

January 9, 2007

To: Board Members
From: Dena Whittington
Through: Tom Bishop
Subject: Board Approval and Acceptance of Donations to the Del Mar Union School District

Items	School Site	Donor
Baby Grand Piano Valued \$8,200.00	Del Mar Heights	Vernon and Lynne Blackman
\$1,000.00 For Garden Fund	Del Mar Heights	Charles and Margaret Pope
\$982.30	Sage Canyon	National Foundation for Autism
\$35,692.95 For Playground Structure	Ashley Falls	Ashley Falls PTA

RECOMMENDED: The Superintendent recommends approval and acceptance of donations to the Del Mar Union School District as listed above.

*9.1

January 9, 2007

To: Board Members
From: Dena Whittington
Through: Tom Bishop
Subject: Board Approval of Purchase Orders and Ratification of Commercial Warrant Payments and Revolving Cash Disbursements

It is recommended that the Board of Trustees approve the purchase orders listed in the amount of \$288,406.98. It is also recommended that the Board of Trustees ratifies the commercial warrants listed in the amount of \$653,793.53 and ratifies the revolving cash disbursements listed in the amount of \$6,833.09.

FISCAL IMPACT: Listed above.

RECOMMENDED: The Superintendent Recommends That the Board of Trustees Approves the Purchase Orders, Ratifies the Commercial Warrant Payments And Ratifies The Revolving Cash Disbursements As Listed.

*9.2

FROM 12/01/06 THRU 12/31/06

PO NBR	DATE	FUND	VENDOR	LOC	DESCRIPTION	AMOUNT
801771	12/01/06	03	NASCO MODESTO	006	INST MAT/SUP GEN PUR	\$161.35
801772	12/01/06	03	LAURIE FRANCIS	004	OFFICE SUPPLIES	\$25.83
801773	12/01/06	03	EVAN-MOOR EDUC PUBLI	004	INST MAT/SUP GEN PUR	\$80.78
801774	12/01/06	06	BERTRAND'S MUSIC MAR	004	INST MAT/SUP GEN PUR	\$500.00
801775	12/01/06	03/06	OFFICE DEPOT, B.S.D.	004	2005/06 DMSEF GALA W	\$1,292.68
801776	12/01/06	03	ERIC OSICKI	005	\$100 TEACHER STIPEND	\$100.00
801777	12/01/06	03	JANET ORR	008	\$100 TEACHER STIPEND	\$100.00
801778	12/01/06	03	FEDERAL EXPRESS	004	FUNDRAISER	\$19.96
801779	12/01/06	06	HOLLANDIA DAIRY	004	INST MAT/SUP GEN PUR	\$16.75
801780	12/01/06	03	SOUTHWEST PLASTIC BI	008	INST MAT/SUP GEN PUR	\$154.51
801781	12/01/06	03	SPORTIME	008	INST MAT/SUP GEN PUR	\$241.25
801782	12/01/06	03	SOUTHWEST SCHOOL SUP	013	OFFICE SUPPLIES	\$102.45
801783	12/01/06	03/06	OFFICE DEPOT, B.S.D.	006	INST MAT/SUP GEN PUR	\$347.55
801784	12/01/06	03	STUDENT SUPPLY COMPA	009	INST MAT/SUP GEN PUR	\$66.36
801785	12/01/06	03/06	STAPLES	013	OFFICE SUPPLIES	\$119.74
801786	12/01/06	03	OFFICE DEPOT, B.S.D.	013	OFFICE SUPPLIES	\$66.78
801787	12/01/06	03	SAN DIEGO MARITIME M	008	FIELD TRIP	\$3,076.00
801788	12/01/06	03	DEL MAR OFFICE PRODU	009	INST MAT/SUP GEN PUR	\$144.42
801789	12/01/06	03	COACH USA	008	FIELD TRIP	\$1,976.64
801790	12/01/06	06	MOUNTAIN MATH/LANGUA	006	INST MAT/SUP GEN PUR	\$654.69
801791	12/01/06	06	BOOT WORLD, INC.	001	MAINT SUPPLIES	\$1,050.00
801792	12/04/06	03	FOUNDATION FOR EDUC	013	TRAVEL AND CONFERENC	\$490.00
801793	12/04/06	03	JANE LA FAZIO	001	OTHER CONTRACTS	\$1,600.00
801794	12/04/06	03	DEBBIE HYDE-DUBY	001	FAME MUSIC COACHES	\$360.00
801795	12/04/06	03	DOUGLAS MCGEE	001	FAME MUSIC COACHES	\$360.00
801796	12/04/06	03	WESLEY L. NOEL	001	FAME MUSIC COACHES	\$360.00
801797	12/04/06	03	KAREN WESTBROOK	008	\$100 TEACHER STIPEND	\$100.00
801798	12/04/06	03	IRENE HALLIDAY	012	TRAVEL AND CONFERENC	\$766.13
801799	12/04/06	03	LESLIE PUTNAM	012	TRAVEL AND CONFERENC	\$476.91
801800	12/04/06	03	MARGARET LAROSE	008	INST MAT/SUP GEN PUR	\$28.20
801801	12/04/06	03	HERITAGE TOURS	007	FIELD TRIP	\$820.00
801802	12/04/06	03	OFFICE DEPOT, B.S.D.	007	INST MAT/SUP GEN PUR	\$1,000.00
801803	12/04/06	63	DELICIE STRAHAN	060	MILEAGE REIMBURSEMEN	\$78.77
801804	12/04/06	63	ANDREW IMPENS	060	MILEAGE REIMBURSEMEN	\$69.42
801805	12/04/06	63	CHARLEY JACOB	060	MILEAGE REIMBURSEMEN	\$119.35
801806	12/04/06	03	CRABTREE PUBLISHING	007	INST MAT/SUP GEN PUR	\$269.00
801807	12/04/06	03	RANCHO BUENA VIST AD	007	FIELD TRIP	\$1,080.00
801808	12/04/06	03	SDE (STAFF DEVELOPME	007	INST MAT/SUP GEN PUR	\$845.00
801809	12/04/06	06	ENERGY RESOURCES CON	001	DEBT SERVICE - PRINC	\$88,175.10
801810	12/04/06	03	PROMACO, INC.	008	INST MAT/SUP GEN PUR	\$68.53
801811	12/04/06	03	ULTIMATE OFFICE	013	OFFICE SUPPLIES	\$106.67
801812	12/04/06	03/06	OFFICE DEPOT, B.S.D.	013	OFFICE SUPPLIES	\$179.76
801813	12/04/06	03/06	DEL MAR OFFICE PRODU	013	OFFICE SUPPLIES	\$33.81
801814	12/04/06	06	BEST COMPUTER SUPPLI	013	OFFICE SUPPLIES	\$61.36
801815	12/05/06	03	SOPHIA DESANTIS	004	\$100 TEACHER STIPEND	\$100.00
801816	12/05/06	03	COACH USA	004	FIELD TRIP	\$922.30
801817	12/05/06	03	INTERNATIONAL HOUSE	004	FIELD TRIP	\$365.00
801818	12/05/06	03	UNISOURCE	004	INST MAT/SUP GEN PUR	\$211.49
801819	12/05/06	63	GAMEROOM GALLERY	060	GEN SUPPLIES CHILD D	\$102.97
801820	12/05/06	03	COACH USA	007	FIELD TRIP	\$1,218.36
801821	12/05/06	03	AMAZON.COM CREDIT	013	OFFICE SUPPLIES	\$182.95
801822	12/05/06	03	WEST MUSIC COMPANY	009	MUSIC SUPPLIES	\$83.11
801823	12/05/06	03/06	OFFICE DEPOT, B.S.D.	013	OFFICE SUPPLIES	\$211.04
801824	12/05/06	03	UNIVERSITY OF CALIF,	007	INST MAT/SUP GEN PUR	\$131.01
801825	12/05/06	13	FOCUS PACKAGING AND	007	MATERIALS AND SUPPLI	\$118.98

FROM 12/01/06 THRU 12/31/06

PO NBR	DATE	FUND	VENDOR	LOC	DESCRIPTION	AMOUNT
801826	12/05/06	03	OFFICE DEPOT, B.S.D.	003	INST MAT/SUP GEN PUR	\$133.60
801827	12/05/06	03	A TONER WAREHOUSE	006	INST MAT/SUP GEN PUR	\$242.44
801828	12/05/06	03	HERE COMES MONEY, IN	005	FUNDRAISER	\$840.45
801829	12/05/06	03	UNISOURCE	006	INST MAT/SUP GEN PUR	\$380.40
801830	12/07/06	03	SPICERS PAPER, INC.	013	OFFICE SUPPLIES	\$60.29
801831	12/07/06	63	HOME DEPOT CREDIT SE	060	GEN SUPPLIES CHILD D	\$2,607.64
801832	12/07/06	63	DISCOUNT SCHOOL SUPP	060	GEN SUPPLIES CHILD D	\$128.83
801833	12/07/06	63	ORIENTAL TRADING CO.	060	GEN SUPPLIES CHILD D	\$82.36
801834	12/07/06	03	XEROX CORPORATION	007	INST MAT/SUP GEN PUR	\$1,038.71
801835	12/07/06	03	OFFICE DEPOT, B.S.D.	008	INST MAT/SUP GEN PUR	\$68.96
801836	12/07/06	03	ADVANCED COMMUNICATI	007	INST MAT/SUP GEN PUR	\$943.19
801837	12/07/06	03	MARY ANN LOES	006	\$100 TEACHER STIPEND	\$100.00
801838	12/07/06	03	FARBER PIANO SERVICE	003	INST MAT/SUP GEN PUR	\$115.00
801839	12/07/06	63	KRYSTLE YBARRA	060	MILEAGE REIMBURSEMEN	\$59.19
801840	12/07/06	03	PIONEER STATIONERS	007	INST MAT/SUP GEN PUR	\$67.34
801841	12/07/06	03	JANET BERNARD	012	TRAVEL AND CONFERENC	\$174.07
801842	12/07/06	03	BEST COMPUTER SUPPLI	006	OFFICE SUPPLIES	\$213.05
801843	12/07/06	03	LITERATURE COMES TO	006	INST MAT/SUP GEN PUR	\$775.00
801844	12/07/06	06	PEACE PARTNERS, INC.	006	INST MAT/SUP GEN PUR	\$875.63
801845	12/11/06	06	PEARSON ASSESSMENT	011	INST MAT/SUP GEN PUR	\$715.90
801846	12/11/06	06	RADIOSHACK CORPORATI	003	INST MAT/SUP GEN PUR	\$339.04
801847	12/11/06	03	SOUTHWEST SCHOOL SUP	003	INST MAT/SUP GEN PUR	\$24.78
801848	12/11/06	03	ENTERPRISE GROUP	003	INST MAT/SUP GEN PUR	\$664.82
801849	12/11/06	03	CASBO PROFESSIONAL D	001	TRAVEL AND CONFERENC	\$3,500.00
801850	12/11/06	03	NORTH COUNTY TIMES	002	ADVERTISING	\$106.60
801851	12/11/06	03	BOWIE ARNESON WILES	002	LEGAL FEES	\$273.00
801852	12/11/06	03	SCHOOL FACILITY CONS	002	OTHER CONTRACTS	\$817.50
801853	12/11/06	03	TANYA LUBOMUDROV	007	\$100 TEACHER STIPEND	\$100.00
801854	12/11/06	03	MICHELLE SHAVER	008	\$100 TEACHER STIPEND	\$100.00
801855	12/11/06	03	MARGARET LAROSE	008	INST MAT/SUP GEN PUR	\$215.26
801856	12/11/06	03	LISA SHEPHERD	008	\$100 TEACHER STIPEND	\$100.00
801857	12/11/06	06	CONSTRUCTION ELECTRO	001	REPAIRS BLDG/GRND-CD	\$1,552.02
801858	12/11/06	06	ATLAS PRESSURE WASHI	001	REPAIRS BLDG/GRND-CD	\$150.00
801859	12/11/06	06	LEE'S LOCK & SAFE	001	REPAIRS BLDGS/GRNDS	\$3,000.00
801860	12/11/06	06	LEE'S LOCK & SAFE	001	REPAIRS BLDG/GRND-TH	\$5,683.70
801861	12/11/06	03	NAMVARS INC.	001	REPAIR GRNDS/LANDSCA	\$2,000.00
801862	12/11/06	06	SHERWOOD MECHANICAL,	001	REPAIRS BLDG/GRND-HI	\$5,586.36
801863	12/11/06	06	THE SZARAS COMPANIES	001	REPAIRS BLDG/GRND-AF	\$1,180.00
801864	12/11/06	03	SCHOOL WISE PRESS	001	OTHER CONTRACTS	\$5,960.00
801865	12/11/06	06	TUCKER APPLIANCE REP	001	EQUIP REPAIR	\$89.00
801866	12/11/06	03	THEATREWORKS/USA	009	FIELD TRIP	\$525.00
801867	12/11/06	03	SUNDANCE PUBLISHING	009	INST MAT/SUP GEN PUR	\$1,000.88
801868	12/11/06	03	TURF STAR	001	REPAIRS TO MACHINES	\$383.37
801869	12/11/06	03	BETSY SCHULZ	003	INST MAT/SUP GEN PUR	\$68.58
801870	12/11/06	03	DAVID JONES	005	INST MAT/SUP GEN PUR	\$306.43
801871	12/11/06	06	SUPERINTENDENT OF SC	001	TRAVEL AND CONFERENC	\$5,000.00
801872	12/11/06	06	SUPERINTENDENT OF SC	001	TRAVEL AND CONFERENC	\$500.00
801873	12/12/06	06	SHELL CREDIT CARD CE	001	REPAIRS TO VEHICLES	\$5,000.00
801874	12/12/06	03	BEST COMPUTER SUPPLI	001	OFFICE SUPPLIES	\$313.10
801875	12/12/06	03/06	CHARNSTROM	013	ONE-TIME EQUIP PURCH	\$2,204.09
801876	12/14/06	03	ENTERPRISE GROUP	008	INST MAT/SUP GEN PUR	\$2,013.63
801877	12/14/06	03	PAMELA J. REYNOLDS	003	INST MAT/SUP GEN PUR	\$389.55
801878	12/14/06	63	STAPLES	060	OFFICE SUPPLIES	\$734.01
801879	12/15/06	03	CONTINENTAL MATHEMAT	006	INST MAT/SUP GEN PUR	\$70.00
801880	12/15/06	03	MISSION SAN JUAN CAP	006	FIELD TRIP	\$1,240.00

FROM 12/01/06 THRU 12/31/06

PO NBR	DATE	FUND	VENDOR	LOC	DESCRIPTION	AMOUNT
801881	12/15/06	03	KATHLEEN P. ZACK	003	INST MAT/SUP GEN PUR	\$180.00
801882	12/15/06	03	CASSIE BRUNKER	005	\$100 TEACHER STIPEND	\$100.00
801883	12/15/06	06	TEACHER'S CURRICULUM	008	INST MAT/SUP GEN PUR	\$763.95
801884	12/15/06	06	DATEL SYSTEMS, INC.	006	NON-CAPITALIZED EQUI	\$1,757.48
801885	12/15/06	06	TECH DEPOT	006	INST MAT/SUP GEN PUR	\$3,432.26
801886	12/15/06	13	PENSKE TRUCK LEASING	001	OTHER CONTRACTS	\$4,500.00
801887	12/18/06	03	SHELLEY PETERSEN	006	OFFICE SUPPLIES	\$47.13
801888	12/18/06	03	BEST COMPUTER SUPPLI	004	FUNDRAISER	\$862.00
801889	12/18/06	03	HOUGHTON MIFFLIN COM	005	INST MAT/SUP GEN PUR	\$609.36
801890	12/18/06	03	LEANDRA KALT	008	INST MAT/SUP GEN PUR	\$40.85
801891	12/18/06	03	A TONER WAREHOUSE	008	INST MAT/SUP GEN PUR	\$484.88
801892	12/18/06	03	JANET BERNARD	012	OTHER EXPENSES	\$94.17
801893	12/18/06	06	CENTER FOR TEACHER	004	TRAVEL AND CONFERENC	\$99.00
801894	12/18/06	03	SHIRTS UNLIMITED	004	FUNDRAISER	\$582.46
801895	12/18/06	03	OFFICE DEPOT, B.S.D.	008	INST MAT/SUP GEN PUR	\$47.17
801896	12/18/06	03	CAROLINE TAYLOR	005	\$100 TEACHER STIPEND	\$97.34
801897	12/18/06	06	BUREAU OF EDUCATION	005	TRAVEL AND CONFERENC	\$394.00
801898	12/18/06	03	ANN HOFFMAN	005	INST MAT/SUP GEN PUR	\$79.29
801899	12/18/06	03	DEBRA KELLY	007	\$100 TEACHER STIPEND	\$143.00
801900	12/18/06	06	SUPERINTENDENT OF SC	001	TRAVEL AND CONFERENC	\$1,000.00
801901	12/18/06	03/06	ENTERPRISE GROUP	013	OFFICE SUPPLIES	\$381.92
801902	12/18/06	03	BEST COMPUTER SUPPLI	007	INST MAT/SUP GEN PUR	\$496.46
801903	12/18/06	03	MARIUM GORGAS	007	\$100 TEACHER STIPEND	\$100.00
801904	12/18/06	03	LRP PUBLICATIONS	011	PERIODICALS/INSTRUCT	\$45.45
801905	12/18/06	03	MBM/HENRY SCHEIN CO.	011	HEALTH SUPPLIES	\$115.08
801906	12/18/06	06	JENNIFER HAVLAT	011	TRAVEL AND CONFERENC	\$24.70
801907	12/18/06	06	SAMMONS & PRESTON	011	INST MAT/SUP GEN PUR	\$17.06
801908	12/18/06	03	PRO-ED, INC.	011	TESTING SUPPLIES	\$77.72
801909	12/18/06	03	MBM/HENRY SCHEIN CO.	011	HEALTH SUPPLIES	\$115.08
801910	12/18/06	06	COMMUNITY THERAPY AS	011	INST MAT/SUP GEN PUR	\$94.15
801911	12/18/06	03	TRISH SNIDER	011	TRAVEL AND CONFERENC	\$259.70
801912	12/18/06	03	ULTIMATE OFFICE	013	OFFICE SUPPLIES	\$72.08
801913	12/18/06	06	GSDMC	009	INST MAT/SUP GEN PUR	\$100.00
801914	12/18/06	03	READING A-Z	009	INST MAT/SUP GEN PUR	\$79.95
801915	12/18/06	06	AIR AMERICA TESTING	001	REPAIRS BLDGS/GRNDS	\$750.00
801916	12/18/06	03	DEL MAR OFFICE PRODU	004	INST MAT/SUP GEN PUR	\$18.46
801917	12/18/06	03	GREEN LEAF TREE CARE	001	REPAIR GRNDS/LANDSCA	\$800.00
801918	12/18/06	63	ROBERT POULIN	060	GEN SUPPLIES CHILD D	\$226.28
801919	12/18/06	63	COSTCO BUSINESS DELI	060	SNACKS CHILD DEV	\$10,000.00
801920	12/18/06	03	SCHOOL SPECIALTY	008	INST MAT/SUP GEN PUR	\$12.41
801921	12/18/06	03	OFFICE DEPOT, B.S.D.	008	INST MAT/SUP GEN PUR	\$20.41
801922	12/18/06	03	NAN APOSHIAN	006	TRAVEL AND CONFERENC	\$302.78
801923	12/18/06	03	CASBO PROFESSIONAL D	001	DUES AND MEMBERSHIPS	\$193.00
801924	12/18/06	03	FOLLETT LIBRARY RESO	008	BOOKS OTHER THAN TEX	\$3,086.76
801925	12/18/06	06	GSDMC	008	TRAVEL AND CONFERENC	\$100.00
801926	12/18/06	03	JENNIFER KAMKA	006	\$100 TEACHER STIPEND	\$100.00
801927	12/18/06	06	AZTEC STORAGE CONTAI	001	REPAIRS BLDG/GRND-HG	\$2,138.84
801928	12/18/06	06	LOZANO SMITH	001	LEGAL FEES	\$57.78
801929	12/18/06	03	FEDERAL EXPRESS	001	TRAVEL AND CONFERENC	\$300.50
801930	12/18/06	63	S&S WORLD WIDE	060	INST SUPPLIES CHILD	\$166.83
801931	12/18/06	63	DISCOUNT SCHOOL SUPP	060	INST SUPPLIES CHILD	\$498.29
801932	12/18/06	63	SCHOOL SPECIALTY	060	INST SUPPLIES CHILD	\$52.43
801933	12/18/06	63	SOUTHWEST SCHOOL SUP	060	INST SUPPLIES CHILD	\$138.71
801934	12/18/06	63	ORIENTAL TRADING CO.	060	INST SUPPLIES CHILD	\$20.85
801935	12/18/06	03	LINDA LUCE	002	TRAVEL AND CONFERENC	\$211.38

DEL MAR UNION

FROM 12/01/06 THRU 12/31/06

PO NBR	DATE	FUND	VENDOR	LOC	DESCRIPTION	AMOUNT
801936	12/18/06	03	AJAYZ SPORTSWEAR	013	OFFICE SUPPLIES	\$233.37
801937	12/18/06	03	HOWARD BLANK	001	FAME MUSIC COACHES	\$280.00
801938	12/18/06	63	ECONOMY SIGNS AND BA	060	GEN SUPPLIES CHILD D	\$167.01
801939	12/18/06	03	UNITED PARCEL SERVIC	008	EQUIP REPAIR	\$9.29
801940	12/18/06	03	FANON COURIER	008	EQUIP REPAIR	\$138.00
801941	12/18/06	03	UNITED PARCEL SERVIC	006	BOOKS OTHER THAN TEX	\$28.61
801942	12/18/06	06	HARCOURT ACHIEVE	008	INST MAT/SUP GEN PUR	\$269.11
801943	12/18/06	06	BARNES & NOBLE	008	INST MAT/SUP GEN PUR	\$128.49
801944	12/18/06	03	SUPERINTENDENT OF SC	013	TRAVEL AND CONFERENC	\$55.00
801945	12/19/06	06	CINDY MAXSON	011	TRAVEL AND CONFERENC	\$391.02
801946	12/19/06	06	OFFICE DEPOT, B.S.D.	011	INST MAT/SUP GEN PUR	\$351.84
801947	12/19/06	03	UNITED HEALTH SUPPLI	011	HEALTH SUPPLIES	\$30.50
801948	12/19/06	06	ETS EDUCATIONAL TEST	008	INST MAT/SUP GEN PUR	\$396.52
801949	12/19/06	06	ASCD	008	INST MAT/SUP GEN PUR	\$135.71
801950	12/19/06	03	MOOK & BLANCHARD	006	BOOKS OTHER THAN TEX	\$1,875.91
801951	12/19/06	03	CINDA PECK	005	FIELD TRIP	\$1,026.00
801952	12/19/06	03/06	APPLE COMPUTER, INC.	011	NON-CAPITALIZED EQUI	\$3,405.82
801953	12/20/06	06	CURRICULUM ASSOCIATE	008	INST MAT/SUP GEN PUR	\$3,273.23
801954	12/20/06	03	MENC	004	FUNDRAISER	\$118.00
801955	12/20/06	06	SDCOE	004	TRAVEL AND CONFERENC	\$35.00
801956	12/20/06	06	CALIFORNIA STATE UNI	004	TRAVEL AND CONFERENC	\$25.00
801957	12/20/06	06	CALIFORNIA STATE UNI	004	TRAVEL AND CONFERENC	\$20.00
801958	12/20/06	06	CALIFORNIA STATE UNI	004	TRAVEL AND CONFERENC	\$65.00
801959	12/20/06	06	OTTER CREEK INSTITUT	005	TRAVEL AND CONFERENC	\$211.00
801960	12/20/06	06	BUREAU OF EDUCATION	009	TRAVEL AND CONFERENC	\$185.00
801961	12/20/06	03	HOUGHTON MIFFLIN COM	009	CONSUMABLE BOOKS	\$953.78
801962	12/20/06	03	BIRCH AQUARIUM AT SC	005	FIELD TRIP	\$465.00
801963	12/21/06	03	APPLE COMPUTER, INC.	001	COMPUTER SUPPLIES	\$898.64
801964	12/21/06	03	CULVER NEWLIN	001	OFFICE SUPPLIES	\$89.07
801965	12/21/06	03	STAPLES	013	OFFICE SUPPLIES	\$292.15
801966	12/21/06	03	APPLE COMPUTER, INC.	001	NON-CAPITALIZED EQUI	\$64,158.78

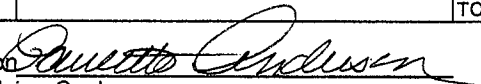
REPORT TOTAL

\$288,406.98

DEL MAR UNION SCHOOL DISTRICT
Revolving Cash Fund December 1 - 31, 2006

Date	Check No	Payee	Purpose	Amount	Account #
12/1/06	7865	Janet Wolfertz	Social Security Refund	1,284.23	03-00 0000-001 1110 1000 3321-000 005
12/8/06	7866	Dena Whittington	reimbursement: food for lunch program	35.13	13-00 5310-000 0000 3700 4300-000 045
12/8/06	7866	Dena Whittington	mileage	30.87	03-00 0000-504 0000 7200 5200-025 045
12/8/06	7867	Shirley Bales	mileage	31.46	03-00 0000-502 0000 7200 5200-025 040
12/8/06	7868	Margaret Mendenhall	mileage	61.41	03-00 0000-504 0000 7200 5200-025 045
12/8/06	7868	Margaret Mendenhall	reimbursement: misc. supplies	40.00	03-00 0000-504 0000 7200 4300-089 045
12/8/06	7869	Rose Graves	reimbursement: repair damaged glasses	219.00	03-00 0000-503 0000 7200 5800-089 040
12/11/06	7870	Sherry Forte	reimbursement: mailroom supply and equipment	374.96	03-00 0000-501 0000 7200 4400-099 040
12/11/06	7871	Linda Luce	reimbursement: other expense, misc. goods	100.19	03-00 0000-772 0000 7510 5800-080 045
12/12/06	7872	Tires & Maintenance Plus	vehicle repair	315.66	03-00 0000-520 0000 8200 5600-050 045
12/13/06	7873	Leucadia Pizze	principal's meeting	119.86	03-00 0000-018 0000 2130 5800-080 040
12/14/06	7874	VOID			
12/15/06	7875	Joey's Smokin Bar-B-Q	other expense, construction luncheon	345.88	03-00 0000-772 0000 7510 5800-080 045
12/19/06	7876	Doreen Bush	payroll correction	397.77	03-00 0000-464 0000 2700 2400-010 004
12/19/06	7877	Eve Vance	reimbursement: travel/conference	72.85	03-00 0000-503 0000 7200 5200-000 040
12/19/06	7878	Barrett Blake	reimbursement: gasoliine	59.73	06-00 8150-640 0000 8110 4300-085 045
12/19/06	7879	Barbara Boerner	mileage	97.23	06-00 6500-000 5750 1190 5200-025 650
12/19/06	7880	Darlene Nadlonek	reimbursement: travel/conference	15.00	03-00 0000-503 0000 7200 5200-000 040
12/19/06	7881	Marnie White	reimbursement: instructional supplies	17.12	03-00 0000-001 1110 1000 4300-010 006
12/19/06	7882	David Jones	mileage	42.36	03-00 0000-465 0000 2700 5200-000 005
12/19/06	7882	David Jones	mileage	60.08	03-00 0000-755 1110 1000 5800-010 045
12/19/06	7883	Paulette Anderson	mileage	35.60	03-00 0000-504 0000 7200 5200-025 045
12/20/06	7884	Eileen Hahn	6th grade camp refund	177.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7885	Carol Boyd	6th grade camp refund	59.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7886	Audreen Frapwell	6th grade camp refund	118.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7887	Oksana Radomyshelsky	6th grade camp refund	295.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7888	Andrea Vonk	6th grade camp refund	177.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7889	Pichuan Hung	6th grade camp refund	118.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7890	Safiah Dhada	6th grade camp refund	236.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7891	Lisa Deem	6th grade camp refund	118.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7892	Sung Hye Lee Park	6th grade camp refund	118.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7893	Colin McCormick	6th grade camp refund	177.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7894	Kathleen Black	6th grade camp refund	177.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7895	Jainkun Cui	6th grade camp refund	177.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7896	Samantha Fenn	6th grade camp refund	118.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7897	Kerry Galton	6th grade camp refund	59.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7898	Harry Katz	6th grade camp refund	118.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7899	Bernd Buehler	6th grade camp refund	118.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7900	Kathleen Heldman	6th grade camp refund	118.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7901	Wendy Burgoon	6th grade camp refund	118.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7902	Kimberly York	6th grade camp refund	177.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7903	Karen Jaczko	6th grade camp refund	59.00	03-00 0000-000 0000 0000 8699-755 00
12/20/06	7904	Sylvia Evans	6th grade camp refund	177.00	03-00 0000-000 0000 0000 8699-755 00
12/21/07	7905	Kami Goldstein	mileage	59.80	06-00 6500-000 5770 1120 5200-025 650
11/27/06		Union Bank	analysis deficit	9.96	03-00 0000-504 0000 7200 5800-080 045
11/30/06		Union Bank	interest earned	(2.06)	03-00 0000-504 0000 7200 5800-080 045
			TOTAL	6,833.09	

Paulette Anderson
Custodian, Revolving Cash



Date 1-9-07

January 9, 2007

To: Board Members
From: Dena Whittington
Through: Tom Bishop
Subject: Board Approval of Addendum to Agreement Between the Del Mar Union School District and San Diego County Office of Education for Student Information System License

The San Diego County Office of Education is currently in the process of changing student information systems. The Del Mar Union School District is one of six school districts that have been chosen to pilot the new information system, Infinite Campus. As a pilot district, the DMUSD will not incur any additional software fees for the 2006/2007 school year. Since the County has selected a commercial product, the need for a license agreement is now necessary. The addendum adds Infinite Campus, Inc. as a third-party beneficiary of the agreement but the services provided by the San Diego County Office of Education Student System Consortia will remain unchanged.

This agreement may be reviewed at the Del Mar Union School District Office.

FISCAL IMPACT: No additional expense is associated with this addendum.

RECOMMENDED: The Superintendent Recommends that the Board of Trustees Approves the Agreement Addendum Between the Del Mar Union School District and San Diego County Office of Education.

*9.3

January 17, 2007

To: Board Members

From: Dena Whittington, Assistant Superintendent Business Services

Through: Tom Bishop, Superintendent

Subject: Board Review and Acceptance of the Annual Audit Report for the 2005-2006 Fiscal Year Prepared by Wilkinson, Hadley & Co., LLP Certified Public Accountants

The Board of Trustees is required by Education Code 41020.3 to review the annual audit report at a regularly scheduled public meeting before January 31, of the year following the fiscal year for which the report was prepared. This review is to include a discussion of any audit exceptions and the associated recommendations or findings that have been prepared by the auditor.

The 2005-2006 annual audit report was distributed to the board members at the December 13, 2006 board meeting. The report is also available in the Business Services section of the Del Mar Union School District website at www.dmusd.org. The report presents the financial position of the District as of June 30, 2006.

A representative from the audit firm of Wilkinson, Hadley & Co., LLP will be present tonight to present the audit report and answer questions from the Board regarding the audit.

FISCAL IMPACT: This report is for information purposes only and has no fiscal impact.

RECOMMENDED: Superintendent Recommends acceptance of the June 30, 2006 Annual Audit Report prepared by Wilkinson, Hadley & Co., LP Certified Public Accountants.

January 17, 2007

To: Board Members
From: Tom Bishop
Subject: 2007/2008 State Budget

On January 10, Governor Arnold Schwarzenegger will provide the public and the leadership in the State Legislature with the first draft of his proposed 2007/2008 state budget. DMUSD staff is gathering newspaper articles and other documents that will help the DMUSD Board of Trustees to comprehend the impact of the 2007/2008 state budget on DMUSD students. Although the DMUSD receives about 80% of its revenue from local property taxes, the DMUSD receives significant state funds through the Class Size Reduction program, SIP, Deferred Maintenance, Special Education, and several other small programs.

Four years ago, Governor Davis attempted to take some of Del Mar's local property taxes and give it to other school districts. The District fought this effort vigorously and will continue to oppose any efforts to equalize K-12 education funding through a leveling down process. We are reasonably optimistic that the 2007/2008 state budget proposal will not include an attack on basic aid school districts.

Future Board agendas will contain additional information about the 2007/2008 state budget proposal.

FISCAL IMPACT: None.

RECOMMENDED: For Information Only; No Action Required.

9.5

The FISCAL REPORT an informational update

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Volume 27

For Publication Date: January 19, 2007

No. 1

Governor's State-of-the-State Address Speaks to California's Future

Governor Arnold Schwarzenegger gave his fourth State-of-the-State address on January 9, 2007, focusing on the leadership role of California in addressing environmental, health care, education, and infrastructure issues by working with both houses and parties of the Legislature.

The Governor specifically signaled that he wants to work with Assembly Speaker Fabian Núñez (D-Los Angeles) on his priority of research into alternative energy and transportation fuels and with Senate President Pro tem Don Perata (D-Oakland) to create a world-class transit system in the Bay Area that could maintain vital transportation links after an earthquake or other disaster. He pledged to work with Assembly Minority Leader Mike Villines (R-Clovis) and Senate Minority Leader Dick Ackerman (R-Irvine) to further reduce the state's debt and to build new water storage facilities.

The Governor reinforced his commitment to a balanced Budget that fully funds education while dramatically reducing the state's \$4 billion deficit.

The themes of the Governor's address for education included a continued focus on building and modernizing schools and holding schools accountable to parents by providing relevant and accessible information about local schools. In particular, he asked, ". . . if you can get information about a car online, why can't you get information about your local school on line?" He noted that this should be provided so parents can make intelligent choices about their child's school. Without any further detail, he stressed that he will continue to focus on career-technical education and quality charter schools, and will look for innovative solutions to the teacher shortage.

The Governor also committed to a continued investment in education, but stressed that it is not just how much money we spend, but how we spend it, noting, "I have seen the need with my own eyes as I've toured schools across the state. I went to a school with bed sheets on the windows rather than blinds. I went to a school that was so overcrowded the gym's locker room was used for teaching space."

He noted that he will ask the Legislature to approve a bond that will provide 15,000 more classrooms and renovate 40,000 more.

In addition, he called for bonds in four other areas, including public safety, water supply, transportation, and disaster preparedness.

In particular, he expressed the need to build more prisons to avoid a court-mandated release of criminals. He stated, "We build more prisons or the court takes money from education and health care and builds the prisons itself. I am not in favor of releasing criminals. I am not in favor of taking money from classrooms and emergency rooms to build cells."

Finally, continuing the Governor's theme from his January 8 press conference where he unveiled his health care reform package, he stressed that both Assembly Member Núñez and Senator Perata have expressed their commitment to ensuring that California will lead the nation in meeting the health care needs of its people.

The Governor's Budget plan, which outlines his proposed spending plan for 2007-08, will be released January 10 at 1:00 p.m. Stay tuned . . .

—Terry Anderson and Nancy LaCasse

The FISCAL REPORT an informational update

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Volume 27

For Publication Date: January 19, 2007

No. 1

Governor's Budget Funds 4.04% Estimated COLA for 2007-08 But Little Else

[Editor's Note: In this article, we provide a few of the highlights of the Governor's Budget Proposal for K-12 Education for 2007-08. Our detailed Special Fiscal Report on the Governor's Budget Proposal will be available on our website, under "What's New," before midnight tonight.]

Governor Schwarzenegger's Budget Proposal for 2007-08 funds the Proposition 98 minimum funding level. But due to relatively slow growth in Proposition 98 funding—and the continuing decline in statewide ADA—there is only enough new money to fund the 4.04% estimated statutory cost-of-living adjustment (COLA) for 2007-08, and little else.

Our initial review of the Governor's Budget Proposal does indicate the following two major adjustments being proposed to Proposition 98 funding:

- Shifting \$269 million of child care funding from the CalWORKs Child Care Stage 2 program to be funded, instead, out of "available Proposition 98 funds." Our understanding is that this proposal simply shifts \$269 million in costs to now be paid out of Proposition 98 funds, thereby using up essentially all of the new Proposition 98 funding in 2007-08 above and beyond the cost of funding the COLA.
- Shifting \$627 million for home-to-school transportation out of Proposition 98 funding, with this program to be funded, instead, by the Public Transportation Account. It is our initial understanding that this change is intended to have no impact on the level of transportation funding that districts will receive—which will reflect the 4.04% (est.) COLA in 2007-08. Because the Proposition 98 minimum funding level would be rebenched downwards by \$627 million, this proposal is reported to be revenue neutral in 2007-08.

Outside of the funded COLA, there appears to be very little in the way of new, ongoing funding being proposed for 2007-08. However, the Budget also proposes the following one-time funds:

- \$100 million for school facility emergency repairs, pursuant to the *Williams* settlement
- \$50 million to continue the Low-Performing School Enrichment Block Grant for a third year
- \$43.9 million for charter school facilities to reimburse rents and leases for charter schools serving primarily low income pupils
- \$25.7 million for CalWORKs child care

- \$8.8 million for teacher induction programs
- \$300 million for underperforming schools for the previously announced *CTA v. Schwarzenegger* settlement (Proposition 98)

—*The SSC Team*



governmental relations advisory
association of california school administrators

January 10, 2007

TO: ACSA Leadership and Members
Interested Parties

FROM: ACSA Governmental Relations team - Brett McFadden, Karen Stapf-Walters,
Laura W. Jeffries, Sal Villasenor, Sherry Skelly Griffith,
Diana Zavala and Suzanne Caffrey

RE: **Budget advisory: governor's 2007-08 budget proposal**

Earlier today the governor released his January budget proposal for FY 2007-08. The January proposal reflects the administration's overall fiscal and policy intent for the 2007-08 fiscal year. The proposal now goes to the Legislature for review, deliberation and amendment per the state's annual budget development cycle. The following is an analysis of the Proposition 98 and K-12 aspects of the budget proposal.

Overview

Administration officials advocate that the January proposal provides the following:

- Pays down the Economic Recovery Bonds (issued in 2003 to restructure the state's debt and ensure fiscal health) – putting the state 14 years ahead of its payoff schedule.
- Fully funds the Proposition 98 guarantee at \$56.8 billion (more detail below).
- Provides a balanced budget for 2007-08 with a higher than anticipated General Fund reserve.
- No net operating deficit (however state still suffers from a structural deficit where it is spending more than its revenues. This overall amount has reduced substantially since the governor took office.)
- A sweeping health care reform proposal.
- Additional infrastructure bonds as follow-up to the bonds approved in November 2006 as part of the California Strategic Growth Plan.

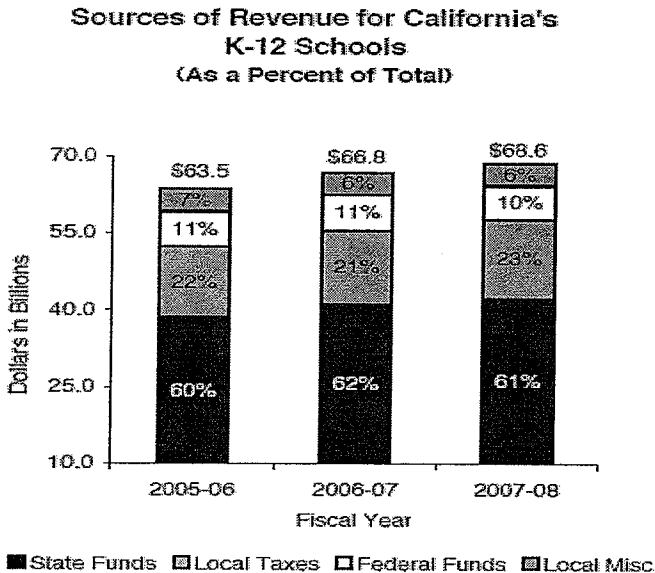
K-12 education funding

The 2007-08 K-12 spending proposal is not as ambitious when compared to the 2006-07 proposal and the final 2006-07 K-12 budget. The proposal can be looked at from two prospective. From an LEA management standpoint, the 2007-08 proposal is fairly simple; it is what we call a "baseline" budget which provides the Proposition 98 prior-year base plus COLA (and not much more). But, from a statewide perspective, it raises a number of concerns that could create negative policy precedents for future K-12 policies and programs. As a result, we anticipate that debate over the 2007-08 K-12 education budget will mostly be about state level

funding shifts and “shell games.” Issues associated with funding the Proposition 98 base, COLA and growth will likely not be as controversial as in years past.

Proposition 98 guarantee

Proposition 98 is fully funded at \$56.8 billion – reflecting a \$1.8 billion increase over the revised 2006-07 level. Total K-12 spending from all sources (state, federal and special funds) is \$66.3 billion for 2007-08 reflecting a \$2.8 billion or 4.4 percent increase over the revised 2006-07 budget. The figure below displays the revenue sources for LEAs.

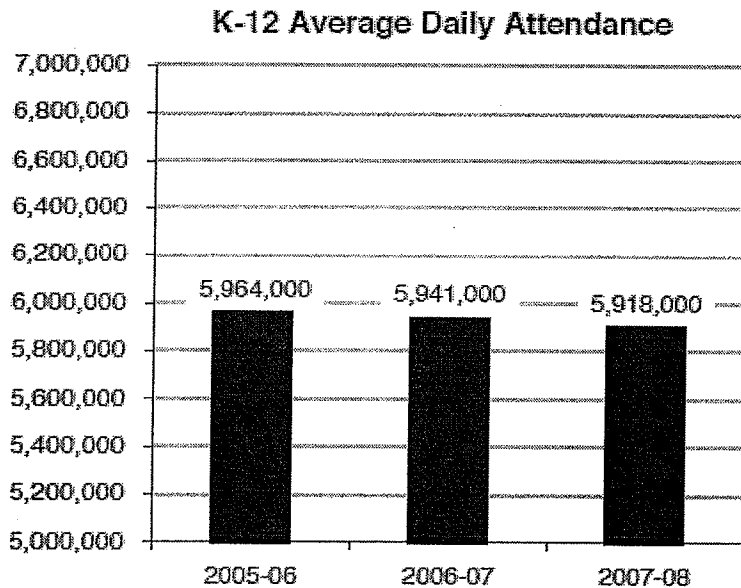


Source: Department of Finance, January 2007

K-12 statutory COLA: The Department of Finance projects the Proposition 98 statutory COLA at 4.04 percent (slightly higher than the Legislative Analyst's projection from November). The budget fully funds the statutory COLA on the revenue limit and all Proposition 98 categorical programs that contain a statutory COLA provision. \$1.4 billion goes to provide COLA on revenue limits, \$133 million for special education, \$62.1 million for child care programs, \$49.6 million for K-3 CSR, and \$277.9 million for Proposition 98 categorical programs.

We note that special education continues to be subject to a “bifurcated” COLA and growth model per current law. The state provides COLA and growth funding on the state's share of special education funds, but not on the federal share. The result is lower overall COLA and growth funding for special education since federal funding increases have not been sufficient to provide funding for COLA and growth on the state's federal share.

ADA growth: The budget includes a \$286 million net reduction in funding due to a statewide, multi-year decline in ADA. \$283.6 million of this amount is from school district and county office revenue limit apportionments. The Department of Finance also estimates that there will be an additional \$129 million reduction in revenue limit apportionments for 2006-07 (current year) due to ADA decline. Look for the final numbers on the 2006-07 amount in the May Revision. The graphic below displays ADA decline over the past three years.



Source: Department of Finance, January 2007

Fund/program shifts

The governor proposes two controversial education “reforms:”

Home-to-School program shift out of Proposition 98 – the budget proposes to shift the funding source for the Home-to-School Transportation program from Proposition 98 over to the Public Transportation Account (PTA) – a non-98 account. Home-to-School funding for 2007-08 (with COLA funded) is about \$627 million. The Proposition 98 Guarantee would be rebenched downward by that amount, thus saving the state General Fund \$627 million. The administration argues that it will fully fund Home-to-School in 2007-08 within the PTA.

Stage 2 CalWORKS Child Care shift into Proposition 98 – the budget proposes to fully fund Stage 2 CalWORKS Child Care within Proposition 98 starting in 2007-08. Only a portion of Stage 2 is currently funded by Proposition 98. Proposition 98 funding for Stage 2 would increase by \$269 million for a total amount of \$447 million. The use of Proposition 98 dollars for this purpose instead of federal Temporary Assistance for Needy Families (TANF) Block Grant funds for child care allows \$269 million in TANF funds to be redirected to offset non-Proposition 98 General Fund costs within the CalWORKS program.

Ramifications of fund shifts – these fund shifts pose the following concerns to ACSA and the education community:

- Both reforms pose major problems for the education community in that they manipulate the Proposition 98 guarantee – an issue that ACSA has steadfastly opposed since 1989.
- Moving Home-to-Transportation out of Proposition 98 results in less cost pressure to the administration to make additional improvements in this significantly under-funded program. In addition, the program has no future funding protection outside of

Proposition 98 and must compete against the demands of other transportation-related programs and projects.

- The child care shift is a way for the administration to fully fund a program that is increasing in General Fund costs but one they cannot cut for political reasons. In this manner, it is easier to get Proposition 98 to pay for it with the savings from the reduction in Home-to-School Transportation funding.
- Finally, the child care shift creates a "slippery slope" when it comes to protecting the integrity of Proposition 98 and ensuring that 98 pays for programs that are truly education-related.

K-12 Mandates

Securing appropriate funding for K-12 mandate reimbursements continues to be a frustrating endeavor for the K-12 management community. The 2006-07 budget appropriated over \$900 million to pay deferred mandate claims up to 2005-06. Funding for 2006-07 claims was not funded. The Department of Finance estimates that funding to be in the range of \$160 million. The 2007-08 budget proposes to once again defer funding for 2007-08 mandate claims. Added to this frustration is the fact that 80 percent of audited claims are being disallowed by state officials. Mandate and mandate audit reform will be a high priority of the education community.

Career Technical Education

The governor is a strong proponent of career technical education (CTE). The budget plans on holding a CTE summit sometime in March of 2007. And, as noted in the bonds, an additional \$2 billion in CTE facilities is proposed over the next four years in addition to the \$500 million in the recently passed Proposition 1D bond (November 2006).

There are a number of reforms outlined in this proposal. Currently, there are 175 different credentials for teachers of CTE. The administration will introduce legislation to direct the Commission on Teacher Credentialing to reduce the number of credentials needed to teach CTE. It is the goal of the administration that by reducing the number of credentials, teachers will have greater incentive to teach CTE. In addition, the administration intends to provide districts with added flexibility to hire CTE teachers and expand CTE course offerings.

Much of the CTE reforms are found in the higher education section of the budget. Last year, the Legislature passed SB 1133 that includes \$32 million to expand CTE course offerings and programs. SB 1133 allocated the money without a direction of how those funds will be spent. The administration proposes these funds be used for the following:

- Expanding the number of CTE courses offered in middle schools, high schools, and community colleges.
- Building stronger partnerships between business and education.
- Planning and implementing CTE curriculum for emerging industries.
- Expanding internships for students.
- Establishing career exploration opportunities for middle school students.
- Creating career-themed high schools.
- Establishing streamlined pathways for becoming a CTE teacher.
- Creating pilot career academies for young adults and high school dropouts who are unable to maintain living wage employment due to academic deficiencies.

ACSA supports many of the goals outlined. Of initial concerns are:

1. Career-themed high schools that are likely going to be supported as charter schools.
2. Adult education is kept out of all of the CTE references outlined in the budget. We would urge the governor to utilize CTE for students that have dropped out or who are educationally deficient.

School Facilities Bonds

The governor proposes a total of \$11.6 billion for K-12 school facilities over two bond cycles. The proposal calls for a \$6.5 billion K-12 facilities bond in 2008 and \$5.1 billion in 2010. At the same time, the governor calls for a higher education bond of \$7.2 billion in 2008 and \$4.3 billion in 2010 for a combined total of \$11.5 billion.

The budget outlines funding from 2006-2016 but includes only two additional bonds in this category. The budget is silent on bonds for any infrastructure needs after 2010. The proposal does recognize there will be continued school facilities needs, but encourages the development of alternative funding measures to meet the continued needs. The administration proposes to review the overall financing structure for schools, including the consideration of public-private partnerships.

The 2008 school facilities bond is proposed as follows:

- \$2.931 billion for new construction
- \$1.539 billion for modernization
- \$1.0 billion for charter school facilities
- \$1.0 billion for career tech facilities

Of particular concern in this proposal is a change in the state/local match for new construction from a 50:50 program to a 60% local, 40% state match. This revised formula has been attempted in years past with no success. Instead of a discussion to change the match requirement, a discussion should be taking place to adjust the grant amounts to reflect true costs. The 60:40 formula would apply to modernization projects as well.

Charter schools would enjoy a 50:50 match because as noted in the budget, they do not have the ability to levy local bonds. Instead, state bond funds are used to advance the local share and are paid back with operating or other revenue over time. This bond reflects an increase of \$500 million for charter school facilities over funds for the same purpose in Proposition 1D.

Finally, career technical facilities would require a 50:50 match to provide an added incentive to build these classrooms. These funds would be used for high schools to provide state of the art facilities. This proposal also adds an additional \$500 million for these facilities over what was contained in Proposition 1D.

The 2010 bond is broken down in the following way with the same reforms proposed for the 2008 bond:

- \$2.13 billion for new construction
- \$1 billion for modernization

\$1 billion for charter schools
 \$1 billion for career technical facilities

There will likely be discussions as to the amount of funds being allocated for charter schools and this may apply to the career technical facilities funds as well. In addition to the charter school facilities outlined in the two proposed bonds, the governor appropriates \$43.9 million from the one-time Proposition 98 Reversion Account for charter school facilities that serve predominately low-income students. \$20 million is intended to reimburse qualifying facility costs for 2006-07 while the remaining \$23.9 million is an advance on budget year costs. This will likely be a fight for the education community when looking at the number of potential uses for the Reversion Account funds (mandate relief, etc.).

SARC Changes and Online, User-Friendly School Information

In his State of the State message the governor discussed the need to provide an integrated and transparent system that allows parents, the public, educators and policymakers to access useful information about our schools. He proposes improving the School Accountability Report Card (SARC) so to that it's more accessible, parent-friendly and provides relevant district and site level information with the goal of allowing schools to be compared to one another.

The budget proposes a public/private partnership to launch an easy-to-use website that will provide parents with online consumer information about schools.

California's Program Improvement Management System

The budget proposes using \$1 million from unexpended funds from 2006 – 07 to establish a new system, the California Program Improvement Management System or Cal PIMS. The program was developed by the San Diego County Office of Education. The purpose of this new system is to provide federal program improvement schools or those facing state sanctions, a unified intervention program which includes research-based programs and virtual coaching to turn around these schools or districts. The research- based programs and coaching will use assessment data to target areas for intervention; provide current data on federal and state accountability requirements; use tools and relevant research to respond to these requirements; and build a sustainable action plan to improve student achievement.

School Enrichment Block Grant

The governor continues the Low Performing School Enrichment Block Grant for a third year by proposing \$50 million in one-time funding. The funds may be used to provide a clean and safe school environment, support services for students and teachers, incentives such as differential pay to recruit teachers and principals, small group instruction, and time for collaborative work between teachers and principals.

CAHSEE Study Guides

The governor continues funding for study guides for students who failed or are at risk of failing the High School Exit Exam by using \$5 million of unexpended funds from the 2006–07 budget. These materials include customized online tools in order to better target necessary interventions. Professional learning support for teachers using these materials is also included.

Partnership for Success

The governor proposes \$1.5 million of the unexpended funds from the 2006–07 budget be used for grants to fund three school district/ CSU campus partnerships. This private-public pilot project is modeled after a program between the Sweetwater Union High School District and San Diego State University. It promises financial assistance for higher education costs to students who complete the A-G course requirements for CSU admission with the goal of increasing the number of students who successfully prepare for and complete college. Guidance is provided during middle and high school years to ensure completion of these college entrance requirements. The CSU partnership campus guarantees admission to those students completing this program. Additional support is provided to students throughout their college career.

EnCorps Teachers Program

In addressing the continuing teacher shortage, the governor proposes \$10 million to create the EnCorps Teacher Program, a public-private partnership to add 2,000 retirees as teachers. Professionals currently employed work towards a teaching credential with the support and knowledge of their employer. The current teacher internship programs would be utilized to provide the necessary pedagogy. The program is modeled after a similar collaborative program between IBM and the state of New York. The administration is working with four companies in California on this proposal.

CalPADS and CalTIDES

The governor proposes using \$2.5 million from state funds and federal funds to continue the development of the California Longitudinal Pupil Achievement Data System, CalPADS. In addition, he proposes using \$1.1 million in federal Title II funding for CDE and the CTC to continue the development of the California Longitudinal Teacher Integrated Data Education System or CalTIDES.

Chief Business Officer Training

The governor proposes \$2.5 million to fund an additional 700 school business officers to complete the three-year effort to train over 1,000 candidates. Beginning in 2005 the program funded 350 CBO's through the chief business officer training program.

STRS Changes

STRS is comprised of three programs: the Defined Benefit Program, the Defined Benefit Supplement Program and the Cash Balance Benefit Program. Within the defined benefit program there is the Supplemental Benefit Maintenance Account (SBMA) that provides purchasing power protection for retired members.

SBMA provides annual supplemental payments in quarterly installments to retirees whose purchasing power has fallen below 80 percent of the purchasing power of the initial allowance due to price inflation. Currently, the 80-percent level of supplemental payments is not a vested benefit. This means that if the amount in the SBMA is not sufficient to bring purchasing power up to the 80-percent level, supplemental payments may have to be suspended or paid at a lower level.

The state makes annual General Fund contributions to the SBMA of 2.5 percent of all educators' payroll and has more than enough money to provide purchasing power protection for current and future retirees.

The governor is proposing to fully vest the benefit at 80 percent purchasing power protection, but in return will reduce the state's contributions to the SBMA from 2.5 percent to 2.2 percent of salary for a general fund savings of \$75 million.

We note that this move to fully vest the benefit at 80% and reduce the state contribution to the SBMA will spur a heated discussion from retired and active CalSTRS members due to the fact that the proposal locks in perpetuity a guaranteed level that would otherwise have the potential to exceed the 80 percent level.

National Forest Area School Loans

The governor proposes a short-term loan of \$69 million for rural schools located in national forest areas who have not received funding from the federal government due to a provision in federal law that sunseted. This is a hardship loan from the state understanding that Congress intends to repay the state funds during the budget year.

State Employee Retirement Benefits Commission

One week prior to his State of the State address the governor announced the formation of a bipartisan Commission to address public employee pensions and retiree health care obligations. This twelve-member board will be reviewing the unfunded actuarial accrued liabilities of both CalSTRS and CalPERS as well as the GASB obligations for both state and local governments.

The Public Employee Post-Employment Benefits Commission will identify the full amount of unfunded post-employment health care and dental benefits, for which the state is liable, evaluate and compare various approaches for addressing unfunded retirement health care and pension obligations, and propose a plan to address the issues to the Legislature and governor by Jan. 1, 2008.

The formation of this commission may have more to do with controlling state health care costs for current state employees and future retirees than the actuarial accrued liabilities currently facing CalSTRS and CalPERS. While the long term funding shortfall of California's state pension fund systems should be discussed in the future, there is more concern currently with the rising cost of health care and the lack of health care for over six million children.

Health Care Reform

The biggest agenda item for the governor this year is health care. There are tremendous implications to school districts on employer/employee relations and bargaining to the fiscal impact on school districts and county offices of education as an employer. While the initial document on healthcare reform has been released, there are still many more questions than there are answers.

The governor outlined several areas of reform. They are:

1. Prevention, health promotion and wellness:

- Both employers in the private and public sector are encouraged to adopt an incentive program to encourage healthy behaviors. Individuals who enroll will earn rewards and incentives including premium reductions for engaging in healthy lifestyles. All health plans and insurers will be required to offer a health benefit package that includes incentives/rewards programs in the event that an employer wishes to make them available to their employees.
- Establishes a national model for the prevention and treatment of diabetes.
- Preventing medical errors and health care acquired infections.
- Reversing obesity trends through nation-leading innovative and comprehensive strategies. Increase physical activity and healthy food in stores, SCHOOLS, and neighborhoods; employee wellness programs, and SCHOOL-BASED strategies.
- Continue the battle against tobacco use.

2. Coverage for all Californians:

- Ensure availability of emergency rooms and trauma centers.
- Availability of health insurance by requiring all individuals to have a minimum level of coverage; provide low-income individuals with affordable coverage; require insurers to issue health insurance; increase Medi-Cal rates; and facilitate and enforce the individual coverage mandate.

Children

All children below 300% of the federal poverty level regardless of residency status will be eligible for state-subsidized coverage. The plan states that 220,000 uninsured children below 100% of the federal poverty level will enroll in Medi-Cal, while 250,000 children between 101-300% of the federal poverty level will enroll in the Healthy Families Program. 210,000 uninsured children will enroll in employer-sponsored coverage and an additional 50,000 uninsured children above 300% of the federal poverty level would be covered by private insurance through their parents or responsible adult. Parents of these children will be responsible for purchasing at least the minimum level of coverage for their children.

Adults

Coverage for uninsured legal resident adults with incomes below 100% of the federal poverty level will be eligible for and enroll in no-cost Medi-Cal. Adults with incomes between 100-250% of the federal poverty level will be eligible for coverage through a state purchasing pool. Approximately 1 million are expected to enroll while the remaining 200,000 opt for employer-sponsored coverage.

Approximately 1.1 million uninsured legal resident adults above 250% of the federal poverty level will not receive a subsidy and will be required to purchase and maintain coverage under the individual coverage mandate. Of this amount, 370,000 are expected to opt for employer-sponsored coverage.

Adults who are low-income who are already contributing towards the cost of their health care and persons with individual or employer-sponsored coverage who are between 100-250% of the federal poverty level will be eligible to participate in the purchasing pool for the employee share of the premium only if the employer contributes to the cost of coverage for those employees. We expect this to be an issue on the bargaining table for classified employees if this proposal is successful.

Employers with 10 or more employees can choose to offer health insurance or opt into the 4% employer in-lieu fee for not offering health care coverage. There is to be a provision added to

the Labor Code to make it an unfair business practice for an employer to differentiate the employer premium contribution by class of employee, except pursuant to a collective bargaining agreement.

The plan will direct \$10-\$15 billion to hospitals and doctors who will then return a portion of this coverage dividend associated with universal coverage. Hospitals will contribute 4% of gross revenues and physicians will contribute 2% of gross revenues.

3. Affordability and Cost Containment

4. Enhanced tax breaks for individuals and employers for the purchase of insurance

- Require employers to establish cafeteria plans (Section 125) so that employees can purchase sheltered contributions for health insurance.
- Aligns state and federal laws to allow for individuals to make pre-tax contributions to individual health care insurance Health Savings Accounts.

5. Reduce regulatory barriers to more efficient health care delivery.

6. Reduce costs for delivering HMO products to employers and individuals:

- Review health/plan benefit, provider and procedural mandates in order to reduce the cost of health care.
- Allow electronic submission of documents between insurers and their enrollees.
- Eliminate unnecessary health plan reporting requirements such as the report on late grievances, antifraud and arbitration reports.
- Streamline health insurance product approval.
- Develop a technology assessment process that will promote evidence-based care.

2007-08 Budget Perspectives Workshops

As in previous years, ACSA will co-host a series of Budget Perspectives workshops around the state on January 16 and 17 – next week. These workshops will highlight the budget proposal in greater detail as well as provide an outlook on various management perspectives pertaining to LEA management and operation issues. The workshops are scheduled for:

January 16

- Sacramento Doubletree Hotel
- Visalia Holiday Inn
- San Jose – Santa Clara COE

January 17

- Ontario Airport Marriott
- Santa Rosa – Sonoma COE
- Redding Red Lion Hotel

Please visit www.clueupdate.com for more information and registration materials.

For additional information and/or questions, please contact ACSA's Governmental Relations department at 916-444-3216.