-year funding level, as adjusted for a number of factors, such as inflation, special or increased instructional needs and costs, employee retirement costs, especially low enrollment, increased pupil transportation costs, etc. Generally, the amount of State funding allocated to each school district was the amount needed to reach that district’s base revenue limit after taking into account certain other revenues, in particular, locally generated property taxes. This is referred to as State “equalization aid.” To the extent local tax revenues increased due to growth in local property assessed valuation, the additional revenue was offset by a decline in the State’s contribution; ultimately, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State equalization aid, and received only its special categorical aid, which is deemed to include the “basic aid” of $120 per student per year guaranteed by Article IX, Section 6 of the Constitution. Such districts were known as “basic aid districts.” Districts that received some equalization aid were commonly referred to as “revenue limit districts.”

Beginning in fiscal year 2013-14, the LCFF replaced the revenue limit funding system and most categorical programs and distributes combined resources to school districts through a base revenue limit funding grant (“Base Grant”) per unit of A.D.A. with additional supplemental funding allocated to local educational agencies based on their proportion of English language learners, students from low-income families and foster youth. The LCFF has an eight year implementation program to incrementally close the gap between actual funding and the target level of funding, as described below. The LCFF includes the following components:

- A Base Grant for each local education agency, equivalent to $7,643 per unit of A.D.A. in fiscal year 2013-14. Such Base Grant per unit of A.D.A., adjusted by grade span variation and to be adjusted annually for cost-of-living, is as follows: $6,845 for grades K-3, $6,947 for grades 4-6, $7,154 for grades 7-8 and $8,289 for grades 9-12. This amount includes an adjustment of 10.4% to the Base Grant to support lowering class sizes in grades K-3, and an adjustment of 2.6% to reflect the cost of operating career technical education programs in grades 9-12.
• A 20% supplemental grant for the unduplicated number of English language learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.

• An additional concentration grant of up to 22.5% of a local education agency’s Base Grant, based on the number of English language learners, students from low-income families and foster youth served by the local education agency that comprise more than 55% of enrollment.

• An Economic Recovery Target (the “ERT”) that is intended to ensure that almost every local education agency receives at least their pre-recession funding level (i.e., the fiscal year 2007-08 revenue limit per unit of A.D.A.), adjusted for inflation, at full implementation of the LCFF. Upon full implementation, local education agencies would receive the greater of the Base Grant or the ERT.

Of the projected $25 billion in new funding to be invested through the LCFF over the next eight years, the vast majority of new funding will be provided for Base Grants. Specifically, of every dollar invested through the LCFF, 84 cents will go to Base Grants, 10 cents will go to supplemental grants and 6 cents will go to concentration grants.

A school district’s property tax revenues may exceed the amounts that it is due under the LCFF. Such school districts are known as “community funded districts.” School districts that receive some equalization aid are known as “LCFF districts.” The District is a community funded district. As such, the District anticipates that the implementation of the LCFF will have little effect on the District’s revenues.

All school districts, county offices of education and charter schools are required to develop and adopt local control and accountability plans, which will identify local goals in areas that are priorities for the State, including pupil achievement, parent engagement and school climate. Such local control and accountability plans are to be developed in accordance with a template to be provided by the State Board of Education. County superintendents will review and provide support to the school districts under their jurisdiction, while the Superintendent of Public Instruction will perform a corresponding role for county offices of education. The 2013-14 State Budget created the California Collaborate for Education Excellence (the “Collaborative”) to advise and assist local education agencies in achieving the goals identified in their plans. For local education agencies that continue to struggle in meeting their goals, and when the Collaborative indicates that additional intervention is needed, the Superintendent of Public Instruction would have authority to make changes to a local education agency’s plan.

The District is a basic aid district. Local property tax revenues account for approximately 98% of the District’s aggregate revenue limit income and are budgeted to be approximately $117.8 million, or 69% of total general fund revenue in Fiscal Year 2012-13. The County is a “Teeter Plan” county, which means that the District is made whole for any delinquencies in payment of property taxes by local property owners. Property tax levy and collection procedures (including the Teeter Plan) are discussed in the front portion of this Official Statement under “SECURITY AND SOURCE OF PAYMENT FOR THE BONDS – Tax Collections and Delinquencies.” For a discussion of legal limitations on the ability of the District to raise revenues through local property taxes, see “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS” in this Appendix A.

Effect of Changes in Enrollment. Changes in local property tax income and student enrollment (or A.D.A.) affect LCFF districts and community funded districts differently.

In an LCFF district, increasing enrollment increases the total amount distributed under the LCFF and thus generally increases a district’s entitlement to State equalization aid, while increases in property taxes do nothing to increase district revenues, but only offset the State funding requirement of equalization aid. Operating costs increase disproportionately slowly to enrollment growth—and only at the point where additional teachers and classroom facilities are needed. Declining enrollment has the reverse effect on LCFF districts, generally resulting in a loss of State equalization aid, while operating costs decrease slowly and only when, for example, the district decides to lay off teachers or close schools.
In community funded districts, the opposite is generally true: increasing enrollment increases the amount to which the district would be entitled were it an LCFF district, but since all LCFF income (and more) is already generated by local property taxes, there is no increase in State income, other than the $120 per student in basic aid, as described above. Meanwhile, as new students impose increased operating costs, property tax income is stretched further. Declining enrollment does not reduce property tax income, and has a negligible impact on State aid, but eventually reduces operating costs, and thus can be financially beneficial to a community funded district.

Enrollment can fluctuate due to factors such as population growth, competition from private, parochial, and public charter schools, inter-district transfers in or out, and other causes. Losses in enrollment will cause a school district to lose operating revenues, without necessarily permitting the District to make adjustments in fixed operating costs.

The District cannot make any predictions regarding how the current economic environment or changes thereto will affect the State’s ability to meet the revenue and spending assumptions in the State’s adopted budget, and the effect of these changes on school finance. The District’s adopted budget and budgeted A.D.A. are used for planning purposes only, and do not represent a prediction as to the actual financial performance, attendance, or the District’s actual funding level for fiscal year 2013-14 or beyond. Certain adjustments will have to be made throughout the year based on actual State funding and actual attendance.

The District’s recent A.D.A. history for grades 9 through 12 is set forth in the table below.

### PALO ALTO UNIFIED SCHOOL DISTRICT
### TOTAL GRADES K-12
### AVERAGE DAILY ATTENDANCE (P-2)
### FISCAL YEARS 2008-09 THROUGH 2013-14

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Average Daily Attendance</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008-09</td>
<td>10,510</td>
<td>-</td>
</tr>
<tr>
<td>2009-10</td>
<td>10,709</td>
<td>1.9</td>
</tr>
<tr>
<td>2010-11</td>
<td>10,993</td>
<td>2.7</td>
</tr>
<tr>
<td>2011-12</td>
<td>11,257</td>
<td>2.4</td>
</tr>
<tr>
<td>2012-13</td>
<td>11,341</td>
<td>0.7</td>
</tr>
<tr>
<td>2013-14(1)</td>
<td>11,560</td>
<td>1.9</td>
</tr>
</tbody>
</table>

(1) Projected.  
Source: The District.

The District adopted its Fiscal Year 2013-14 budget on June 18, 2013 and adopted a revised budget on September 24, 2013. The District’s adopted budget and budgeted A.D.A. are used for planning purposes only, and do not represent a prediction as to the actual financial performance, attendance, or the District’s actual funding level for Fiscal Year 2013-14 or beyond. Certain adjustments will have to be made throughout the year based on actual State funding and actual attendance.

### Other District Revenues

**Federal Revenues.** The federal government provides funding for several District programs, including special education programs, programs under The No Child Left Behind Act (NCLB) of 2001 (PL 107-110), specialized programs such as Teacher Quality, Title I/Elementary and Secondary Education Act (ESEA), immigrant education, and various incentives under the American Recovery and Reinvestment Act (ARRA). Federal revenues, most of which are restricted, are budgeted at approximately $3.5 million and comprise approximately 1.9% of the District’s general fund budgeted revenues in Fiscal Year 2013-14.

**Other State Revenues.** In addition to State apportionments for Proposition 98 funding, the District receives substantial other state revenues. These other state revenues, or categorical funds, are ordinarily restricted to specific programs or items; however, as part of the 2009-10 State Budget, general spending flexibility was given to school districts for most categorical funds through Fiscal Year 2012-13. State categorical revenues are budgeted at
approximately $[8.6] million, including the State lottery fund portion, comprising approximately [4.7]% of the District’s general fund budgeted revenues in Fiscal Year 2013-14. Lottery funds may not be used for non-instructional purposes, such as the acquisition of real property, the construction of facilities, or the financing of research. School districts receive lottery funds proportional to their total A.D.A. The District’s total State lottery revenue is budgeted at $[1.9] million, or about [1.0]% of general fund revenue in 2013-14.

Other Local Revenues. In addition to ad valorem property taxes, the District receives additional local revenues from items such as interest earnings and other local sources. Other local revenues comprised approximately [20.0]% of the District’s general fund revenues and are budgeted to be approximately $[36.6] million in 2013-14. Other local revenues may include donations, redevelopment pass-through moneys as described below, local voter-approved special taxes, as well as items such as rent, interest, fees and contracts.

District Expenditures

The largest part of each school district’s general fund budget is used to pay salaries and benefits of certificated (credentialed teaching) and classified (non-instructional) employees. Changes in salary and benefit expenditures from year to year are generally based on changes in staffing levels, negotiated salary increases, and the overall cost of employee benefits.

In its Second Interim Report, the District budgets that it will expend $154.7 million in salaries and benefits, or approximately 84.9% of its general fund expenditures. This amount represents an increase of approximately 6.6% from the $145.2 million the District expended in 2012-13.

Labor Relations. As of March 1, 2014, the District employed [921] certificated (credentialed teaching) employees, [722] classified (non-teaching) employees and [639] part-time faculty and staff. These employees, except management and some part-time employees, are represented by the bargaining units as noted below.

<table>
<thead>
<tr>
<th>Labor Organization</th>
<th>Employees Represented</th>
<th>Contract Expiration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Palo Alto Educators Association</td>
<td>[848]</td>
<td>6/30/2016</td>
</tr>
<tr>
<td>California Schools Employees Association, Chapter #301</td>
<td>[677]</td>
<td>6/30/2016</td>
</tr>
</tbody>
</table>

Source: The District.

Retirement Programs. The District participates in the State Teachers’ Retirement System (“STRS”). This plan covers all full-time certificated and some classified District employees. Each school district is required by statute to contribute 8.25% of eligible employee’s salaries to STRS on a monthly basis. Employees are required to contribute 8% of eligible salary. The State is required to contribute as well. The District’s employer contribution to STRS was $6,895,932 for fiscal year 2012-13, and a contribution of $7,452,925 is projected for fiscal year 2013-14.

The District also participates in the California Public Employees’ Retirement System (“CalPERS”) for all full-time and some part-time classified employees. The District is required to contribute toward CalPERS, at a State-determined percentage of CalPERS-eligible salaries. For fiscal year 2012-13, the contribution percentage was 11.417%. For fiscal year 2013-14, the contribution percentage is 11.442%. For fiscal year 2013-14, the total contribution is projected at $3,238,712, compared to $3,007,694 for fiscal year 2012-13.

The District is unable to predict what the amount of State pension liabilities will be in the future, or the amount of the contributions which the District may be required to make. STRS and CalPERS liabilities are more fully described in APPENDIX B: “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2013,” Note 12.
State Pension Trusts

The following information on the State Pension Trusts has been obtained from publicly available sources and has not been independently verified by the District, is not guaranteed as to the accuracy or completeness of the information and is not to be construed as a representation by the District, the Underwriters or the Registered Municipal Advisor. Furthermore, the summary data below should not be read as current or definitive, as recent losses on investments made by the retirement systems generally may have increased the unfunded actuarial accrued liabilities stated below.

The assets and liabilities of the funds administered by CalPERS and STRS, as well as certain other retirement funds administered by the State, are included in the financial statements of the State for the year ended June 30, 2012, as fiduciary funds. Both CalPERS and STRS have unfunded actuarial accrued liabilities in the tens of billions of dollars. The amount of unfunded actuarially accrued liability will vary from time to time depending upon actuarial assumptions, rates of return on investments, salary scales, and levels of contribution.

STRS and CalPERS each issue separate comprehensive annual financial reports that include financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from STRS, P.O. Box 15275, Sacramento, California 95851-0275 or at www.calstrs.com/comprehensive-annual-financial-report and copies of the CalPERS annual financial report and actuarial valuations may be obtained from the CalPERS Financial Services Division, P.O. Box 942703, Sacramento, California 94229-2703 or at www.calpers.ca.gov/index.jsp?bc=/investments/reports/home.xml.*

Unlike typical defined benefit programs, however, neither the STRS employer nor the State contribution rate varies annually to make up funding shortfalls or assess credits for actuarial surpluses. However, in recent years, the combined employer, employee and State contributions to STRS have not been sufficient to pay actuarially required amounts. As a result, and due to significant investments losses, the unfunded actuarial liability of STRS has increased significantly and is expected to continue to increase in the absence of legislation changing required employer or employee contributions. The District is unable to predict what the STRS program liabilities will be in the future, or whether the Legislature may elect to require the District to make larger contributions in the future.

State of California
Actuarial Value of State Retirement Systems

<table>
<thead>
<tr>
<th>Plan Name</th>
<th>Unfunded Liability (Market Value Basis)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Employees’ Retirement Fund (CalPERS)(1)</td>
<td>$(14.6) billion(2)</td>
</tr>
<tr>
<td>State Teachers’ Retirement Fund Defined Benefit Program (STRS)(3)</td>
<td>(80.4) billion</td>
</tr>
</tbody>
</table>

(1) As of June 30, 2012, the CalPERS provided pension benefits to 1,564,067 active and inactive program members and 551,627 retirees, beneficiaries, and survivors. 38.8% of CalPERS members are school employees and 1,488 school districts are CalPERS employers.
(2) Schools portion only.
(3) As of June 30, 2011, the CalSTRS Defined Benefit Program had approximately 600,154 active and inactive program members and 262,038 benefit recipients.
Source: CalPERS State and Schools Actuarial Valuation and CalSTRS Defined Benefit Program Actuarial Valuation.

California Public Employees’ Pension Reform Act of 2013. The Governor signed the California Public Employee’s Pension Reform Act of 2013 (the “Reform Act” or “PEPRA”) into law on September 12, 2012. The Reform Act affects both CalSTRS and CalPERS, most substantially as they relate to new employees hired after January 1, 2013 (the “Implementation Date”). As it pertains to CalSTRS participants hired after the Implementation Date, the Reform Act changes the normal retirement age, increasing the eligibility for the 2% “age factor” (the percent of final compensation to which an employee is entitled to for each year of service) from age 60 to 62 and increasing the eligibility of the maximum age factor of 2.4% from age 63 to 65. For non-safety CalPERS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing

* The information presented in these reports is not incorporated by reference in this Official Statement.
the eligibility for the 2% age factor from age 55 to 62 and also increases the eligibility requirement for the maximum age factor of 2.5% to age 67.

The Reform Act also implements certain other changes to CalPERS and CalSTRS including the following:
(a) all new participants enrolled in CalPERS and CalSTRS after the Implementation Date are required to contribute at least 50% of the total annual cost of their pension benefit each year as determined by an actuary,
(b) CalSTRS and CalPERS are both required to determine the final compensation amount for employees based upon the highest annual compensation earnable averaged over a consecutive 36-month period as the basis for calculating retirement benefits for new participants enrolled after the Implementation Date (currently 12 months for CalSTRS members who retire with 25 years of service), and (c) "pensionable compensation" is capped for new participants enrolled after the Implementation Date at 100% of the federal Social Security contribution and benefit base for members participating in Social Security or 120% for CalSTRS and CalPERS members not participating in social security.

The District is unable to predict what the amount of State pension liabilities will be in the future, or the amount of the contributions which the District may be required to make (except as already announced).

**Post-Employment Benefits.** In addition to the pension benefits described above, the District provides post-employment health benefits for eligible employees who retire early. The benefits are available for employees who retire at age 55 or older with at least ten years of service to the District. The District has budgeted that [___] retirees will meet the eligibility requirements to receive post-employment health benefits in Fiscal Year 2013-14. Expenditures for post-employment benefits are recognized on a "pay-as-you-go" basis as premiums are paid. During Fiscal Year 2012-13, expenditures of an estimated $[___] were recognized for retirees’ health care benefits. The District has budgeted the pay-as-you-go cost of providing retiree health benefits to be approximately $[___] in Fiscal Year 2013-14.

The District is required to comply with GASB Statement No. 45 for fiscal years following December 15, 2007 regarding reporting of post-employment health benefit liabilities. The District commissioned an actuarial study dated July 1, 2012, to determine its estimated liability for post-employment benefits. At the time of the study, the District’s accumulated future liability (unfunded actuarial accrued liability) for post-employment health benefits was estimated to be approximately $[19.6] million, assuming a [4.0]% discount rate. If this liability were amortized as a level percentage of payroll over 30 years, the District’s current year expense (annual required contribution) would be approximately $2.6 million; the normal cost was estimated at $1.5 million. The District has accumulated a total of $[2.4] million in a District-controlled special reserve fund for this liability. The District is currently exploring alternative solutions for financing this liability. [NEED TO UPDATE]

**Accrued Vacation.** The long-term portion of accumulated and unpaid employee vacation and sick leave for the District as of June 30, 2013, was $[___].
Summary of District Revenues and Expenditures

The table on the following page summarizes the District’s general fund revenue, expenditures and fund balances from Fiscal Years 2008-09 through 2012-13 (audited) and Fiscal Year 2013-14 (budgeted). See “SCHOOL DISTRICT BUDGET PROCEDURES AND REQUIREMENTS – District Budget Process and County Review” herein for a general description of the annual budget process for California school districts. The District’s audited financial statements for the year ending June 30, 2013, are reproduced in APPENDIX B. The final (unaudited) statement of receipts and expenditures for each fiscal year ending June 30 is required by State law to be approved by the District Board of Trustees by September 15, and the audit report must be filed with the County of Santa Clara Superintendent of Schools and State officials by December 15 of each year.

The District is required by State law and regulation to maintain various reserves. The District is generally required to maintain a reserve for economic uncertainties in the amount of [3]% of its total general fund expenditures and transfers, based on total student attendance below 30,000. For Fiscal Year 2013-14, the District has budgeted an unrestricted general fund reserve of [3.0]% or approximately $[____] million. Substantially all funds of the District are required by law to be deposited with and invested by the County Director of Finance on behalf of the District, pursuant to law and the investment policy of the County. See APPENDIX E: “SANTA CLARA COUNTY STATEMENT OF INVESTMENT POLICY AND QUARTERLY INVESTMENT REPORT.”
Comparative Financial Statements

The following table summarizes the District’s general fund revenue, expenditures and fund balances for fiscal years 2009-10 through 2013-14.

### GENERAL FUND

**PALO ALTO UNIFIED SCHOOL DISTRICT**

**REVENUES, EXPENDITURES AND FUND BALANCES**

**2009-10 THROUGH 2013-14**

<table>
<thead>
<tr>
<th></th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
<th>2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue Limit Sources</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Aid</td>
<td>$(739,926)</td>
<td>$1,987,743</td>
<td>$1,971,500</td>
<td>[$]</td>
<td>[$]</td>
</tr>
<tr>
<td>Local Property Taxes</td>
<td>112,274,358</td>
<td>113,018,408</td>
<td>114,722,061</td>
<td>[$]</td>
<td>[$]</td>
</tr>
<tr>
<td>Federal</td>
<td>5,267,796</td>
<td>5,236,741</td>
<td>4,034,403</td>
<td>4,560,612</td>
<td>3,491,754</td>
</tr>
<tr>
<td>Other State</td>
<td>11,199,201</td>
<td>11,363,994</td>
<td>5,461,910</td>
<td>6,242,464</td>
<td>8,629,876</td>
</tr>
<tr>
<td>Local</td>
<td>30,382,187</td>
<td>34,282,523</td>
<td>34,900,703</td>
<td>36,351,514</td>
<td>36,622,309</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$158,383,618</td>
<td>$165,889,409</td>
<td>$161,090,577</td>
<td>$172,953,129</td>
<td>$182,830,361</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certificated Salaries</td>
<td>$74,828,754</td>
<td>$75,155,333</td>
<td>$77,513,594</td>
<td>$83,472,918</td>
<td>$90,573,399</td>
</tr>
<tr>
<td>Classified Salaries</td>
<td>26,633,499</td>
<td>27,022,551</td>
<td>27,262,093</td>
<td>28,616,296</td>
<td>30,122,942</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>29,802,221</td>
<td>34,976,974</td>
<td>32,544,542</td>
<td>33,056,541</td>
<td>34,015,766</td>
</tr>
<tr>
<td>Books and Supplies</td>
<td>6,277,180</td>
<td>6,051,183</td>
<td>6,571,692</td>
<td>6,461,146</td>
<td>8,371,441</td>
</tr>
<tr>
<td>Services/Other Operating Expenditures</td>
<td>14,276,964</td>
<td>15,020,004</td>
<td>15,970,344</td>
<td>16,945,743</td>
<td>19,111,253</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>369,734</td>
<td>700,328</td>
<td>491,473</td>
<td>600,607</td>
<td>208,600</td>
</tr>
<tr>
<td>Other Outgo</td>
<td>16,014</td>
<td>(96,289)</td>
<td>(101,719)</td>
<td>-</td>
<td>(106,958)</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$152,231,132</td>
<td>$158,830,084</td>
<td>$160,252,019</td>
<td>$169,153,251</td>
<td>$182,296,443</td>
</tr>
<tr>
<td><strong>Excess (Deficiency) of Revenues Over (Under) Expenditures</strong></td>
<td>$6,152,486</td>
<td>$7,059,325</td>
<td>$838,558</td>
<td>$3,799,878</td>
<td>$533,918</td>
</tr>
<tr>
<td><strong>Other Financing Sources/(Uses)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interfund Transfers In</td>
<td>$428,441</td>
<td>$419,218</td>
<td>$437,182</td>
<td>$36,818</td>
<td>$101,000</td>
</tr>
<tr>
<td>Interfund Transfers Out</td>
<td>(1,834,935)</td>
<td>(1,711,675)</td>
<td>(1,421,736)</td>
<td>(1,563,428)</td>
<td>(4,260,874)</td>
</tr>
<tr>
<td><strong>Net Financing Sources (Uses)</strong></td>
<td>$(1,396,494)</td>
<td>$(1,292,457)</td>
<td>$(984,554)</td>
<td>$(1,526,610)</td>
<td>$(4,159,874)</td>
</tr>
<tr>
<td><strong>Net Change in Fund Balances</strong></td>
<td>$4,755,992</td>
<td>$5,766,868</td>
<td>$145,996</td>
<td>$2,273,268</td>
<td>$3,625,956</td>
</tr>
<tr>
<td><strong>Beginning Fund Balance</strong></td>
<td>$21,023,031</td>
<td>$37,684,095(1)</td>
<td>$43,450,963</td>
<td>$43,304,967(2)</td>
<td>$33,425,918</td>
</tr>
<tr>
<td><strong>Ending Fund Balance</strong></td>
<td>$25,779,023</td>
<td>$43,450,963</td>
<td>$43,304,967</td>
<td>$45,578,235</td>
<td>$29,799,962</td>
</tr>
</tbody>
</table>

(Footnotes continued on following page)
(1) Pursuant to GASB 54, the District restated beginning fund balance in the General Fund of $37,684,095 to combine the Special Reserve Fund for Other than Capital Outlay and the Special Reserve Fund for Postemployment Benefits (“Special Reserve Funds”) with the General Fund. These Special Reserve Funds do not meet the definition of a special revenue fund as defined by GASB 54.

(2) Special Reserve Fund for Other than Capital Outlay Projects and the Retiree Benefits Fund are combined with the General Fund for presentation in the District’s 2011-12 audited financial statement; however, these funds are not combined with the General Fund for internal reporting purposes and are not included in the 2012-13 column.


Fair Share Reduction

Basic Aid districts in the State are required to pay so-called “Fair Share” payments to the State to assist in alleviating fiscal pressures on non-Basic Aid districts whose revenues were declining due to cuts in State aid. The District made a $[___] million Fair Share payment in fiscal year 2012-13 and has budgeted a $[___] million Fair Share payment for fiscal year 2013-14.

Parcel Tax

On May 4, 2010, more than two-thirds of the voters of the District approved a qualified special tax (usually referred to as a “parcel tax”) of not more than $589 per parcel per year, increasing annually by 2% per year, for six years commencing July 1, 2010. An exemption is provided to parcels owned and occupied by taxpayers aged 65 and older, upon proper application. Proceeds from the tax will be authorized to be used to preserve core academic programs, minimize class size increases and teacher layoffs, and provide for teacher training. The parcel tax generated revenues in 2012-13 of approximately $[11.7] million. The District has projected $[___] million in parcel tax revenues for fiscal year 2013-14. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Limitations on Revenues – Article XIIIC and Article XIIID of the California Constitution.”

Foundations

The Palo Alto Partnership for Education is a nonprofit public benefit corporation, providing financial support to the District. Palo Alto Partnership for Education was formed solely to assist the District. The support is to supplement the resources available to the District through normal tax revenues and State funds. The foundation funds are unrestricted as to use. Foundation payments to the District for the Fiscal Year 2012-13 were approximately $5.0 million and are projected to be $5.0 million for Fiscal Year 2013-14. There is no guarantee that the foundation will continue to provide this supplemental financial support to the District in the future and expenses are not obligated until revenues are received.

Tax and Revenue Anticipation Notes

The District’s notes are a general obligation of the District, payable from the District’s general fund and any other lawfully available moneys. The District evaluates each year whether or not temporary borrowing will be necessary or economically beneficial. The District has not issued temporary notes since fiscal year 2008-09. [The District does not plan to issue tax and revenue anticipation notes in Fiscal Year 2013-14.]

District Debt Structure

General Obligation Bonds. In 1995, the voters of the District approved a bond proposition authorizing the issuance of $143 million to improve real property used for education, including classroom construction, reconstruction and repair, student safety, and improved library and laboratory facilities. All of these bonds were issued, and in 2005, the District issued refunding bonds (the “2005 Refunding Bonds”) to refund the outstanding election of 1995 Bonds. The 2005 Refunding Bonds were refunded by the District’s 2012 General Obligation Refunding Bonds on August 14, 2012. On June 3, 2008, the District’s voters approved $378 million in additional
bonds by approval of Measure A, as described in the front portion of this Official Statement. To date, approximately $[163.0] million of the 2008 authorization remains unissued.

The District’s general obligation bonds authorized in 2008 as well as the 2005 Refunding Bonds, the 2012 General Obligation Refunding Bonds are payable from a special ad valorem property tax which the County is required to levy in an amount sufficient to pay such obligations. The following table shows the bonds outstanding as of June 30, 2013, not including the Bonds.

### Issued and Outstanding General Obligation Bonds

**Palo Alto Unified School District**

**As of June 30, 2013 [Update?]**

<table>
<thead>
<tr>
<th>Date of Issue</th>
<th>Series Name</th>
<th>Original Principal Amount</th>
<th>Outstanding Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>04/20/05</td>
<td>2005 General Obligation Refunding Bonds</td>
<td>$107,225,000.00</td>
<td>$27,160,000.00</td>
</tr>
<tr>
<td>10/11/08</td>
<td>Election of 2008, Series 2008</td>
<td>$119,999,248.80</td>
<td>$114,569,249.80</td>
</tr>
<tr>
<td>07/23/10</td>
<td>Election of 2008, Series 2010 (Taxable)</td>
<td>$25,000,000.00</td>
<td>$25,000,000.00</td>
</tr>
<tr>
<td>08/14/12</td>
<td>2012 General Obligation Refunding Bonds</td>
<td>$52,845,000.00</td>
<td>$52,845,000.00</td>
</tr>
<tr>
<td>03/20/13</td>
<td>Election of 2008, Series 2013</td>
<td>$70,000,000.00</td>
<td>$70,000,000.00</td>
</tr>
</tbody>
</table>

Total Outstanding: $289,574,249.80

### Operating Leases

The District entered into a lease and covenant not to sell or develop, for non-school district purposes, with the City of Palo Alto for six school sites and eleven extended day care sites. The agreement was set to expire on December 21, 2005 with options to renew the agreement for ten years, plus an additional two five-year periods. On December 15, 2003, the Palo Alto City Council voted to exercise its option to extend the lease and covenant not to develop between the City of Palo Alto and the District for an additional ten years with two more five-year options. The agreement may be partially or completely terminated under certain conditions. Future rental payments are adjusted by Consumer Price Index ("CPI") increases, however, a current year’s annual payment shall not be decreased if the CPI decreases, such a decrease shall be applied against subsequent annual Index increases in making the annual payment adjustment. There is a provision for an escalation adjustment every five years. Increases in excess of 10% shall accrue and the aggregate percentage without regard to any limitations shall be used to determine the annual payment on the fifth, tenth and fifteenth years to arrive at the payment for the next subsequent year of the lease.

In June 2011, the District exercised its option to terminate the lease with Garland Elementary School effective June 30, 2014, resulting in an estimated financial impact of $250,000 for the three-year period ending June 30, 2014. The loss in rental income during 2014-15 is approximately $[852,000].

Future minimum lease payments under these agreements are as follows:

<table>
<thead>
<tr>
<th>Year Ending June 30</th>
<th>Lease Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$8,678,497</td>
</tr>
<tr>
<td>2014</td>
<td>5,261,209</td>
</tr>
<tr>
<td>2015</td>
<td>1,339,676</td>
</tr>
<tr>
<td>2016</td>
<td>1,379,867</td>
</tr>
<tr>
<td>2017-22</td>
<td>7,545,676</td>
</tr>
<tr>
<td>2023-28</td>
<td>1,647,633</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$25,852,558</td>
</tr>
</tbody>
</table>
Capital Financing Plan

In its April 2007 Facility Master Plan, the District identified facilities improvement needs of approximately $553 million over the next 20 years. Planned maintenance costs are projected to total approximately $167 million over the same period. Additionally, the cost of upgrading technology, furniture and equipment is projected to total approximately $52 million. The District expects to finance its school construction costs from the proceeds of voter-approved debt. The 2008 bond measure represents the first of two or three bond measures the District intends to place before voters in the next 20 years.

As a condition to receiving past State modernization or construction funds, the District agrees to fund a restricted maintenance reserve account in the general fund each year for 20 years of at least 3% of its general fund budget. For fiscal years 2008-09 through 2012-13, the adopted 2009-10 State Budget reduced the required reserve contribution from 3% to 1%. For fiscal year 2013-14, the District has budgeted a maintenance reserve contribution of $[___] million, or [___]% of general fund expenditures.

Insurance, Risk Pooling and Joint Powers Arrangements

The District obtains property and liability insurance coverage from Schools Association for Excess Risk ("SAFER") and from Northern California Regional Liability Excess Fund ("NorCal ReLiEF"). For property risks, the District is self-insured for the first $50,000 per occurrence, and purchases combined coverage up to a total of $250 million from NorCal ReLiEF and SAFER. For liability coverage, the District is self-insured for the first $50,000, purchases combined coverage up to $5 million per occurrence from NorCal ReLiEF and from SAFER, and purchases the excess up to $20 million per occurrence from SAFER.

The District is a member of Protected Insurance Program for Schools Joint Powers Authority (the “PIPS JPA”) effective July 1, 2013. The Protected Insurance Program for Schools is a joint powers authority comprised of 417 self-insured school districts statewide with a combined annual payroll of nearly 9.3 billion dollars. The PIPS program provides first dollar coverage which eliminates the $500,000 self-insured retention the district previously maintained. The Protected Insurance Program for Schools and Community Colleges (PIPS) is a self-insurance program that integrates risk transfer to reinsurers and risk retention by its self-insured members. This unique structure provides catastrophic protection up to $155,000,000 per occurrence and frequency protection up to $1,500,000 per occurrence in excess of a 99% undiscounted actuarial probability level. These entities have budgeting and financial reporting requirements independent of member units and their financial statements are not included in APPENDIX B; however, fund transactions between the JPAs and the District are included in these statements. See APPENDIX B: “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2013,” Note 15.

Charter Schools

There are no charter schools currently operating within the District.
District Budget Process and County Review

State law requires school districts to maintain a balanced budget in each fiscal year. The State Department of Education imposes a uniform budgeting and accounting format for school districts.

Under current law, a school district governing board must adopt and file with the county superintendent of schools a tentative budget by July 1 in each fiscal year. The District is under the jurisdiction of the Santa Clara County Superintendent of Schools (the “County Superintendent”).

The County Superintendent must review and approve or disapprove the budget no later than August 15. The County Superintendent is required to examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. If the budget is disapproved, it is returned to the District with recommendations for revision. The District is then required to revise the budget, hold a public hearing thereon, adopt the revised budget and file it with the County Superintendent no later than September 8. Pursuant to State law, the County Superintendent has available various remedies by which to impose and enforce a budget that complies with State criteria, depending on the circumstances, if a budget is disapproved. After approval of an adopted budget, the school district’s administration may submit budget revisions for approval by the Board of Trustees.

Subsequent to approval, the County Superintendent will monitor each district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the district can meet its current or subsequent year financial obligations. If the County Superintendent determines that a district cannot meet its current or subsequent year obligations, the County Superintendent will notify the district’s Board of Trustees of the determination and may then do either or both of the following: (a) assign a fiscal advisor to enable the district to meet those obligations or (b) if a study and recommendations are made and a district fails to take appropriate action to meet its financial obligations, the County Superintendent will so notify the State Superintendent of Public Instruction, and then may do any or all of the following for the remainder of the fiscal year: (i) request additional information regarding the district’s budget and operations; (ii) after also consulting with the district’s board, develop and impose revisions to the budget that will enable the district to meet its financial obligations; and (iii) stay or rescind any action inconsistent with such revisions. However, the County Superintendent may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the County Superintendent assumed authority.

A State law adopted in 1991 (“A.B. 1200”) imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200, each school district is required to file interim certifications with the County Superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent fiscal year. The County Superintendent reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that will meet its financial obligations for the current fiscal year and subsequent two fiscal years. A negative certification is assigned to any school district that is deemed unable to meet its financial obligations for the remainder of the fiscal year or subsequent fiscal year. A qualified certification is assigned to any school district that may not meet its financial obligations for the current fiscal year or two subsequent fiscal years. A school district that receives a qualified or negative certification may not issue tax and revenue anticipation notes or certificates of participation without approval by the County Superintendent. The District has not received a qualified or negative certification in at least the most recent five fiscal years.
Accounting Practices

The accounting policies of the District conform to generally accepted accounting principles in accordance with the definitions, instructions and procedures of the California School Accounting Manual, as required by the State Education Code. Revenues are recognized in the period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the period in which the liability is incurred.

Vavrinek, Trine, Day & Co. LLP, Palo Alto, California, serves as independent auditor to the District. The District’s audited financial statements for the fiscal YEAR ENDED JUNE 30, 2013 are attached hereto as APPENDIX B. The District considers its audited financial statements to be public information, and accordingly no consent has been sought or obtained from the auditor in connection with the inclusion of such statements in this Official Statement. The auditor has made no representation in connection with inclusion of the audit herein that there has been no material change in the financial condition of the District since the audit was concluded. The District is required by law to adopt its audited financial statements following a public meeting to be conducted no later than January 31 following the close of each fiscal year.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

Limitations on Revenues

Article XIII A of the California Constitution. Article XIII A of the State Constitution, adopted and known as Proposition 13, was approved by the voters in June 1978. Section 1(a) of Article XIII A limits the maximum ad valorem tax on real property to 1% of “full cash value,” and provides that such tax shall be collected by the counties and apportioned according to State law. Section 1(b) of Article XIII A provides that the 1% limitation does not apply to ad valorem taxes levied to pay interest and redemption charges on (i) indebtedness approved by the voters prior to July 1, 1978, or (ii) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast on the proposition, or (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. The tax for payment of the District’s general obligation bonds approved at the 2008 election falls within the exception for bonds approved by a 55% vote.

Section 2 of Article XIII A defines “full cash value” to mean the county assessor’s valuation of real property as shown on the fiscal year 1975-76 tax bill, or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred. The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or to reflect a reduction in the consumer price index or comparable data for the area under taxing jurisdiction, or may be reduced in the event of declining property value caused by substantial damage, destruction or other factors. The Revenue and Taxation Code permits county assessors who have reduced the assessed valuation of a property as a result of natural disasters, economic downturns or other factors, to subsequently “recapture” such value (up to the pre-decline value of the property) at an annual rate higher than 2%, depending on the assessor’s measure of the restored value of the damaged property. The California courts have upheld the constitutionality of this procedure. Legislation enacted by the State Legislature to implement Article XIII A provides that, notwithstanding any other law, local agencies may not levy any ad valorem property tax except the 1% base tax levied by each County and taxes to pay debt service on indebtedness approved by the voters as described above.

Since its adoption, Article XIII A has been amended a number of times. These amendments have created a number of exceptions to the requirement that property be reassessed when purchased, newly constructed or a change in ownership has occurred. These exceptions include certain transfers of real property between family members, certain purchases of replacement dwellings for persons over age 55 and by property owners whose original property has been destroyed in a declared disaster, and certain improvements to accommodate disabled persons and for seismic upgrades to property. These amendments have resulted in marginal reductions in the property tax revenues of the District.
In November 2010, the voters of the State approved Proposition 26 ("Proposition 26") that further expanded the definition of "tax" in Article XIIIA for the requirement of 2/3rd voter approval to include any levy, charge or exaction of any kind imposed by the State with certain exceptions. Proposition 26 has yet to be interpreted by the Courts.

Both the California State Supreme Court and the United States Supreme Court have upheld the validity of Article XIIIA.

**Article XIIIC and Article XIIID of the California Constitution.** On November 5, 1996, the voters of the State approved Proposition 218, the so-called “Right to Vote on Taxes Act.” Proposition 218 added Articles XIIIC and XIIID to the State Constitution, which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges. Among other things, Article XIIIC establishes that every tax is either a "general tax" (imposed for general governmental purposes) or a "special tax" (imposed for specific purposes); prohibits special purpose government agencies such as school districts from levying general taxes; and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote. Article XIIIC also provides that no tax may be assessed on property other than ad valorem property taxes imposed in accordance with Articles XIII and XIIIA of the California Constitution and special taxes approved by a two-thirds vote under Article XIIIA, Section 4.

Article XIIIC also provides that the initiative power shall not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. The State Constitution and the laws of the State impose a duty on the county treasurer-tax collector to levy a property tax sufficient to pay debt service on school bonds coming due in each year. The initiative power cannot be used to reduce or repeal the authority and obligation to levy such taxes which are pledged as security for payment of the Bonds or to otherwise interfere with performance of the duty of the District and the County with respect to such taxes. Legislation adopted in 1997 provides that Article XIIIC shall not be construed to mean that any owner or beneficial owner of a municipal security assumes the risk of or consents to any initiative measure which would constitute an impairment of contractual rights under the contracts clause of the U.S. Constitution.

Proposition 26 also amended Article XIIIC to further define “tax” to include in the 2/3rd voter approval requirement local levies, charges or exactions of any kind with certain specified exceptions.

Article XIIID deals with assessments and property-related fees and charges. Article XIIID explicitly provides that nothing in Article XIIIC or XIIID shall be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development; however it is not clear whether the initiative power is therefore unavailable to repeal or reduce developer and mitigation fees imposed by the District. Developer fees imposed by the District are restricted as to use and are neither pledged nor available to pay the Bonds.

The interpretation and application of Proposition 218 continues to be considered and determined by the courts with respect to a number of the matters discussed above, and it is not possible at this time to predict with certainty the outcome of such determination.

**Expenditures and Appropriations**

**Article XIIIIB of the California Constitution.** In addition to the limits Article XIIIA imposes on property taxes that may be collected by local governments, certain other revenues of the State and local governments are subject to an annual “appropriations limit” or “Gann Limit” imposed by Article XIIIIB of the State Constitution, which effectively limits the amount of such revenues that government entities are permitted to spend. Article XIIIIB, approved by the voters in June 1979, was modified substantially by Proposition 111 in 1990. The appropriations limit of each government entity applies to “proceeds of taxes,” which consist of tax revenues, state subventions and certain other funds, including proceeds from regulatory licenses, user charges or other fees to the extent that such proceeds exceed “the cost reasonably borne by such entity in providing the regulation, product or service.” “Proceeds of taxes” excludes tax refunds and some benefit payments such as unemployment insurance. No limit is imposed on the appropriation of funds which are not “proceeds of taxes,” such as reasonable user charges or fees, and certain other non-tax funds.
Article XIIIIB also does not limit appropriation of local revenues to pay debt service on bonds existing or authorized by January 1, 1979, or subsequently authorized by the voters, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified capital outlay projects, and appropriation by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990, levels. The appropriations limit may also be exceeded in cases of emergency; however, the appropriations limit for the three years following such emergency appropriation must be reduced to the extent by which it was exceeded, unless the emergency arises from civil disturbance or natural disaster declared by the Governor, and the expenditure is approved by two-thirds of the legislative body of the local government.

The State and each local government entity, each has its own appropriations limit. Each year, the limit is adjusted to allow for changes, if any, in the cost of living, the population of the jurisdiction, and any transfer to or from another government entity of financial responsibility for providing services. Each school district is required to establish an appropriations limit each year. In the event that a school district’s revenues exceed its spending limit, the district may increase its appropriations limit to equal its spending by taking appropriations limit from the State.

Proposition 111 requires that each agency’s actual appropriations be tested against its limit every two years. If the aggregate “proceeds of taxes” for the preceding two-year period exceeds the aggregate limit, the excess must be returned to the agency’s taxpayers through tax rate or fee reductions over the following two years. If the State’s aggregate “proceeds of taxes” for the preceding two-year period exceeds the aggregate limit, 50% of the excess is transferred to fund the State’s contribution to school and college districts.

In Fiscal Year 2012-13, the District had an appropriations limit of $132,249,165. For Fiscal Year 2013-14, the District’s appropriations limit is budgeted at $138,505,947.

Future Initiatives. Articles XIII, XIIIIB, XIIIIC, and XIIIID, and Proposition 98 were each adopted as measures that qualified for the ballot pursuant to the State’s initiative process. From time to time, other initiative measures could be adopted, further affecting District revenues or the District’s ability to expend revenues.
APPENDIX B

FINANCIAL STATEMENTS OF THE DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
APPENDIX C

PROPOSED FORM OF OPINION OF BOND COUNSEL

[Date of Delivery]

Board of Education
Palo Alto Unified School District
Palo Alto, California

Palo Alto Unified School District
General Obligation Bonds (Election of 2008), Series 2014
(Final Opinion)
APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

Palo Alto Unified School District
General Obligation Bonds
(Election of 2008), Series 2014
APPENDIX E

SANTA CLARA COUNTY
STATEMENT OF INVESTMENT POLICY
AND
QUARTERLY INVESTMENT REPORT

The following information has been furnished by the Office of the Director of Finance, County of Santa Clara. It describes (i) the policies applicable to investment of District funds, including bond proceeds and tax levies, and funds of other agencies held by the Director of Finance and (ii) the composition, carrying amount, market value and other information relating to the investment pool. Further information may be obtained directly from the Director of Finance, County of Santa Clara, 70 W. Hedding Street, 2nd Floor, E. Wing, San Jose, CA 95110.
APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The information in this APPENDIX F has been provided by DTC for use in securities offering documents, and the District takes no responsibility for the accuracy or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the beneficial owners either (a) payments of interest, principal or premium, if any, with respect to the Bonds or (b) certificates representing ownership interest in or other verification of ownership interest in the Bonds, or that they will so do on a timely basis or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC. As used in this appendix, “Securities” means the Bonds, “Issuer” means the District, and “Agent” means the Paying Agent.

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized
representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC’s book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.
BOND PURCHASE CONTRACT

_________________________________
$__________

PALO ALTO UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
(ELECTION OF 2008), SERIES 2014

_______________________________
__________, 2014

Board of Education
Palo Alto Unified School District

Ladies and Gentlemen:

The undersigned (the “Underwriter”) offers to enter into this Bond Purchase Contract with the Board of Education of the Palo Alto Unified School District (the “District”), acting through its Superintendent. The offer made hereby is subject to acceptance by the District by execution and delivery of this Bond Purchase Contract (the “Purchase Contract”) to the Underwriter at or prior to 11:59 p.m., California time, on the date hereof, but it shall be irrevocable until such time as it is sooner accepted or rejected by the District. Upon acceptance of this offer by the District in accordance with the terms hereof, this Purchase Contract will be binding upon the District and upon the Underwriter.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, covenants and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the District for offering to the public, and the District hereby agrees, on to sell to the Underwriter for such purpose, all (but not less than all) of the above-captioned bonds (the “Bonds”) at the Purchase Price of $__________ calculated as shown in Appendix A hereto. The Underwriter’s discount of $__________ does not exceed ___% of the principal amount of the Bonds (excluding costs of issuance the Underwriter has agreed to pay pursuant to Section 9(a)). The true interest cost for the Bonds is ________%.

2. The Bonds. The Bonds shall be issued pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, and in accordance with a resolution of the Board of Education of the District, adopted on May 6, 2014 (the “Resolution”). The Bonds shall conform in all respects to the terms and provisions set forth in the Resolution and in this Purchase Contract, including in Appendix A hereto. The Bonds shall be issued in the form of current interest Bonds, as described herein.

The Bonds shall be dated as of the date of delivery, and shall mature on August 1 in each of the years, in the principal amounts, and pay interest at the rates, shown in Appendix A.
Interest on the Bonds shall be payable on February 1 and August 1 of each year, commencing August 1, 2014.

The Bonds shall otherwise be as described in the Official Statement of the District with respect to the Bonds, dated _______, 2014 (the “Official Statement”).

The Bonds shall be subject to optional and mandatory sinking fund redemption on the terms and at the times shown in Appendix A.

The Bonds shall be in full book-entry form. One fully registered certificate for each maturity of the Bonds will be prepared and delivered as described in Section 9 hereof, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, NY (“DTC”), and will be made available to the Underwriter for inspection at such place as may be mutually agreed to by the Underwriter and the District, not less than one business day prior to the Closing Date, as defined in Section 9 hereof. The Underwriter shall order CUSIP identification numbers and the District shall cause such CUSIP identification numbers to be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Bonds in accordance with the terms of this Purchase Contract.

3. **Offering.** The Underwriter hereby certifies that it has made a bona fide public offering of all the Bonds as of the date hereof at the prices shown in Appendix A hereto. On or prior to the Closing Date, the Underwriter shall provide the District with information regarding the prices at which a representative portion of each maturity of the Bonds were sold to the public, in such form as the District and Bond Counsel may reasonably request, for purposes of determining the yield on the Bonds.

The District hereby ratifies, approves, and confirms the distribution of this Purchase Contract, the Resolution, and the Preliminary Official Statement with respect to the Bonds, dated ____________, 2014 (together with the appendices thereto, any documents incorporated therein by reference, and any supplements or amendments thereto, the “Preliminary Official Statement”), in connection with the public offering and sale of the Bonds by the Underwriter.

The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement, and agrees that it will provide, consistent with the requirements of Municipal Securities Rulemaking Board (“MSRB”) Rule G-32, for the delivery of a copy of the Official Statement to each customer who purchases any Bonds during the underwriting period (as such term is defined in MSRB Rule G-11), and to deliver a copy of the Official Statement to a national repository on or before the Closing Date, and otherwise to comply with all applicable statutes and regulations in connection with the offering and sale of the Bonds, including, without limitation, MSRB Rule G-32 and 17 CFR Section 240.15c2-12, promulgated by the Securities and Exchange Commission (“Rule 15c2-12”).

The Underwriter hereby agrees that prior to the time the final Official Statement is available, the Underwriter will send to any potential purchaser of the Bonds, upon request, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) not later than the first business day following the date upon which each such request is received.
The District will deliver to the Underwriter within seven business days from the date hereof, so many copies of the Official Statement of the District with respect to the Bonds as the Underwriter shall reasonably request, signed by an authorized District representative, dated as of the date hereof, substantially in the form of the Preliminary Official Statement with such changes thereto as shall be approved by the Underwriter, which approval shall not be unreasonably withheld.

4. Representations and Agreements of the District. The District represents to and agrees with the Underwriter that, as of the date hereof and as of the date of the Closing:

(a) The District is a school district duly organized and validly existing under the Constitution and general laws of the State of California.

(b) The District is duly authorized and has full legal right, power and authority to issue, sell and deliver the Bonds pursuant to the Resolution, and to provisions of the laws of the State of California.

(c) The District has full legal right, power and authority to enter into this Purchase Contract, to adopt the Resolution, and to observe and perform the covenants and agreements hereof and of the Resolution to be observed and performed by the District.

(d) The District has duly adopted the Resolution in accordance with the laws of the State; the Resolution is in full force and effect and has not been amended, modified or rescinded, and all representations of the District set forth in the Resolution are true and correct; the District has duly authorized and approved the execution and delivery of the Bonds and this Purchase Contract, and the observance and performance by the District through its officers and agents of its covenants and agreements contained in the Bonds and this Purchase Contract required to have been performed at or prior to the Closing Date; and the District has complied, and will at the Closing be in compliance in all respects, with the obligations in connection with the issuance of the Bonds on its part contained in this Purchase Contract, the Resolution, and the Bonds.

(e) The District represents to the Underwriter that the Preliminary Official Statement has been “deemed final” by the District as of its date within the meaning of paragraph (a)(2) of Rule 15c2-12, except for the omission of some or all of such information the omission of which is permitted under Rule 15c2-12.

(f) The Preliminary Official Statement as of its date does not, and the Official Statement as of its date will not, and if supplemented or amended, as of the date of any such supplement or amendment will not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; in each case excluding therefrom any information contained therein relating to DTC or its book-entry only system, information contained therein describing the County’s investment policy, current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Director of Finance), information provided by the Underwriter concerning the reoffering of the Bonds, as to all of which the District expresses no view. The District disclaims any obligation after the date of Closing to update the Preliminary Official Statement and the Official Statement.
(g) The District will undertake, pursuant to the Resolution and a Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

(h) The District has, and has had, no financial advisory relationship with the Underwriter with respect to the Bonds, nor with any investment firm controlling, controlled by or under common control with the Underwriter. The District is represented by Keygent LLC, a registered municipal advisor (the “Registered Municipal Advisor”).

5. Representations and Agreements of the Underwriter. The Underwriter represents to and agrees with the District that, as of the date hereof and as of the date of the Closing:

(a) The Underwriter is duly authorized to execute this Purchase Contract and to take any action under the Purchase Contract required to be taken by it.

(b) The Underwriter is in compliance with MSRB Rule G-37 with respect to the District, and is not prohibited thereby from acting as underwriter with respect to securities of the District.

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

(d) The Underwriter has reasonably determined that the District’s undertaking pursuant to Sections 4(g) and 6(a)(8) hereof to provide continuing disclosure with respect to the Bonds is sufficient to effect compliance with Rule 15c2-12.

6. Conditions to Closing. (a) At or before Closing, and contemporaneously with the acceptance of delivery of the Bonds, the District will provide to the Underwriter:

(1) a certificate, signed by an official of the District, confirming to the Underwriter that the Preliminary Official Statement as of its date did not, and the Official Statement as of its date and at the time of Closing did not and does not, to the best of the knowledge of said official, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition or affairs of the District which would make it unreasonable for the Underwriter of the Bonds to rely upon the Official Statement in connection with the resale of the Bonds, excluding in each case any information contained in the Official Statement relating to DTC or its book-entry only system, information contained therein describing the County’s investment policy, current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Director of Finance), and information provided by the Underwriter concerning the reoffering of the Bonds.
(2) a certificate, signed by an official of the County, confirming to the Underwriter that the Preliminary Official Statement as of its date did not, and the Official Statement as of its date and at the time of Closing did not and does not, to the best of the knowledge of said official, solely with respect to the information contained therein describing the County’s investment policy, current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Director of Finance), contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(3) a certificate or certificates, signed by appropriate officials of the District, confirming to the Underwriter that, as of the date of this Purchase Contract and at the time of Closing, to the best of the knowledge of said official or officials, there is no litigation pending concerning the validity of the Bonds, the corporate existence of the District, or the entitlement of the officers of the District who have signed the Bonds or the various certificates and agreements of the District relating to the issuance and sale of Bonds, to their respective offices.

(4) a certificate or certificates, signed by an official of the District, confirming to the Underwriter that as of the Closing Date all of the representations of the District contained in this Purchase Contract are true, and that the Resolution is in full force and effect and has not been amended, modified or rescinded.

(5) the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel with respect to the issuance of the Bonds (“Bond Counsel”), addressed to the District, approving the validity of the Bonds, substantially in the form set forth as Appendix C to the Official Statement.

(6) the duly executed Tax Certificate or Certificates of the District, dated the date of Closing, in form satisfactory to Bond Counsel.

(7) the receipt of the District confirming payment by the Underwriter of the Purchase Price of the Bonds.

(8) the continuing disclosure certificate of the District, in substantially the form attached to the Preliminary Official Statement.

(9) advice of rating of Moody’s Investors Service or Standard & Poor’s Ratings Services, or both, to the effect that such rating agencies have rated the Bonds “__” and “__,” respectively (or such other equivalent rating as each such rating agency may give), and that each such rating has not been revoked or downgraded.

(b) At or before Closing, and contemporaneously with the acceptance of delivery of the Bonds and the payment of the Purchase Price thereof, the Underwriter will provide to the District:

(1) the receipt of the Underwriter, in form satisfactory to the District and signed by an authorized officer of the Underwriter, confirming delivery of the Bonds to
the Underwriter and the satisfaction of all conditions and terms of this Purchase Contract by the District (or waiver thereof by the Underwriter), and confirming to the District that as of the Closing Date all of the representations of the Underwriter contained in this Purchase Contract are true and correct in all material respects.

(2) the certification of the Underwriter, in form satisfactory to Bond Counsel, regarding the prices at which the Bonds have been reoffered to the public, as described in Section 3 hereof.

7. Termination. (a) By District. In the event of the District’s failure to cause the Bonds to be delivered at the Closing, or inability of the District to satisfy the conditions to the obligations of the Underwriter contained herein (unless waived by the Underwriter), or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate.

(b) By Underwriter.

(1) Excused. The Underwriter may terminate this Purchase Contract, without any liability therefor, by notification to the District if as of the Closing Date any of the following shall have had a material adverse effect on the marketability or market price of the Bonds, in the reasonable opinion of the Underwriter, upon consultation with the District:

(A) There shall have occurred and be continuing the declaration of a general banking moratorium by any authority of the United States or the State of New York or the State of California;

(B) There shall be in force a general suspension of trading or other material restrictions not in force as of the date hereof on the New York Stock Exchange or other national securities exchange;

(C) Legislation shall have been enacted by the Congress of the United States, or a decision shall have been rendered by a court of the United States, or the United States Tax Court, eliminating the exemption from federal taxation of interest received on securities of the general character of the Bonds, or legislation shall have been enacted by the State of California which renders interest on the Bonds not exempt from State of California personal income taxes;

(D) Legislation shall have been enacted, or a decision of a court of the United States shall have been rendered or any action shall have been taken by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction in the subject matter which, in the opinion of Bond Counsel, has the effect of requiring the contemplated distribution of the Bonds to be registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or the Resolution to be qualified under the Trust Indenture Act of 1939, as amended; or
(E) The New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose and there shall be in effect, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charges to the net capital requirements of, underwriters.

(2) Unexcused. In the event the Underwriter shall fail (other than for a reason permitted by this Purchase Contract) to pay for the Bonds upon tender of the Bonds at the Closing, the Underwriter shall have no right in or to the Bonds.

8. Closing. At or before 9:00 a.m., California time, on __________, 2014, or at such other date and time as shall have been mutually agreed upon by the District, and the Underwriter, the District will deliver or cause to be delivered to the Underwriter the Bonds in book-entry form duly executed by the District, together with the other documents described in Section 6(a) hereof; and the Underwriter will accept such delivery and pay the Purchase Price of the Bonds as set forth in Appendix A hereof in immediately available funds by federal funds wire, in an aggregate amount equal to such Purchase Price, plus accrued interest, if any, on the Bonds from the date thereof to the date of such payment, and shall deliver to the District the other documents described in Section 6(b) hereof, as well as any other documents or certificates Bond Counsel shall reasonably require.

Payment for the delivery of the Bonds as described herein shall be made, and all other documents to be delivered in connection with the delivery of the Bonds shall be delivered, at the offices of Orrick, Herrington & Sutcliffe LLP, San Francisco, California, or at such other place as shall have been mutually agreed upon by the District and the Underwriter. The Bonds will be delivered through the facilities of DTC in New York, New York, or at such other place as shall have been mutually agreed upon by the District, and the Underwriter. Such payment and delivery is herein called the “Closing” and the date thereof the “Closing Date.”

9. Expenses. (a) The Underwriter hereby agrees that in addition to paying the District the Purchase Price of the Bonds as set forth in Appendix A hereto, it will pay costs of issuance of the Bonds up to $________, including any of the following: (i) the cost of the preparation and reproduction of the Resolution; (ii) the fees and disbursements of the District’s Registered Municipal Advisor with respect to the Bonds; (iii) the fees and disbursements of Bond Counsel and Disclosure Counsel; (iv) the costs of the preparation, printing and delivery of the Bonds; (v) the costs of the preparation, printing and delivery of the Preliminary Official Statement, the Official Statement, and any amendment or supplement thereto in the quantity requested by the Underwriter in accordance herewith; (vi) initial rating fees of Moody’s Investors Service and Standard & Poor’s Ratings Service; and (vii) fees and expenses of the Paying Agent for the Bonds. District shall pay the balance of all such expenses which are incident to the performance of its obligations hereunder from proceeds of the Bonds or any other source of lawfully available funds.

(b) All other costs and expenses incurred by the Underwriter as a result of or in connection with the purchase of the Bonds and their public offering and distribution shall be borne by the Underwriter, including, but not limited to (i) clearing house fees; (ii) DTC fees;
(iii) CUSIP fees; (iv) fees required to be paid to the California Debt and Investment Advisory Commission ("CDIAC"); (v) fees required to be paid to The Securities Industry and Financial Markets Association (SIFMA); (vi) MSRB fees; (vii) costs or fees of qualifying the Bonds for offer and sale in various states chosen by the Underwriter and the costs or fees of preparing Blue Sky or legal investment memoranda to be used in connection therewith; and (viii) fees of any counsel to the Underwriter.

10. **Notices.** Any notice or other communication to be given under this Purchase Contract (other than the acceptance hereof as specified in the introductory paragraph hereof) may be given to the District or the Underwriter by delivering the same in writing to the District or the Underwriter at the respective addresses given below, or such other address as the District or the Underwriter may designate by notice to the other parties.

To the District: Palo Alto Unified School District
25 Churchill Avenue
Palo Alto, CA 94306
Attn: Superintendent

To the Underwriter: [TBD]

12. **Governing Law.** The validity, interpretation and performance of this Purchase Contract shall be governed by the laws of the State of California.

13. **Parties in Interest.** This Purchase Contract when accepted by the District in writing as heretofore specified shall constitute the entire agreement between the District, and the Underwriter, and is solely for the benefit of the District, and the Underwriter (including the successors or assigns thereof). No other person shall acquire or have any rights hereunder or by virtue hereof. All representations and agreements in this Purchase Contract of each of the parties hereto shall remain operative and in full force and effect, regardless of (a) delivery of and payment for the Bonds hereunder, or (b) any termination of this Purchase Contract.

14. **Headings.** The headings of the paragraphs and sections of this Purchase Contract are inserted for convenience of reference only and shall not be deemed to be a part hereof.

15. **Effectiveness.** This Purchase Contract shall become effective upon the execution of the acceptance hereof by the Superintendent of the District or his authorized deputy, and shall be valid and enforceable at the time of such acceptance.
16. **Counterparts.** This Purchase Contract may be executed in several counterparts, which together shall constitute one and the same instrument.

Respectfully submitted,

[UNDERWRITER]

By: ____________________________
    Authorized Officer

Accepted: ________, 2014

PALO ALTO UNIFIED SCHOOL DISTRICT

Time: ______________ a.m./p.m.

By: ____________________________
    Authorized District Representative
PURCHASE CONTRACT APPENDIX A

TERMS OF THE
PALO ALTO UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS,
(ELECTION OF 2008), SERIES 2014

Purchase Price. Subject to the provisions of the Purchase Contract to which this Appendix A is attached, the Purchase Price for all of the Palo Alto Unified School District General Obligation Bonds (Election of 2008), Series 2014 (the “Bonds”) shall be $__________.

Payment Provisions.

[To come]

Optional Redemption.

The Bonds maturing on or before August 1 20__ are not subject to redemption prior to their respective stated maturity dates. The Bonds maturing on or after August 1 20__, are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1 20__, and on any date thereafter, at a redemption price of 100% of the principal amount of Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption.

Mandatory Sinking Fund Redemption.

The $__________ Term Bond maturing on August 1 20__, is also subject to mandatory sinking fund redemption on each mandatory sinking fund redemption date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption:

<table>
<thead>
<tr>
<th>Mandatory Sinking Fund Redemption Date (August 1)</th>
<th>Principal Amount To be Redeemed</th>
</tr>
</thead>
<tbody>
<tr>
<td>*</td>
<td></td>
</tr>
</tbody>
</table>

* Maturity.

The principal amount to be redeemed in each year shown in the table above will be reduced proportionately, in integral multiples of $5,000, by the amount of such Term Bond optionally redeemed prior to the mandatory sinking fund redemption date.
SCHEDULE A

Palo Alto Unified School District
General Obligation Bonds
(Election of 2008), Series 2014

[attach pricing sheet provided by Underwriter, with reoffering prices]
PAYING AGENT AGREEMENT

between the

PALO ALTO UNIFIED SCHOOL DISTRICT,
Santa Clara County, California

and

U.S. BANK NATIONAL ASSOCIATION,
as Paying Agent

Dated as of June 1, 2014

Relating to the

PALO ALTO UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
(ELECTION OF 2008), SERIES 2014
# TABLE OF CONTENTS

<p>| ARTICLE I | DEFINITIONS .......................................................................................................................... 2 |
| SECTION 1.01 | Definitions ......................................................................................................................... 2 |
| ARTICLE II | THE BONDS .......................................................................................................................... 4 |
| SECTION 2.01 | Authorization and Designation ........................................................................................... 4 |
| SECTION 2.02 | Bonds; Terms ..................................................................................................................... 5 |
| SECTION 2.03 | Form and Registration of Bonds ....................................................................................... 6 |
| SECTION 2.04 | Execution and Authentication of Bonds .............................................................................. 6 |
| SECTION 2.05 | Book-Entry System ............................................................................................................ 7 |
| SECTION 2.06 | Transfer of Bonds upon Termination of Book-Entry System ............................................ 8 |
| SECTION 2.07 | Exchange of Bonds ........................................................................................................... 8 |
| SECTION 2.08 | Bond Register .................................................................................................................. 9 |
| ARTICLE III | ISSUANCE OF THE BONDS .................................................................................................... 9 |
| SECTION 3.01 | Delivery of Bonds ............................................................................................................. 9 |
| SECTION 3.02 | Application of Proceeds of Sale of Bonds ........................................................................... 9 |
| SECTION 3.03 | Investment of Funds ........................................................................................................... 9 |
| ARTICLE IV | REDEMPTION OF THE BONDS ................................................................................................ 10 |
| SECTION 4.01 | Redemption of Bonds ......................................................................................................... 10 |
| SECTION 4.02 | Notice of Redemption ......................................................................................................... 11 |
| SECTION 4.03 | Defeasance of Bonds ......................................................................................................... 12 |
| ARTICLE V | OTHER COVENANTS ................................................................................................................ 13 |
| SECTION 5.01 | Payment of Principal and Interest .................................................................................... 13 |
| SECTION 5.02 | Further Assurances ............................................................................................................ 13 |
| SECTION 5.03 | Tax Covenants .................................................................................................................. 13 |
| SECTION 5.04 | Validity of Bonds ............................................................................................................... 13 |
| ARTICLE VI | THE PAYING AGENT ............................................................................................................ 14 |
| SECTION 6.01 | Appointment; Acceptance; Principal Corporate Trust Office ..... 14 |
| SECTION 6.02 | Resignation, Removal, Replacement of Paying Agent .................................................. 14 |
| SECTION 6.03 | Protection of Paying Agent ................................................................................................ 14 |
| SECTION 6.04 | Reliance on Documents, Etc ............................................................................................... 15 |</p>
<table>
<thead>
<tr>
<th>SECTION</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.05</td>
<td>Recitals of District</td>
<td>15</td>
</tr>
<tr>
<td>6.06</td>
<td>Paying Agent May Own Bonds</td>
<td>15</td>
</tr>
<tr>
<td>6.07</td>
<td>Money Held by Paying Agent; Unclaimed Moneys</td>
<td>15</td>
</tr>
<tr>
<td>6.08</td>
<td>Other Transactions</td>
<td>16</td>
</tr>
<tr>
<td>6.09</td>
<td>Interpleader</td>
<td>16</td>
</tr>
<tr>
<td>6.10</td>
<td>Indemnification</td>
<td>16</td>
</tr>
<tr>
<td>7.01</td>
<td>Counterparts</td>
<td>16</td>
</tr>
<tr>
<td>7.02</td>
<td>Continuing Disclosure</td>
<td>16</td>
</tr>
<tr>
<td>7.03</td>
<td>Notices</td>
<td>17</td>
</tr>
</tbody>
</table>

EXHIBIT A  FORM OF BOND
PAYING AGENT AGREEMENT

This PAYING AGENT AGREEMENT, made and entered into as of June 1, 2014, by and between the PALO ALTO UNIFIED SCHOOL DISTRICT, a school district organized and existing under the laws of the State of California (the “District”), and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, as paying agent (the “Paying Agent”), and acknowledged by the Director of Finance of the County of Santa Clara, California (the “County”),

W I T N E S S E T H:

WHEREAS, an election was duly called and regularly held in the District on June 3, 2008, pursuant to Section 15100 and following of the Education Code of the State of California (the “State”), at which a bond proposition summarized as follows was submitted to the electors of the District:

“To provide safe and modern schools; accommodate enrollment growth; upgrade aging classrooms, libraries, computer and science labs; repair or replace roofs, plumbing, heating, ventilation and electrical systems; improve fire alarms and school security; meet current earthquake standards; provide current technology; and replace old portables with permanent classrooms, shall Palo Alto Unified School District issue $378 million in bonds at legal interest rates, with mandatory audits, independent oversight and bond tax rates estimated not to exceed the current rate?”

and

WHEREAS, passage of said proposition required a 55% affirmative vote of the votes cast therein, and at least 55% of the votes cast on said proposition were in favor of issuing said bonds; and

WHEREAS, on September 11, 2008, $119,999,248.80 aggregate principal amount of said bonds, designated “Palo Alto Unified School District General Obligation Bonds, (Election of 2008, Series 2008)” were issued and sold; and

WHEREAS, on July 23, 2010, $25,000,000 aggregate principal amount of said bonds, designated “Palo Alto Unified School District Federally Taxable General Obligation Bonds (Election of 2008, Series 2010) (Qualified School Construction Bonds)” were issued and sold; and

WHEREAS, on March 20, 2013, $70,000,000 aggregate principal amount of said bonds, designated “Palo Alto Unified School District General Obligation Bonds (Election of 2008), Series 2013” were issued and sold; and
WHEREAS, the Superintendent of Schools of the County has jurisdiction over the District; and

WHEREAS, by its resolution duly adopted on [May 6], 2014, the Board of Education of the District has authorized the issuance of a portion of said bonds in one or more series in an aggregate principal amount not exceeding $40,000,000, pursuant to Article 4.5 of Chapter 3, of Part 1 of Division 2 of Title 5 of the Government Code of the State (the “Government Code”), and other applicable provisions of law, including applicable provisions of the Education Code of the State (the “Education Code”); and

WHEREAS, a school district is authorized by Sections 53506 to sell bonds by a public (or competitive) sale without approval by the County;

[WHEREAS, the District has sold its bonds by competitive sale on May 14, 2014;]

WHEREAS, the District has found and determined, and by execution hereof so represents, that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Paying Agent Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Paying Agent Agreement; and

NOW, THEREFORE, in order to provide for the payment of the Bonds and the performance and observance by the District of all the covenants, agreements and conditions herein and in the Bonds contained; to secure the acknowledgement and consent of Director of Finance of the County to the payment arrangements provided for herein; and in consideration of the mutual covenants and agreements contained herein, and for other valuable consideration to both parties, the District and the Paying Agent hereby agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall, for all purposes hereof and of any amendment hereof or supplement hereto and of the Bonds and of any certificate, opinion, request or other document mentioned herein or therein, have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein:

(a) General Definitions.

“Authorized District Representative” shall mean the Superintendent of the District, the Deputy Superintendent of the District, the Manager, Bond Program of the District, the Chief Business Officer of the District, or any other designee of the Superintendent or the Board, acting with the authority of the Superintendent.
“Board of Education” shall mean the Board of Education of the District.

“Bondowner” or “Owner” shall mean the person in whose name any Bond shall be registered.

“Bonds” shall mean all of the Palo Alto Unified School District General Obligation Bonds (Election of 2008), Series 2014 issued hereunder, without regard to subseries name or number, interest payment mechanism, or tax treatment of interest thereon.

“Business Day” shall mean any day of the week other than a Saturday or a Sunday on which the Paying Agent is not required or authorized to remain closed, and on which the New York Stock Exchange is open for business.

“Code” shall mean the Internal Revenue Code of 1986, as the same shall be hereafter amended, and any regulations heretofore issued or which shall be hereafter issued by the United States Department of the Treasury thereunder.

“Continuing Disclosure Certificate” shall mean that certain Continuing Disclosure Certificate executed and delivered by the District, dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“County” shall mean the County of Santa Clara, State of California.

“Corporate Trust Office” of the Paying Agent shall have the meaning given that term in Section 6.01 hereof.

“Director of Finance” shall mean the Director of Finance of the County. The “Office of the Director of Finance” shall mean the Office of the Director of Finance of the County, in San Jose, California.

“District” shall mean the Palo Alto Unified School District, located in the County.

“Good Faith Deposit” means the deposit made by [__________] to the Paying Agent pursuant to the terms of the Official Notice of Sale issued by the District in connection with the Bonds on [May 14, 2014].

“Interest and Sinking Fund” shall mean the Interest and Sinking Fund of the District administered by the Director of Finance, established pursuant to State law.

“Interest Payment Date” shall mean February 1 and August 1 of each year. The first Interest Payment Date shall be August 1, 2014.

“Law” shall mean Article 4.5 of Chapter 3, of Part 1 of Division 2 of Title 5 of the Government Code of the State, and Chapter 1 of Part 10 of Division 1 of Title 1 of the Education Code of the State, and other applicable provisions of law.
“Opinion of Counsel” shall mean a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the District.

“Owner.” See “Bondowner” defined herein.

“Paying Agent” shall mean U.S. Bank National Association, as initial paying agent, registrar, and transfer agent with respect to the Bonds, its successors and assigns and any other corporation or association which may at any time be substituted in its place as provided in Section 6.02 hereof.

“Paying Agent Agreement” shall mean this agreement, between the District and the Paying Agent, and acknowledged by the Director of Finance. “Paying Agent Agreement” as used herein shall not refer to any other agreement for paying agent services, specifying compensation for such services, between the County Director of Finance and the Paying Agent relating to the Bonds.

“Record Date” shall mean the 15th day of the month preceding any Interest Payment Date. The first Record Date shall be July 15, 2014.

“State” shall mean the State of California.

“Tax Certificate” shall mean any of the several Tax Certificates concerning certain matters pertaining to the use of proceeds of the Bonds, executed and delivered by the District on the date of issuance of the Bonds, including all exhibits attached thereto, as such certificate may from time to time be modified or supplemented in accordance with the terms thereof. Separate tax certificates may be delivered by the District pertaining to Bonds the interest on which is intended to be exempt from federal income tax under the Code, and Taxable Bonds.

“Tax-Exempt Bond” shall mean any of the Bonds the interest on which is intended and expected to be exempt from federal income tax under the Code.

“Written Order of the District” or “Written Request of the District” shall mean an instrument in writing, signed by the Superintendent of the District, the Deputy Superintendent of the District, the Facilities and Bond Program Manager, the Chief Business Officer of the District or by any other officer of the District authorized in writing for the purpose by either of said officers or by the Board of Education of the District.

ARTICLE II

THE BONDS

SECTION 2.01 Authorization and Designation. The Bonds are issued for, and the proceeds of sale thereof shall be used exclusively for, the purposes approved by the voters of the District on June 3, 2008, in the bond measure known locally as “Measure A,” as
authorized by Resolution No. 2014-[_____], adopted by the Board of Education of the District on [May 6], 2014. The Bonds shall be issued fully registered form, without coupons.

SECTION 2.02 Bonds; Terms. Bonds in the aggregate principal amount of $40,000,000 are issued under this Paying Agent Agreement, upon terms further described in this section. The Bonds shall be named the “Palo Alto Unified School District General Obligation Bonds (Election of 2008), Series 2014” for the purposes described in section 2.01.

(a) Date of Bonds. The Bonds shall be dated as of the date of issuance thereof, [June 5], 2014.

(b) Denominations. The Bonds shall be issued in the denomination of $5,000 principal amount or any integral multiple thereof. No Bond shall mature on more than one maturity date.

(c) Payment of Principal. The Bonds shall mature on August 1 in each of the years and principal amounts and bear interest at the annual rates of interest shown below:

<table>
<thead>
<tr>
<th>Maturity (August 1)</th>
<th>Principal Amount</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>%</td>
<td></td>
</tr>
</tbody>
</table>

The principal and any redemption premium of the Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at the Corporate Trust Office of the Paying Agent or at such other location as the Paying Agent shall designate, on or after the maturity date thereof or upon redemption prior to maturity as provided in Section 4.02 hereof.

(d) Payment of Interest. The Bonds shall bear interest at the respective rates shown in the table in subdivision (c) above, payable on February 1 and August 1 of each year, commencing August 1, 2014, until payment of the principal amount thereof. Each Bond
authenticated and registered on any date prior to the close of business on the first Record Date shall bear interest from the date of said Bond. Each Bond authenticated during the period between any Record Date and the close of business on its corresponding Interest Payment Date shall bear interest from such Interest Payment Date. Any other Bond shall bear interest from the Interest Payment Date immediately preceding the date of its authentication. If, at the time of authentication of any Bond, interest is in default on outstanding Bonds, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Bonds. Interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The interest on the Bonds shall be payable in lawful money to the person whose name appears on the bond registration books of the Paying Agent as the Owner thereof as of the close of business on the applicable Record Date for each Interest Payment Date, whether or not such day is a Business Day. Payment of the interest on any Bond shall be made by check or draft mailed by first class mail on each Interest Payment Date (or on the following Business Day, if the Interest Payment Date does not fall on a Business Day) to such Owner at such Owner’s address as it appears on such registration books or at such address as the Owner may have filed with the Paying Agent for that purpose; or upon written request of the Owner of interest-bearing Bonds aggregating not less than $1,000,000 in principal amount, given no later than the Record Date immediately preceding the applicable Interest Payment Date, by wire transfer in immediately available funds to an account maintained in the United States at such wire address as such Owner shall specify in its written notice. So long as Cede & Co. or its registered assigns shall be the registered owner of any of the Bonds, payment shall be made thereto by wire transfer as provided in Section 2.05(d) hereof.

SECTION 2.03 Form and Registration of Bonds. (a) The Bonds, the Paying Agent’s certificate of authentication and registration, and the form of assignment to appear thereon shall be in substantially the form attached hereto as Exhibit A, with necessary or appropriate variations, omissions and insertions as permitted or required by this Paying Agent Agreement (provided that if a portion of the text of any Bond is printed on the reverse of the bond, the following legend shall be printed on the bond: “THE PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE HEREOF AND SUCH CONTINUED PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.”).

(b) The Bonds when issued shall be registered in the name of “Cede & Co.,” as nominee of The Depository Trust Company, New York, New York, and shall be initially issued as one bond for each of the maturities of the Bonds, in the principal amounts set forth in the table in Section 2.02. The Depository Trust Company is hereby appointed depository for the Bonds and registered ownership of the Bonds may not thereafter be transferred except as provided in Sections 2.04 and 2.05 hereof.

SECTION 2.04 Execution and Authentication of Bonds. The Bonds shall be signed by the manual or facsimile signatures of the President of the Board of Education and countersigned by the manual or facsimile signature of the Secretary or the Clerk of the Board of Education. Each Bond shall be authenticated by a manual signature of a duly authorized officer of the Paying Agent. Only such of the Bonds as shall bear thereon a certificate of authentication
and registration in the form given in Exhibit A hereto, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Paying Agent Agreement, and such certificate of the Paying Agent shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Paying Agent Agreement.

SECTION 2.05  Book-Entry System. (a) The Bonds shall be initially issued and registered as provided in Section 2.03(b) hereof. Registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except:

(i) To any successor of Cede & Co., as nominee of The Depository Trust Company, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this Section (a “substitute depository”); provided, that any successor of Cede & Co., as nominee of The Depository Trust Company or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

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

(iii) To any person as provided below, upon (1) the resignation of The Depository Trust Company or its successor (or substitute depository or its successor) from its functions as depository, or (2) a determination by the Director of Finance to remove The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) hereof, upon receipt of the outstanding Bonds by the Paying Agent, together with a Written Request of the District, a new Bond for each maturity shall be executed and delivered pursuant to the procedures described in Section 2.04 hereof in the aggregate principal amount of the Bonds then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such Written Request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) hereof, upon receipt of the outstanding Bonds by the Paying Agent together with a Written Request of the District, new Bonds shall be executed and delivered in such denominations numbered in the manner determined by the Paying Agent and registered in the names of such persons as are requested in such Written Request of the District, subject to the limitations of Section 2.02 and the receipt of such a Written Request of the District, and thereafter, the Bonds shall be transferred pursuant to the provisions set forth in Section 2.06 of this Paying Agent Agreement; provided, that the Paying Agent shall not be required to deliver such new Bonds within a period of fewer than 60 days.
(c) The Director of Finance, the District and the Paying Agent shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof, notwithstanding any notice to the contrary received by the Director of Finance, the District or the Paying Agent, and the Director of Finance, the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Bonds. Neither the Director of Finance, the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party including The Depository Trust Company or its successor (or substitute depository or its successor), except as the owner of any Bonds.

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

SECTION 2.06 Transfer of Bonds upon Termination of Book-Entry System. In the event that at any time the Bonds shall no longer be registered in the name of Cede & Co. as a result of the operation of Section 2.05 hereof, then the procedures contained in this Section 2.06 shall apply.

Any Bond may, in accordance with its terms, be transferred upon the books required to be kept pursuant to the provisions of Section 2.08 hereof by the person in whose name it is registered, in person or by the duly authorized attorney of such person, upon surrender of such Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Bond or Bonds shall be surrendered for transfer, the designated County officials shall execute (as provided in Section 2.04 hereof) and the Paying Agent shall authenticate and deliver a new Bond or Bonds of the same maturity, for a like aggregate principal amount and bearing the same rate or rates of interest. The Paying Agent shall require the payment by the Bondowner requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of Bonds shall be required to be made by the Paying Agent during the period from the close of business on the Record Date next preceding any Interest Payment Date or redemption date to and including such Interest Payment Date or redemption date.

SECTION 2.07 Exchange of Bonds. Bonds may be exchanged at the office of the Paying Agent in St. Paul, Minnesota, or such other place as the Paying Agent shall designate, for a like aggregate principal amount of Bonds of other authorized denominations of the same maturity and interest rate. The Paying Agent shall require the payment by the Bondowner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. No exchange of Bonds shall be required to be made by the Paying Agent during the period from the close of business on the Record Date next preceding
any Interest Payment Date or redemption date to and including such Interest Payment Date or redemption date.

SECTION 2.08 Bond Register. (a) The Paying Agent will keep or cause to be kept, at its Corporate Trust Office, sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the Director of Finance and the District, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as hereinbefore provided.

(b) The Paying Agent shall assign each Bond authenticated and registered by it a distinctive letter or number, or letter and number.

ARTICLE III

ISSUANCE OF THE BONDS

SECTION 3.01 Delivery of Bonds. The Paying Agent is hereby authorized to authenticate and deliver the Bonds to or upon the Written Request of the District.

SECTION 3.02 Application of Proceeds of Sale of Bonds. Upon the delivery of the Bonds to the initial purchaser thereof, and the payment by the initial purchaser of the purchase price of the Bonds by wire transfer of $[_________] (such amount being the purchase price of $[_________], less the Good Faith Deposit of $[100,000.00]), the Paying Agent will deposit $[_________] into the Costs of Issuance Account and will transfer the remaining proceeds to the Director of Finance of the County. The Director of Finance shall deposit said proceeds, including the $[100,000] good faith deposit, as follows:

(i) $[_________] into the building fund of the District; and

(ii) $[_________] into the Interest and Sinking Fund of the District within the County Treasury,

(iii) $[_________] (which is no more than 2% of the principal amount of the Bonds) into the Costs of Issuance Account, which is hereby created pursuant to Education Code Section 15146(h), and which shall be held and administered by the Paying Agent hereunder. Amounts deposited in the Costs of Issuance Account shall be paid on the written Order of the District. On [December 2, 2014] (the 180th day following the date of issue of the Bonds), or upon prior written Order of the District, the Paying Agent shall transfer any remaining amounts in the Costs of Issuance Fund to the Director of Finance of the County for deposit in the Interest and Sinking Fund of the District.

SECTION 3.03 Investment of Funds. (a) All funds held by the Director of Finance with respect to the Bonds hereunder or under the Law shall be invested at the Director of Finance’s discretion pursuant to law and the investment policy of the County.
The District shall cause the Director of Finance to create and maintain any accounts or subaccounts for deposit of the proceeds of the Bonds as the District shall determine is necessary in order to separately monitor the investment and expenditure of such funds in order to comply with the laws applicable to each, and as may be necessary to make any needed calculations of arbitrage and rebate thereon.

The County makes no assurance regarding the application of the proceeds of the Bonds by the District.

(b) At the written direction of the District, all or any portion of the building fund of the District may also be invested on behalf of the District in the Local Agency Investment Fund in the treasury of the State.

(c) At the written direction of the District, and with the approval of the Director of Finance, all or any portion of the building fund of the District may also be invested on behalf of the District in investment agreements which comply with the requirements of each rating agency then rating the Bonds necessary in order to maintain the then-current rating on the Bonds; provided that the Director of Finance is a signatory to any such investment agreement.

ARTICLE IV

REDEMPTION OF THE BONDS

SECTION 4.01 Redemption of Bonds. (a) Optional Redemption. The Bonds maturing on or before August 1, 20[____] are not subject to redemption prior to their respective stated maturity dates. The Bonds maturing on or after August 1, 20[____], are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1, 20[____], and on any date thereafter, at a redemption price of 100% of the principal amount of Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption.

(b) Mandatory Sinking Fund Redemption. The $[_____] Term Bond maturing on August 1, 20[____], is also subject to mandatory sinking fund redemption on each mandatory sinking fund redemption date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption:
Mandatory Sinking Fund
Redemption Date  ____________________
(August 1)  Principal Amount  ____________________
To be Redeemed

* Maturity

(c) Selection of Bonds for Redemption. If less than all of the Bonds are called for redemption, such bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District. If less than all of the Bonds of any given maturity are called for redemption, the portions of such bonds of a given maturity to be redeemed shall be determined by lot. For purposes of such selection, the Bonds shall be deemed to consist of individual Bonds of denominations of $5,000 principal amount each, which may be separately redeemed.

SECTION 4.02  Notice of Redemption. (a) Notice of redemption of the Bonds will be mailed postage prepaid not less than 20 nor more than 45 days prior to the redemption date (i) by first class mail to the respective Owners of Bonds at the addresses appearing on the bond registration books of the Paying Agent, and (ii) as may be further required in accordance with the Continuing Disclosure Certificate.

Each notice of redemption shall contain all of the following information: (i) the date of such notice; (ii) the name of the affected Bonds and the date of issue of the Bonds; (iii) the redemption date; (iv) the redemption price, if available; (v) the dates of maturity of the Bonds to be redeemed; (vi) if less than all of the Bonds are to be redeemed, the distinctive numbers of the Bonds of each maturity to be redeemed; (vii) in the case of Bonds redeemed in part only, the respective maturities or portions of the principal amount of the Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of Bonds to be redeemed; and (ix) a statement that such Bonds must be surrendered by the Owners at the Corporate Trust Office of the Paying Agent, or at such other place or places designated by the Paying Agent.

The actual receipt by any Owner of any Bond of notice of such redemption will not be a condition precedent to redemption, and failure to receive such notice, or any defect in the notice given, will not affect the validity of the proceedings for the redemption of such Bonds.

When notice of redemption has been given, substantially as described above, and when the amount necessary for the payment of the redemption price, if any, is set aside for such purpose, the Bonds designated for redemption will become due and payable on the date fixed for redemption thereof, and upon presentation and surrender of said Bonds at the place specified in the notice of redemption, such Bonds will be redeemed and paid at the redemption price thereof out of the money provided therefor.
(b) **Rescission of Notice of Redemption.** The District may rescind any redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Bonds so called for redemption. Any extraordinary mandatory redemption and notice thereof will be rescinded if the District has cured the conditions that caused the Bonds to be subject to extraordinary mandatory redemption. Notice of rescission of redemption will be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Bond of notice of such rescission will not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice will not affect the validity of the rescission.

(c) **Conditional Notice.** Any notice of optional redemption delivered hereunder may be conditioned on any fact or circumstance stated therein, and if such condition shall not have been satisfied on or prior to the redemption date stated in such notice, said notice shall be of no force and effect on and as of the stated redemption date, the redemption shall be cancelled, and the District shall not be required to redeem the Bonds that were the subject of the notice. The Paying Agent shall give notice of such cancellation and the reason therefor in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Bond of notice of such cancellation shall not be a condition precedent to cancellation, and failure to receive such notice or any defect in such notice shall not affect the validity of the cancellation.

**SECTION 4.03 Defeasance of Bonds.** The District may pay and discharge any or all of the Bonds by depositing in trust with the Paying Agent or an escrow agent at or before maturity, money or non-callable direct obligations of the United States of America or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available moneys then on deposit in the Interest and Sinking Fund, be fully sufficient in the opinion of a certified public accountant licensed to practice in the State to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

If at any time the District pays or causes to be paid or there is otherwise paid to the owners of any or all outstanding Bonds all of the principal, interest and premium, if any, represented by such Bonds when due, or as described above, or as otherwise provided by law, then such Owners shall cease to be entitled to the obligation of the County to levy and collect taxes to pay the Bonds as described in Section 5.01 hereof, and such obligation and all agreements and covenants of the District to such Owners hereunder shall thereupon be satisfied and discharged and shall terminate, except only that the District will remain liable for payment of all principal, interest and premium, if any, represented by such Bonds, but only out of moneys on deposit in the Interest and Sinking Fund or otherwise held in trust for such payment, provided, that the unclaimed moneys provisions described in Section 6.07 hereof will apply in all events.
ARTICLE V

OTHER COVENANTS

SECTION 5.01 Payment of Principal and Interest. On or prior to the date any payment is due in respect of the Bonds, the Director of Finance will deposit with the Paying Agent moneys sufficient to pay the principal and the interest (and premium, if any) to become due in respect of all Bonds outstanding on such Interest Payment Date, but only as required by the Law. When and as paid in full, and following surrender thereof to the Paying Agent, all Bonds shall be cancelled by the Paying Agent, and thereafter they shall be destroyed. Moneys for the payment of principal, redemption premium, if any, and interest with respect to the Bonds shall be raised by taxation upon all taxable property in the District and the County shall provide for the levy and collection of such taxes in the manner provided by the Law.

SECTION 5.02 Further Assurances. The District and the County will promptly execute and deliver or cause to be executed and delivered all such other and further instruments, documents or assurances, and promptly do or cause to be done all such other and further things, as may be necessary or reasonably required in order to further and more fully vest in the Bondowners all rights, interest, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by this Paying Agent Agreement.

SECTION 5.03 Tax Covenants. (a) The District shall not take any action or inaction, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstances within its control to arise or continue, if such action or inaction would adversely affect the exclusion from gross income of the interest payable on Bonds under Section 103 of the Code. Without limiting the generality of the forgoing, the District shall comply with the instructions and requirements of each Tax Certificate. This covenant shall survive payment in full of the Bonds.

(b) In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any moneys held by the Director of Finance with respect to the Bonds, or by the Paying Agent under this Paying Agent Agreement, the District shall so instruct the Director of Finance or the Paying Agent, as appropriate, in writing, and the Director of Finance and the Paying Agent shall take such action as may be necessary in accordance with such instructions.

(c) Notwithstanding any provisions of this Section, if the District shall provide to the Director of Finance or the Paying Agent an opinion of Bond Counsel that any specified action required under this Section is no longer required or that some further or different action is required in order to maintain the exclusion from federal income tax of interest on Bonds under Section 103 of the Code, the Director of Finance and the Paying Agent may conclusively rely on such opinion in complying with the requirements of this Section, and the covenants hereunder shall be deemed to be modified to that extent.

SECTION 5.04 Validity of Bonds. The recital contained in the Bonds that the same are regularly issued pursuant to the Law and that the total amount of indebtedness of the District, including the amount of the Bonds, is within the limit provided by law, shall be
conclusive evidence of their validity and of compliance with the provisions of the Law in their issuance.

ARTICLE VI

THE PAYING AGENT

SECTION 6.01 Appointment; Acceptance; Corporate Trust Office. (a) Appointment and Acceptance of Duties. U.S. Bank National Association is hereby appointed Paying Agent, and hereby accepts and agrees to perform the duties and obligations of the Paying Agent, registrar and transfer agent specifically imposed upon it by this Paying Agent Agreement, and no implied duties shall be read into this Paying Agent Agreement against the Paying Agent.

The Paying Agent is hereby authorized and hereby agrees to pay or redeem the Bonds when duly presented for payment at maturity, or on prior redemption, and to cancel all Bonds upon payment thereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Bonds paid and discharged.

(b) Office of the Paying Agent. The Paying Agent, and any successor Paying Agent, shall designate each place or places where it will conduct the functions of transfer, registration, exchange, payment, and surrender of the Bonds. If no office is so designated for a particular purpose, such functions shall be conducted at the office of U.S. Bank National Association, in San Francisco, California, or the principal corporate trust office of any successor Paying Agent.

SECTION 6.02 Resignation, Removal, Replacement of Paying Agent. The Paying Agent may at any time resign by giving written notice to the District and the County of such resignation, whereupon the Director of Finance shall promptly appoint a successor Paying Agent by the resignation date. Resignation of the Paying Agent will be effective 45 days after notice of the resignation is given as stated above or upon appointment of a successor Paying Agent, whichever first occurs. The Director of Finance may at any time remove the Paying Agent and any successor Paying Agent by an instrument given in writing, with copy to the District. After removal or receiving a notice of resignation of the Paying Agent, the Director of Finance may appoint a temporary Paying Agent or temporarily assume the duties of the Paying Agent to replace the former Paying Agent until the Director of Finance appoints a successor Paying Agent. Any such temporary Paying Agent so appointed by the Director of Finance shall immediately and without further act be superseded by the successor Paying Agent upon the appointment of and acceptance thereof by such successor.

SECTION 6.03 Protection of Paying Agent. The Paying Agent hereby agrees, provided sufficient immediately available funds have been provided to it for such purpose by the Director of Finance or the District, to use the funds deposited with it solely for payment of the principal of and interest on the Bonds as the same shall become due or become subject to earlier redemption.
SECTION 6.04 Reliance on Documents, Etc.

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

(b) The Paying Agent shall not be liable for any error of judgment made in good faith. The Paying Agent shall not be liable for other than its negligence or willful misconduct in connection with any act or omission hereunder.

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

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

(e) The Paying Agent may consult with counsel, and the written advice of such counsel or any Opinion of Counsel shall be full authorization and protection with respect to any action taken, suffered or omitted by it hereunder in good faith and reliance thereon.

(f) The Paying Agent may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys.

SECTION 6.05 Recitals of District. The recitals contained herein and in the Bonds shall be taken as the statements of the District or the County, as appropriate, and the Paying Agent assumes no responsibility for their correctness.

SECTION 6.06 Paying Agent May Own Bonds. The Paying Agent, in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights it would have if it were not the Paying Agent for the Bonds.

SECTION 6.07 Money Held by Paying Agent; Unclaimed Moneys. Money held by the Paying Agent hereunder may be commingled with other funds held by the Paying Agent, but shall be separately accounted for. Except as otherwise provided herein, the Paying Agent shall have no duties with respect to investment of funds deposited with it and shall be under no obligation to pay interest on any money received by it hereunder.

Any money held in any fund created pursuant to this Paying Agent Agreement, or held by the Paying Agent in trust, for the payment of the principal of, redemption premium, if
any, or interest on the Bonds and remaining unclaimed for two years after the principal of all of the Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the Interest and Sinking Fund for payment of any outstanding bonds of the District payable from said fund; or, if no such bonds of the District are at such time outstanding, said moneys shall be transferred to the general fund of the District as provided and permitted by law.

SECTION 6.08 Other Transactions. The Paying Agent may engage in or be interested in any financial or other transaction with the District.

SECTION 6.09 Interpleader. The Paying Agent may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in a court of competent jurisdiction. The Paying Agent has the right to file an action in interpleader in any court of competent jurisdiction to determine the rights of any person claiming any interest herein.

SECTION 6.10 Indemnification. The District shall indemnify the Paying Agent, its officers, directors, employees, and agents (“Indemnified Parties”) for, and hold them harmless against any loss, cost, claim, liability or expense arising out of or in connection with the Paying Agent’s acceptance or administration of the Paying Agent’s duties hereunder or under the Bonds (except any loss, liability or expense as may be adjudicated by a court of competent jurisdiction to be attributable to the Paying Agent’s negligence or willful misconduct), including without limitation the cost and expense (including its counsel fees and disbursements, including the allocated costs and disbursements of internal counsel) of defending itself against any claim or liability (except such action as may be brought against the Paying Agent by the District) in connection with the exercise or performance of any of its powers or duties under this Paying Agent Agreement. The provisions of this Section 6.10 shall survive termination of this Paying Agent Agreement and shall continue for the benefit of any Paying Agent after its resignation as Paying Agent hereunder.

ARTICLE VII

MISCELLANEOUS

SECTION 7.01 Counterparts. This Paying Agent Agreement may be signed in several counterparts, each of which will constitute an original, but all of which shall constitute one and the same instrument.

SECTION 7.02 Continuing Disclosure. The District hereby covenants and agrees that it shall comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Paying Agent Agreement, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered an event of default hereunder; provided that any Owner or Beneficial Owner (as defined below) may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section. For purposes of this Section, “Beneficial Owner” shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of
any Bonds (including persons holding Bonds through nominees, depositaries or other intermediaries).

SECTION 7.03 Notices. Unless otherwise specified herein, all notices, statements, orders, requests or other communications hereunder by any party to another shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered or certified mail, return receipt requested, postage prepaid, or if given by fax, electronically, or other means of written communication and confirmed by mail:

If to the District:
Palo Alto Unified School District
25 Churchill Avenue
Palo Alto, CA 94306-1099
Attn: Superintendent

If to the County:
Director of Finance
County of Santa Clara
70 W. Hedding Street
San Jose, CA 95110

If to the Paying Agent:
U.S. Bank National Association
One California Street, Suite 1000
San Francisco, CA 94111
Attn: Global Corporate Trust Services
IN WITNESS WHEREOF, the parties hereto have caused this Paying Agent Agreement, relating to the PALO ALTO UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS (ELECTION OF 2008), SERIES 2014 to be duly executed by their officers duly authorized as of the date first written above.

PALO ALTO UNIFIED SCHOOL DISTRICT

By ____________________________
Authorized District Representative

U.S. BANK NATIONAL ASSOCIATION, as
Paying Agent

By ____________________________
Authorized Officer

Acknowledged:

By ____________________________
Director of Finance
County of Santa Clara
EXHIBIT A

[FORM OF BOND]

<table>
<thead>
<tr>
<th>Number</th>
<th>UNITED STATES OF AMERICA</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>R-____</td>
<td>STATE OF CALIFORNIA</td>
<td>$_______</td>
</tr>
<tr>
<td></td>
<td>COUNTY OF SANTA CLARA</td>
<td></td>
</tr>
</tbody>
</table>

Palo Alto Unified School District, County of Santa Clara, State of California (herein called the “District”), acknowledges itself obligated to and promises to cause to be paid to the registered owner identified above or registered assigns, but only from taxes collected by the County of Santa Clara (the “County”) for such purpose pursuant to Section 15250 of the Education Code of the State of California, on the maturity date set forth above or upon redemption prior thereto, the principal sum specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money at the interest rate per annum stated above, computed on the basis of a 360-day year of twelve 30-day months, payable on February 1 and August 1 in each year, commencing August 1, 2014, until payment of said principal sum. If this bond is authenticated and registered on any date prior to the close of business on July 15, 2014, it shall bear interest from the date hereof. If authenticated during the period between any Record Date (defined as the 15th day of the month preceding an interest payment date) and the close of business on its corresponding interest payment date, it shall bear interest from such interest payment date. Otherwise, this bond shall bear interest from the interest payment date immediately preceding the date of its authentication.

The principal hereof is payable to the registered owner hereof upon the surrender hereof at the place or places designated for the purpose by the paying agent/registrar and transfer agent of the District (herein called the “Paying Agent”), initially U.S. Bank National Association. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the registered owner hereof as of the close of business on the Record Date preceding each interest payment date, whether or not such day is a business day, such interest to be paid by check mailed to such registered owner at the owner’s address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date immediately preceding an interest payment date, of the owner of Bonds (hereinafter defined) aggregating at least $1,000,000 in principal amount, interest will be paid by wire transfer to an account maintained in...
the United States as specified by the owner in such request. So long as Cede & Co. or its registered assigns shall be the registered owner of this bond, payment shall be made by wire transfer as provided in the Paying Agent Agreement hereinafter described.

This bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest payment modes, interest rates, maturities and redemption provisions), amounting in the aggregate to $40,000,000, and designated as “Palo Alto Unified School District General Obligation Bonds (Election of 2008), Series 2014” (the “Bonds”). The Bonds were authorized by a vote of at least 55% of the voters voting at an election duly and legally called, held and conducted in the District on June 3, 2008. The Bonds are issued and sold by the Board of Education of the District, pursuant to and in strict conformity with the provisions of the Constitution and laws of the State of California, and the Paying Agent Agreement, dated as of June 1, 2014 (the “Paying Agent Agreement”), by and between the District and the Paying Agent. Reference is hereby made to the Paying Agent Agreement and any and all amendments thereof for a description of the terms on which the Bonds are issued, for the rights of the Owners of the Bonds, for the provisions for payment of the Bonds, and for the amendment of the Paying Agent Agreement (with or without consent of the Owners of the Bonds); and all the terms of the Paying Agent Agreement are hereby incorporated herein and constitute a contract between the District and the Registered Owner of this Bond, to all the provisions of which the Registered Owner of this Bond, by acceptance hereof, agrees and consents. Capitalized undefined terms used herein have the meanings ascribed thereto in the Paying Agent Agreement.

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

This bond is transferable by the registered owner hereof, in person or by attorney duly authorized in writing, at said designated corporate trust office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Paying Agent Agreement, and upon surrender and cancellation of this bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations for the same series, maturity, interest payment mode and interest rate, and same aggregate principal amount will be issued to the transferee in exchange herefor.

The District and the Paying Agent may treat the registered owner hereof as the absolute owner hereof for all purposes, and the District and the Paying Agent shall not be affected by any notice to the contrary.

The Bonds are subject to optional redemption on the terms and subject to the conditions specified in the Paying Agent Agreement, and as shown in the attached Redemption Schedule. If this bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.
The Board of Education of the District hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this bond, is within the limit provided by law; that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this bond have been done and performed in strict conformity with the laws authorizing the issuance of this bond; and that this bond is in substantially the form prescribed by order of the Board of Education of the District duly made and entered on its minutes. The Bonds represent an obligation of the District payable out of the interest and sinking fund of the District, and the money for the redemption of this bond, and the payment of principal of and interest thereon, shall be raised by taxation upon the taxable property of the District.

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

IN WITNESS WHEREOF the Board of Education of the Palo Alto Unified School District, County of Santa Clara, State of California, has caused this PALO ALTO UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BOND (ELECTION OF 2008), SERIES 2014, to be executed by the manual or facsimile signature of its President and to be countersigned by the manual or facsimile signature of the Secretary of said Board, as of the date set forth above.

President of the Board of Education
of the Palo Alto Unified School District

Countersigned:

Secretary of the Board of Education
of the Palo Alto Unified School District
PAYING AGENT’S CERTIFICATE OF AUTHENTICATION 
AND REGISTRATION

This is one of the PALO ALTO UNIFIED SCHOOL DISTRICT GENERAL 
OBLIGATION BONDS (ELECTION OF 2008), SERIES 2014, described in the within-
mentioned Paying Agent Agreement and authenticated and registered on [June 4], 2014.

U.S. BANK NATIONAL ASSOCIATION, as 
Paying Agent/Registrar and Transfer Agent

By __________________________
Authorized Officer

DTC LEGEND

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

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

I.D. Number ___________________________

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

Dated: ___________________________

Signature Guarantee: ___________________________

Notice: Signature must be guaranteed by an eligible guarantor institution.
Optional Redemption. The Bonds maturing on or before August 1, 20[___] are not subject to redemption prior to their respective stated maturity dates. The Bonds maturing on or after August 1, 20[___], are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1, 20[___], and on any date thereafter, at a redemption price of 100% of the principal amount of Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption.

Mandatory Sinking Fund Redemption. The $[_____] Term Bond maturing on August 1, 20[___], is also subject to mandatory sinking fund redemption on each mandatory sinking fund redemption date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption:

<table>
<thead>
<tr>
<th>Mandatory Sinking Fund Redemption Date</th>
<th>Principal Amount To be Redeemed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(August 1)</td>
<td></td>
</tr>
</tbody>
</table>

* Maturity
CONTINUING DISCLOSURE CERTIFICATE

Palo Alto Unified School District
General Obligation Bonds
(Election of 2008), Series 2014

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Palo Alto Unified School District (the “District”) in connection with the issuance of $40,000,000 aggregate principal amount of Palo Alto Unified School District General Obligation Bonds (Election of 2008), Series 2014 (the “Bonds”). The Bonds are being issued as authorized by a resolution adopted by the Board of Education of the District on [May 6], 2014, and in accordance with the terms of a Paying Agent Agreement, dated as of [June 1], 2014 (the “Paying Agent Agreement”), by and between the District and U.S. Bank National Association, as paying agent (the “Paying Agent”). The District covenants and agrees as follows:

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

SECTION 2. Definitions. In addition to the definitions set forth in the Paying Agent Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

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

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

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

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

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB currently located at http://emma.msrb.org.
“Participating Underwriter” shall mean [___________], or the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

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

SECTION 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District’s fiscal year (presently June 30), commencing with the Annual Report for the fiscal year of the District ending June 30, 2014 (which is due no later than April 1, 2015), provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Each Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. Neither the Paying Agent nor the Dissemination Agent shall have any duties or responsibilities with respect to the contents of the Annual Report. If the District’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5.

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the District shall provide the Annual Report to the Dissemination Agent and the Paying Agent (if the Paying Agent is not the Dissemination Agent). If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the District and the Paying Agent to determine if the District is in compliance with the first sentence of this subsection (b).

(c) If the District is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), at the request of the district, the Dissemination Agent shall send a notice, in electronic format, to the MSRB, such notice to be in substantially the form attached as Exhibit A.

(d) If the Annual Report is delivered to the Dissemination Agent for filing, the Dissemination Agent shall file a report with the District and (if the Dissemination Agent is not the Paying Agent) the Paying Agent certifying that the Annual Report has been provided pursuant to this Disclosure Certificate and stating the date it was provided.

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

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

To the extent not included in the audited financial statement of the District, the Annual Report shall also include the following:

(b) Adopted budget of the District for the current fiscal year, or a summary thereof, and any interim budget reports approved as of the date of filing of the Annual Report.

(c) District average daily attendance.

(d) District outstanding debt.

(e) Information regarding total assessed valuation of taxable properties within the District, if and to the extent provided to the District by the County.

(f) Information regarding total secured tax charges and delinquencies on taxable properties within the District, if and to the extent provided to the District by the County.

Any or all of the items listed above may be set forth in one or a set of documents or may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB website. If the document included by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

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

1. Principal and interest payment delinquencies;

2. Unscheduled draws on debt service reserves reflecting financial difficulties;

3. Unscheduled draws on credit enhancements reflecting financial difficulties;

4. Substitution of credit or liquidity providers, or their failure to perform;

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

6. Tender offers;

7. Defeasances;
8. Rating changes; or
9. Bankruptcy, insolvency, receivership or similar event of the obligated person.

Note: for the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material, not later than ten business days after the occurrence of the event:

1. Unless described in paragraph 5(a)(5), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. Modifications to rights of Bond holders;
3. Optional, unscheduled or contingent Bond calls;
4. Release, substitution, or sale of property securing repayment of the Bonds;
5. Non-payment related defaults;
6. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; or
7. Appointment of a successor or additional paying agent or the change of name of a paying agent.

(c) The District shall give, or cause to be given, in a timely manner, notice of a failure to provide the annual financial information on or before the date specified in Section 3, as provided in Section 3(b).
(d) Whenever the District obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the District shall determine if such event would be material under applicable federal securities laws.

(e) If the District learns of the occurrence of a Listed Event described in Section 5(a), or determines that knowledge of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, the District shall within ten business days of occurrence file a notice of such occurrence with the MSRB in electronic format, accompanied by such identifying information as is prescribed by the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in subsection (b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Paying Agent Agreement.

SECTION 6. Termination of Reporting Obligation. The District’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(e).

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

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

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

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

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

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

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

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

SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: __________, 2014

PALO ALTO UNIFIED SCHOOL DISTRICT

By ____________________________
Robert Golton
Bond Program Manager
CONTINUING DISCLOSURE EXHIBIT A

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

Name of District: PALO ALTO UNIFIED SCHOOL DISTRICT

Name of Bond Issue: PALO ALTO UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS (ELECTION OF 2008),
SERIES 2014

Date of Issuance: __________, 2014

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

Dated: ________________

PALO ALTO UNIFIED SCHOOL DISTRICT

By ___ [to be signed only if filed] _________
NOTICE OF INTENTION TO SELL
Not to Exceed $40,000,000
PALO ALTO UNIFIED SCHOOL DISTRICT
(County of Santa Clara, State of California)
GENERAL OBLIGATION BONDS
(ELECTION OF 2008), SERIES 2014

NOTICE IS HEREBY GIVEN that the above Bonds will be offered for public sale by the Board of Education of the Palo Alto Unified School District, County of Santa Clara, State of California, on Wednesday, May 14, 2014, at the hour of 9:30 A.M., California time (or on such other date and time as may be determined by the District as provided in the paragraph below), at the offices of Keygent LLC, 999 N. Sepulveda Boulevard, Suite 500, El Segundo, CA 90245 (telephone (310) 322-4222; fax (310) 518-7656), subject to all of the terms and conditions of the Official Notice of Sale describing the Bonds, copies of which (along with a Preliminary Official Statement relating to the Bonds) will be furnished upon request made to the Registered Municipal Advisor to the District, at the address above or are available to authorized users at www.i-dealprospectus.com. Legal Opinion: Orrick, Herrington & Sutcliffe LLP, San Francisco, California.

The date and time of the Bond sale and the terms thereof may be changed at the sole discretion of the District by providing notice thereof through Thomson Municipal News Monitor (TM3) as soon as practicable prior to the then-scheduled sale date of the Bonds.

Dated: ______________, 2014
CERTIFICATE OF AWARD

The undersigned, Cathy Mak, Chief Business Official of the Palo Alto Unified School District (the “District”), which is located in the County of Santa Clara, California (the “County”), pursuant to powers delegated to me as an Authorized District Representative by a resolution adopted by Board of Education on May 6, 2014 (the “Resolution”), duly authorizing the issuance and sale of not to exceed $40,000,000 aggregate principal amount of Palo Alto Unified School District General Obligation Bonds (Election of 2008), Series 2014 (the “Bonds”), hereby certify with respect to the award of said Bonds as follows:

ACCEPTANCE OF BID

1. On May 14, 2014, at 9:30 a.m., the proposals for purchase of the Bonds, summarized in the Bids Report attached hereto as Schedule A, were received and opened in accordance with the Official Notice of Sale for the purchase of the Bonds, dated [_________], 2014 (the “Official Notice of Sale”).

2. The proposal submitted by [_________] is in compliance with all of the terms and conditions set forth in the Official Notice of Sale.

3. The bid of [_________], as shown in Schedule B attached hereto, is the best responsive bid as determined by the method of calculation for such best responsive bid, set forth in the Official Notice of Sale, as follows:

   Bid Purchase Price: $ 
   (including bid premium)

   Bid Total Debt Service: $ 
   (dated date to maturity)

   Bid True Interest Cost: %

4. The Bonds are hereby awarded to [_________] (the “Purchaser”) based on the true interest cost shown above.

5. All proposals set forth in Schedule A – Bids Report other than said accepted bid of the Purchaser are hereby rejected.
TERMS OF THE BONDS

The terms of the winning bid and of the Bonds is hereby adjusted in accordance with the Official Notice of Sale and the Resolution as follows:

1. The adjusted purchase price for the Bonds is $[__________].

2. The aggregate principal amount of the Bonds is hereby determined to be $[__________], and the adjusted True Interest Cost is determined to be [__________]%.

3. The maturity dates, principal amounts, and interest rates of each maturity of the Bonds, as adjusted, shall be as set forth in Schedule C attached hereto.

4. The Bonds shall be dated the date of delivery, [__________], 2014.

5. Interest on the Bonds shall be payable commencing on August 1, 2014, and thereafter on February 1 and August 1 of each year.

6. The Bonds shall be subject to optional redemption in accordance with the terms specified below:

   **Optional Redemption:** The Bonds maturing on or before August 1, 20[__] are not subject to redemption prior to their respective stated maturity dates. The Bonds maturing on or after August 1, 20[__], are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1, 20[__], and on any date thereafter, at a redemption price of 100% of the principal amount of Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption.

   **Mandatory Sinking Fund Redemption:** The $[_____] Term Bond maturing on August 1, 20[__], is also subject to mandatory sinking fund redemption on each mandatory sinking fund redemption date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption:

<table>
<thead>
<tr>
<th>Mandatory Sinking Fund Redemption Date (August 1)</th>
<th>Principal Amount To be Redeemed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>* Maturity</td>
</tr>
</tbody>
</table>
Dated: [__________], 2014.

PALO ALTO UNIFIED SCHOOL DISTRICT

By______________________________
Cathy Mak
Chief Business Official
SCHEDULE A
(To Certificate of Award)

PALO ALTO UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
(ELECTION OF 2008), SERIES 2014

BIDS REPORT
SCHEDULE B
(To Certificate of Award)

PALO ALTO UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
(ELECTION OF 2008), SERIES 2014

MATURITY SCHEDULE
SCHEDULE C
(To Certificate of Award)

PALO ALTO UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
(ELECTION OF 2008), SERIES 2014

MATURITY SCHEDULE
(Bond Pricing and Bond Maturity Table)
Palo Alto Unified School District

Measure A Strong Schools Bond Update

Keygent Advisors
999 N. Sepulveda Blvd., Suite 500
El Segundo, CA 90245
(310) 322-4222

April 22, 2014

Strong Schools Bond Background

The Palo Alto Unified School District ("District") successfully passed its Measure A, Strong Schools Bond, on June 3, 2008

- $378 million authorization

- District has issued $214,999,24 from the Strong Schools Bond
    - Issued on September 11, 2008 for $119,999,249
    - Issued on July 23, 2010 for $25,000,000
  - Series C - General Obligation Bonds (Election of 2008), Series 2013
    - Issued on March 20, 2013 for $70,000,000

- Remaining authorization of $163,000,751
District Assessed Value History

The District has experienced assessed value ("AV") growth in every year since 1985.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>District Total AV</th>
<th>Annual % Change</th>
<th>5/1/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>$4,132,362,478</td>
<td>16.76%</td>
<td>2</td>
</tr>
<tr>
<td>1986</td>
<td>$4,821,330,863</td>
<td>17.68%</td>
<td>2</td>
</tr>
<tr>
<td>1987</td>
<td>$5,178,246,050</td>
<td>7.32%</td>
<td>2</td>
</tr>
<tr>
<td>1988</td>
<td>$5,516,774,874</td>
<td>6.91%</td>
<td>2</td>
</tr>
<tr>
<td>1989</td>
<td>$5,741,400,929</td>
<td>4.18%</td>
<td>2</td>
</tr>
<tr>
<td>1990</td>
<td>$6,098,400,432</td>
<td>6.17%</td>
<td>2</td>
</tr>
<tr>
<td>1991</td>
<td>$7,037,499,650</td>
<td>11.61%</td>
<td>2</td>
</tr>
<tr>
<td>1992</td>
<td>$7,037,499,650</td>
<td>2.76%</td>
<td>2</td>
</tr>
<tr>
<td>1993</td>
<td>$8,128,607,360</td>
<td>2.65%</td>
<td>2</td>
</tr>
<tr>
<td>1994</td>
<td>$8,253,308,491</td>
<td>2.76%</td>
<td>2</td>
</tr>
<tr>
<td>1995</td>
<td>$8,506,387,995</td>
<td>3.21%</td>
<td>2</td>
</tr>
<tr>
<td>1996</td>
<td>$9,011,037,700</td>
<td>5.36%</td>
<td>2</td>
</tr>
<tr>
<td>1997</td>
<td>$9,741,257,411</td>
<td>8.10%</td>
<td>2</td>
</tr>
<tr>
<td>1998</td>
<td>$10,561,930,392</td>
<td>8.42%</td>
<td>2</td>
</tr>
<tr>
<td>1999</td>
<td>$11,553,191,278</td>
<td>9.39%</td>
<td>2</td>
</tr>
<tr>
<td>2000</td>
<td>$12,758,964,882</td>
<td>10.44%</td>
<td>2</td>
</tr>
<tr>
<td>2001</td>
<td>$14,499,829,402</td>
<td>13.64%</td>
<td>2</td>
</tr>
<tr>
<td>2002</td>
<td>$15,278,234,964</td>
<td>5.37%</td>
<td>2</td>
</tr>
<tr>
<td>2003</td>
<td>$15,680,024,641</td>
<td>2.63%</td>
<td>2</td>
</tr>
<tr>
<td>2004</td>
<td>$16,663,834,448</td>
<td>6.27%</td>
<td>2</td>
</tr>
<tr>
<td>2005</td>
<td>$18,036,807,693</td>
<td>8.24%</td>
<td>2</td>
</tr>
<tr>
<td>2006</td>
<td>$19,618,969,817</td>
<td>2.40%</td>
<td>2</td>
</tr>
<tr>
<td>2007</td>
<td>$21,005,877,557</td>
<td>8.77%</td>
<td>2</td>
</tr>
<tr>
<td>2008</td>
<td>$23,387,188,865</td>
<td>11.34%</td>
<td>2</td>
</tr>
<tr>
<td>2009</td>
<td>$24,532,829,964</td>
<td>7.65%</td>
<td>2</td>
</tr>
<tr>
<td>2010</td>
<td>$26,237,026,279</td>
<td>5.36%</td>
<td>2</td>
</tr>
<tr>
<td>2011</td>
<td>$28,179,088,721</td>
<td>7.40%</td>
<td>2</td>
</tr>
</tbody>
</table>

Annual Growth Rates: Lowest Rolling Averages:
- 1-year: 7.40%
- 5-year: 2.12%
- 10-year: 3.80%
- 15-year: 3.60%
- 20-year: 6.04%
- 25-year: 6.03%
- 30-year: 6.42%

Strong Schools Bonds

The following illustrative scenario assumes 4.5% annual AV growth; Series D and all future financings will comply with the provisions of Assembly Bill 182.

Prospective Issuance Schedule

<table>
<thead>
<tr>
<th>Issue No.</th>
<th>Issue Date</th>
<th>Proceeds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Series A</td>
<td>Sep 2008</td>
<td>$126,000,000</td>
</tr>
<tr>
<td>Series B</td>
<td>Jul 2010</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>Series C</td>
<td>Mar 2013</td>
<td>$70,000,000</td>
</tr>
<tr>
<td>Series D</td>
<td>Jun 2014</td>
<td>$40,000,000</td>
</tr>
<tr>
<td>Series E</td>
<td>May 2016</td>
<td>$40,000,000</td>
</tr>
<tr>
<td>Series F</td>
<td>May 2017*</td>
<td>$83,000,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$377,000,000</td>
</tr>
</tbody>
</table>

*Date shown here is simply for modeling purposes. Timing is dependent on the allocation of funds currently reserved.

- Total estimated debt service for all Strong Schools Bonds: $706.3 million (3)
  - Repayment ratio: 1.87 to 1
  - 40.5% CAFs for all Strong Schools Bonds

(1) Based upon draw schedule provided by District. Actual issuance timing and amounts may change based upon assessed value, interest rates, and District needs.
(2) Previously issued financings.
(3) Includes QSC subsidy rate reduction.
Estimated Debt Service Schedule – Series D (1)

- Issuance amount of $40 million
- Financing term of 18 years
- All current interest bonds
- Repayment ratio of 1.17 to 1
- Annual AV growth assumptions of 4.5%

### Preliminary Timeline

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 28</td>
<td>Send: Information request forwarded to District</td>
<td>FA</td>
</tr>
<tr>
<td>April 29</td>
<td>Completed: Information request completed</td>
<td>DA</td>
</tr>
<tr>
<td>May 3</td>
<td>Completed: Distribution of draft issuance resolution and forms of preliminary official statements (POS), notice of sale (NOS) and other legal documents</td>
<td>RC</td>
</tr>
<tr>
<td>May 5</td>
<td>Completed: Credit package sent to rating agencies</td>
<td>FA</td>
</tr>
<tr>
<td>May 6</td>
<td>Completed: Comments on draft legal documents to Bond Counsel</td>
<td>DB</td>
</tr>
<tr>
<td>May 7</td>
<td>Completed: Draft version of issuance resolution, POS, NOS, and other legal documents sent to District to be placed on Board Meeting agenda</td>
<td>RC</td>
</tr>
<tr>
<td>May 21</td>
<td>_signed: Agency conference calls</td>
<td>DA, FA</td>
</tr>
<tr>
<td>May 22</td>
<td>District Board Meeting (information only) to present details of financing and draft legal documents</td>
<td>DA, BC, FA</td>
</tr>
<tr>
<td>May 28</td>
<td>District Board Meeting</td>
<td>DA, BC, FA</td>
</tr>
<tr>
<td>June 28</td>
<td>Final version of issuance resolution, POS, NOS, and other legal documents sent to District to be placed on Board Meeting agenda</td>
<td>RC</td>
</tr>
<tr>
<td>June 29</td>
<td>District Board Meeting to adopt issuance resolution, forms of POS and NOS, and other legal documents</td>
<td>G</td>
</tr>
<tr>
<td>June 29</td>
<td>Final notice of intent to sell bonds in the Bond Buyer</td>
<td>BC, FA</td>
</tr>
<tr>
<td>June 30</td>
<td>Final POS and NOS and post-electronically</td>
<td>BC, FA</td>
</tr>
<tr>
<td>June 30</td>
<td>Final bond documents signed</td>
<td>DA, FA</td>
</tr>
<tr>
<td>June 30</td>
<td>District receives bond proceeds</td>
<td>DA, BC, FA</td>
</tr>
</tbody>
</table>

1. Assumes interest rates as of April 16, 2014. Subject to market fluctuation.
TO: Kevin Skelly, Superintendent
FROM: Bob Golton, Bond Program Manager
SUBJECT: Authorization to Award Contracts for Summer Maintenance Projects

STRATEGIC PLAN INITIATIVE
Budget Trends and Infrastructure

RECOMMENDATION
For each of the projects listed below, it is recommended the Board of Education:

1. Award a contract to the lowest responsive, responsible bidder

2. Authorize the Superintendent or his designee to execute change orders, as necessary, in an amount not to exceed 10% of the total contract amount.

BACKGROUND
In April 2014, the Board of Education authorized staff to seek bids for summer maintenance contracts for the following projects:

- Removal and replacement of the red top concrete walkway at El Carmelo Elementary
- Installation of new flooring in the Terman multi-use building
- Removal and replacement of the flooring tile in the district portion of the OH building at Briones
- Installation of a new metal pool equipment building at Jordan
- Replacement of the roofing on the M building at Jordan along with stucco repair, ceiling repair and light replacement.
- Driveway improvements at Hoover Elementary School
- Selective replacement of current canopy lighting with LEDs

Bids from contractors were opened on April 30, 2014. However, with the deadline for submission for this Board agenda being May 1, 2014, evaluation is not complete that allows for final awards of contracts.

Staff recommendations regarding the lowest responsive, responsible bidders will be transmitted prior to this meeting and presented to the Board for approval at the meeting.

FISCAL IMPACT
These projects were be funded by Planned Maintenance and Deferred Maintenance accounts.
TO: Dr. Kevin Skelly, Superintendent

FROM: Bob Golton, Bond Program Manager

SUBJECT: Award of a Contract for the Renovation of E and K Buildings at Gunn High School

STRATEGIC PLAN INITIATIVE
Budget Trends and Infrastructure

RECOMMENDATION
It is recommended that the Board of Education:

1. Award a contract to B Bros Construction, Inc. for the Renovation of E and K Buildings at Gunn High School in the amount of $1,150,000.

2. Authorize the Superintendent or his designee to execute change orders in the amount of 10% of the total contract amount, or $115,000.

BACKGROUND
On March 25, 2014, the Board authorized seeking bids for the Renovation of E and K Buildings at Gunn High School, with a construction budget of $1,485,000. The project will renovate the vacated K Building. The project will include interior modernization and reconfiguration of utilities to provide classrooms with small work rooms in each and to modernize the existing Math department offices for Social Studies department offices. In addition, the project will renovate Building E to convert the vacated World Languages offices into classrooms and a computer technical support space.

Bids were solicited for this work with bids being opened on April 29, 2014, and then evaluated. The basis of award was the lowest responsible base bid.

Bids were received from five contractors. A breakdown of the bids is below:

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Base Bid</th>
</tr>
</thead>
<tbody>
<tr>
<td>B Bros Construction, Inc.</td>
<td>$1,150,000</td>
</tr>
<tr>
<td>AM Woo Construction, Inc.</td>
<td>$1,228,000</td>
</tr>
<tr>
<td>Coulter Construction, Inc.</td>
<td>$1,321,468</td>
</tr>
<tr>
<td>Sausal Corporation</td>
<td>$1,351,900</td>
</tr>
<tr>
<td>Zolman Construction and Development, Inc.</td>
<td>$1,430,000</td>
</tr>
</tbody>
</table>

B Bros Construction, Inc. is based out of San Leandro and holds a general building contractor’s license. They have completed several projects for K-12 schools in the area, and their references and licensing have been verified.
PROPOSAL
It is proposed the Board of Education award a contract for the lowest responsible bidder: B Bros Construction, Inc., in the amount of $1,150,000 for the Renovation of E and K at Gunn High School. It is further proposed the Board authorize the Superintendent or designee to execute change orders not to exceed 10% or $115,000. The total authorization is therefore $1,265,000.

The bids received are within the allocated budget for this project, and no budget augmentation to award this contract is required.

FISCAL IMPACT
This project will be funded by Strong School Bond funds.
Proposed Miranda Drop off/Pick up

Gunn High School
Palo Alto Unified School District