



Monterey Peninsula Unified School District

Fiscal Review

February 19, 2008

Joel D. Montero
Chief Executive Officer



February 19, 2008

Marilyn Shepherd Superintendent
Monterey Peninsula Unified School District
700 Pacific Street
Monterey, CA 93940

Dear Superintendent Shepherd:

In August 2007, the Monterey Peninsula Unified School District entered into an agreement with the Fiscal Crisis and Management Assistance Team (FCMAT) for a study that would perform the following:

1. Prepare a multiyear financial projection using FCMAT's Budget Explorer software to identify the financial condition of the district's general fund in 2008-09 and 2009-10 using identified industry variables. The projection will be based on a review of the district's 2007-08 adoption budget and 2006-07 unaudited actuals report, as well as revenue and expenditure trends of recent years.
2. Prepare a fiscal health analysis using the 18 factors included in the FCMAT Fiscal Health Risk Analysis model, and identify the district's risk rating.
3. Conduct a review of the district's budget development, monitoring, and updating processes and procedures and provide recommendations that, if implemented, will help insure that all budgets reflect current revenue and expenditure expectations.

FCMAT visited the district October 10-19, 2007 to collect data, interview staff members, and review information. This report is the result of that effort. Thank you for allowing us to serve you, and please give our regards to all the employees of the Monterey Peninsula Unified School District.

Sincerely,

Joel D. Montero
Chief Executive Officer

FCMAT

Joel D. Montero, Chief Executive Officer

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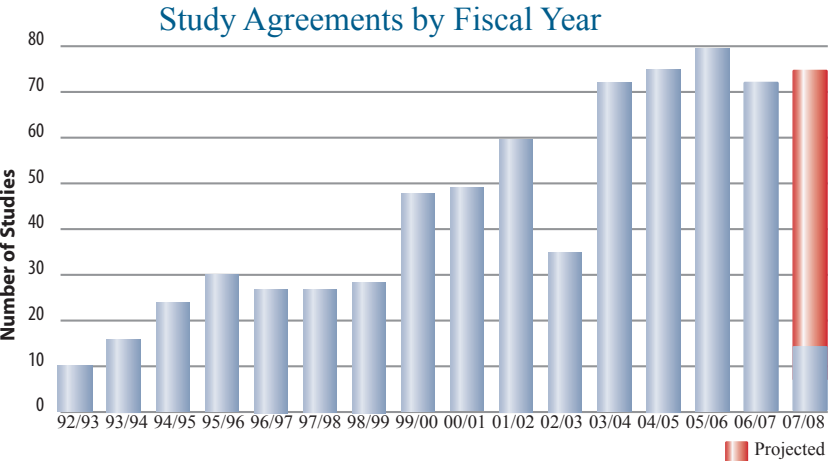
FCMAT Background

The Fiscal Crisis and Management Assistance Team (FCMAT) was created by legislation in accordance with Assembly Bill 1200 in 1992 as a service to assist local educational agencies in complying with fiscal accountability standards.

AB 1200 was established from a need to ensure that local educational agencies throughout California were adequately prepared to meet and sustain their financial obligations. AB 1200 is also a statewide plan for county offices of education and school districts to work together on a local level to improve fiscal procedures and accountability standards. The legislation expanded the role of the county office in monitoring school districts under certain fiscal constraints to ensure these districts could meet their financial commitments on a multiyear basis. AB 2756 provides specific responsibilities to FCMAT with regard to districts that have received emergency state loans. These include comprehensive assessments in five major operational areas and periodic reports that identify the district’s progress on the improvement plans.

Since 1992, FCMAT has been engaged to perform more than 600 reviews for local educational agencies, including school districts, county offices of education, charter schools and community colleges. Services range from fiscal crisis intervention to management review and assistance. FCMAT also provides professional development training. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The agency is guided under the leadership of Joel D. Montero, Chief Executive Officer, with funding derived through appropriations in the state budget and a modest fee schedule for charges to requesting agencies.

Total Number of Studies.....		667
Total Number of Districts in CA 982		
● Management Assistance.....	631	(94.6%)
● Fiscal Crisis/Emergency.....	36	(5.4%)
Note: Some districts had multiple studies.		
● Districts (7) that have received emergency loans from the state.		
(Rev. 10/10/07)		



Introduction

Background

Located in Northern California, the Monterey Peninsula Unified School District serves students in kindergarten through 12th grade from the communities of Marina, the former Fort Ord Army base, Sand City, Seaside, Del Rey Oaks, and parts of Monterey and Pebble Beach.

The district has seven K-5 schools, four K-6 schools, two K-8 schools, two middle schools, three comprehensive high schools, one alternative high school, one community day school, two charter schools, and a dual language immersion program.

In August 2007, the district entered into an agreement with the Fiscal Crisis and Management Assistance Team for a study that would perform the following:

1. Prepare a multiyear financial projection using FCMAT's Budget Explorer software to identify the financial condition of the district's general fund in 2008-09 and 2009-10 using identified industry variables. The projection will be based on a review of the district's 2007-08 adoption budget and 2006-07 unaudited actuals report, as well as revenue and expenditure trends of recent years.
2. Prepare a fiscal health analysis using the 17 factors included in the FCMAT Fiscal Health Risk Analysis model, and identify the district's risk rating.
3. Conduct a review of the district's budget development, monitoring, and updating processes and procedures and provide recommendations that, if implemented, will help ensure that all budgets reflect current revenue and expenditure expectations.

Study Team

The FCMAT study team was composed of the following members:

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Danville, CA

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Kingsburg, CA

Leonel Martínez
FCMAT Public Information Specialist
Bakersfield, CA

Study Guidelines

FCMAT visited the district in October 2007 to conduct interviews, collect data and review documentation. This report is the result of those activities and is divided into the following sections:

- I. Budget Development
- II. 2007-08 Preliminary Budget Review
- III. Multiyear Financial Projection
- IV. Categorical Funds
- V. Budget Revision Processes
- VI. Instructional Material Funds
- VII. Categorical Educational Block Grant
- VIII. Targeted Instructional Improvement Block Grant
- IX. Title II Funding for Teacher Quality
- X. Mega-Item Flexibility
- XI. Developer Fees
- XII. Deferred Maintenance Program and Five-Year Plan
- XIII. Class-Size Reduction
- XIV. Purchasing
- XV. Organization, Staffing and Requisition Processing
- XVI. Outside Contracts and Agreements
- XVII. Bid Limits
- XVIII. Cal-Card
- XIX. Fiscal Health Risk Analysis

Executive Summary

Budget Development

The Monterey Peninsula Unified School District lacks formal processes for developing, monitoring, updating and validating the budget throughout the year. Although there are specific board policies regarding budget and budget development, they are not being followed in many areas.

The district should establish a comprehensive budget development process for utilizing unrestricted and categorical funds appropriately and efficiently. This comprehensive budget development process should be implemented for the 2008-09 fiscal year and should include obtaining input from all key stakeholders. These should include the board, school site administrators and administrators from Curriculum and Instruction, Human Resources and Special Education.

The district should continue to improve budget communication methods so that stakeholders gain more knowledge and understanding about the budget. The budget should include numbers and narratives that help stakeholders understand what the numbers represent.

Restricted dollars should be considered first. As the district identifies educational goals and budget priorities, categorical dollars should be included in the budget development process. The district should maximize the use of categorical funds by identifying the specific goals that can be met with restricted funds. This helps ensure that ongoing expenditures are not spent from one-time funds since not all categorical funds are ongoing.

Position Control

Position control is used to drive the estimated cost of salaries and benefits during budget development by incorporating all authorized positions for the current year. For a position control system to serve as an effective resource, the information should continue to be updated as actual positions are filled with contracted employees and/or as positions are added or eliminated. The district should also make any other adjustments that will affect the final calculation of budgeted salaries and benefits for the upcoming year. During its review, FCMAT found that the position control system included many open positions that were not intended to be filled, which meant that the budget was inflated in many salary and benefit budgets. Although substitutes were used for some of these open positions, they were charged to a substitute account and not to the accounts where the open positions were budgeted. The district plans to transfer funds from the salary account to the substitute budget where the replacement is charged. If this transfer does not occur regularly, the budget will show that some substitute budgets are significantly overspent, and other salary and benefit accounts are overbudgeted. It is important that position

control and the budget be reconciled several times throughout the year to ensure the two databases are accurate and reflect the same information since changes made in one system do not automatically update the other system's data.

Because the financial system cannot encumber salaries and benefits, the district must ensure it has a reliable process to compare remaining budgets with actual salary and benefit expenditures to date. Budgets must also be adjusted when salary amounts are to be paid or personnel changes made. Reconciliations need to be performed on a periodic basis, at a minimum during budget development, when the school year begins as more positions are filled, and during first and second interim. At Monterey Peninsula, it appears that this type of reconciliation has not occurred for the current and possibly past years since a large number of open, unfilled positions existed in position control at the time of FCMAT's initial visit. Since many system adjustments were made by the time of FCMAT's November visit, the district demonstrated progress in this area.

Budget Review

FCMAT's review of the district's funds in the current and past few years identified trends and raised questions about the current budgets, suggesting that some of the district's 2007-08 budgets need further adjustment. In some cases the budgets are incorrect since they are based on previous-year budgets that were either over- or underspent. FCMAT's review also found instances where expenditures are charged to one resource with the expectation that they will be charged to another at the end of the year based on available balances. Many budget accounts had a negative balance, including athletics. Substitute and overtime budgets needed much additional clarification and review since they appeared to be incorrect based on past usage. The COP payment was not budgeted, which has an impact on the general fund. These types of budget adjustments will affect the general fund's ending balance unless a way to offset them can be identified.

After several reviews of district information, FCMAT produced a 2007-08 budget that was used as the basis for a multiyear projection. During initial fieldwork, FCMAT reviewed the district's 2007-08 adopted budget and compared that information with current transactions as well as to the past year's actual information. Once the district's 2007-08 first interim report was prepared in December 2007, FCMAT compared that document with the budget FCMAT produced after initial fieldwork. This process was completed as part of the 2007-08 budget review. The latter budget was composed of the district's adopted budget for 2007-08 with specific, necessary adjustments. These two reviews increased confidence concerning FCMAT's projections.

The district made a number of the recommended adjustments to the budget and position control after FCMAT's initial fieldwork, and FCMAT verified these changes in November. Many adjustments could have been included in the adopted budget or the budget revision prepared 45 days after the state budget was signed since the same type

of information was available during those times. The district should include as much information as available in the adopted budget and/or the 45-day revision so that it is as realistic a plan as possible, rather than waiting until later in the year to update the information.

Multiyear Financial Projection

Multiyear Financial Projection Summary Unrestricted General Fund FCMAT

Description	Prior year 2006-07	Base year 2007-08	Year 1 2008-09	Year 2 2009-10
Total Revenues	69,202,420	68,870,800	66,924,245	68,416,398
Total Expenditures	56,663,714	56,995,969	57,934,629	59,940,549
Excess (Deficiency)	12,538,706	11,874,831	9,989,616	8,475,849
Total Other Sources/Uses	(10,508,379)	(12,250,327)	(12,973,837)	(13,330,649)
Net Increase/Decrease	2,030,327	(375,496)	(3,984,221)	(4,854,800)
Beginning Balance	3,049,138	5,078,542	4,703,046	718,825
Ending Balance	5,079,465	4,703,046	718,825	(4,135,975)
3% Reserve	2,840,216	2,892,873	2,927,120	3,006,487
Other designated	1,187,140	1,360,140	21,056	21,056
Undesignated	1,052,109	450,033		
Negative Shortfall			(2,229,351)	(7,163,518)

FCMAT's Multiyear Financial Projection (MYFP) reflects that the district is able to maintain the 3% required reserve and afford the stipulated agreement to the certificated union for a past lawsuit in 2007-08, but will not be able to maintain the reserve in either 2008-09 or 2009-10 based on the Governor's 2008-09 budget proposal. It is important to note that the state budget proposal affects not only future years, but also affects 2007-08 with a proposed revenue limit deficit of .5%. These projections are based on assumptions listed later in the report, but *do not* include *any* negotiation settlements in 2007-08, 2008-09 or 2009-10 other than the stipulated agreement with the certificated bargaining unit. Salary increases and/or health and benefit increases, as well as any other increased expenditures, would have a significant impact on the ending fund balance. FCMAT's multiyear financial projection demonstrates this by assuming that the district will continue to operate in the same manner with the ongoing costs currently in place. These include the costs of step-and-column adjustments, the stipulated agreement with the certificated bargaining unit, utilities and other ongoing expenditures such as encroachment from special education and transportation. The Governor's 2008-09 budget proposal includes severe cuts to education, and these have been included in the multiyear projection. As the state budget continues to be revised, the district will need to continue to prepare updated projections.

Categorical Funds

The district does not maximize its use of categorical funding based on large carryover categorical balances from previous years. Whenever possible, restricted funding should be spent in the year it is earned. The district should develop a spending plan to use categorical funds so that they do not carry over unless there is a specific expenditure plan that requires more than one year of funding, such as saving for a future textbook adoption. It is important to ensure that funds are specifically allotted to cover expenditures that are consistent with categorical funding guidelines and restrictions. The Superintendent, superintendent's cabinet and business office should establish procedures to ensure that categorical funds are used to meet district goals. Program guidelines must be followed to ensure that qualifying students receive the appropriate level of supplies and instructional support to achieve success.

Because categorical funds have a variety of compliance and accountability requirements, additional oversight and approval should be required before these funds are expended. One of the three administrators in charge of specific categorical programs should review and approve all purchase requisitions and purchase orders charged to specific categorical funds before they are authorized for processing or payment. This will ensure that program compliance and site plans are being followed. It cannot be assumed that site administrators perform these reviews when approving transactions at their own sites, whether they are charged to unrestricted or restricted funding. Although all administrators who are responsible for budgets should be held accountable regardless of the source of funds, it is prudent to require an additional approval authority for categorical expenditures because of the specific and different allowable uses of these funds.

FCMAT did not extensively review all categorical programs, but provided information and recommendations related to the following programs:

- Instructional material funds
- Categorical Education Block Grant
- Targeted Instructional Improvement Block Grant
- Title II Program for Teacher Quality
- Mega-item flexibility
- Developer fees
- Deferred Maintenance Program
- Class size reduction programs

Budget Monitoring

At the time of FCMAT's review, some budgets exceeded allocations at the object level. This demonstrates that the financial system allows purchase orders and/or expenditures to be processed even if sufficient funds are not available. If adequate funds are not available or the budget code is invalid, the financial system should be modified to prevent the purchase order from being finalized until an actual budget revision occurs.

Although budget revisions are submitted to the board at specific times during the year, the revisions include little detail and do not conform to acceptable standards. Specifically, there is no explanation of the changes made and the reason they occurred. These revisions should also be submitted to the board more frequently. Many school boards establish a policy specifying how often budget revisions should be received and the level of detail required. When actual budget revisions are not submitted for approval, the Governing Board should be provided with monthly budget transfer reports, including explanations of changes between major object codes.

Purchasing

The district needs to formalize purchasing rules, processes and procedures. This includes procedures on the use of Cal-Cards and the supporting documentation necessary to make payments on vendor invoices. There are also concerns about who has signatory approval for contracts and whether bids are being utilized when appropriate. The district should establish clear guidelines by adopting board policies and administrative regulations, including regulations that address purchasing.

The purpose of a Purchasing Department is to ensure that all district goods and services are obtained through a uniform and unbiased process in accordance with applicable law and appropriate business practices. The district has one district office employee with purchasing functions, but lacks a traditional purchasing department per industry standards. The district should consider assigning an additional employee to perform purchasing duties. Although the cost will affect the ending fund balance, the position will more than pay for itself over time through increased efficiency and cost savings from price comparisons and bids. Sites and departments should not routinely select their own products and vendors for purchases as they are now doing. Allowing separate departments to issue their own contracts compromises control and the integrity of the process, including ensuring the use of appropriate legal documents with the correct sections and requirements.

The district's requisition approval process is inefficient in several areas. Requisitions are completed manually and sent to the purchasing employee for entry into the financial system. Because of paperwork volume and processing time, budgets are no longer available, and account codes are no longer valid by the time some orders are processed. To operate effectively and ensure compliance, the department needs additional support to enter information and coordinate paperwork.

The district lacks guidelines for securing quotes. The guidelines should indicate when several telephone quotes or written quotes are required and the person(s) authorized to obtain quotes and sign contracts. All bids should be processed by the Purchasing Department. Instead, departments and sites procure their own items, in many cases regardless of the price. The Purchasing Department should focus on purchasing goods for the district instead of processing paperwork.

The online purchasing module has been implemented only in the district office. The inability of the sites and departments to access and enter requisitions into the online purchasing system prevents them from tracking requisitions in a timely manner. The district should implement the online purchasing module districtwide so that all sites and departments can enter purchase requisitions into the system. This would save time, ensure that budget information is current when the requisition is entered, and eliminate the return of requisitions that lack understandable reasons and comments. The online system automatically validates information and notifies the user of problems found during data entry. The module has more than adequate control features that ensure the necessary review and approval are completed.

The district lacks a master schedule for purchases and requisitions. It is in the district's best interest to develop and maintain a master schedule that includes all multiyear service agreements and contracts for products, services and purchases. This could prevent costly lapses in service.

Long-Term Liabilities

An actuarial study of retiree health liability was completed on June 2, 2007, focusing on the retiree benefit program. The "pay-as-you-go" cost of providing retiree health benefits was estimated at \$1,708,289 as of March 1, 2007. For current employees, the value of benefits "accrued" in the year beginning on that date is \$4,301,313. The actuarial report calculates the annual cost to amortize the unfunded actuarial accrued liability using a 5% discount rate and a 30-year amortization period at \$3,442,255. This payment would increase each year based on covered payroll. Combining the normal cost and the unfunded actuarial accrued liability in the first year produces a total first-year annual required contribution of \$7,743,568.

The district does not have a plan to address retiree benefit liabilities. The individuals interviewed have a limited understanding of GASB 45, gained primarily from newspapers and other entities, although FCMAT was told that there had been some discussions with district administration. The Governing Board, unions and all other stakeholders must be informed of GASB 45, the decisions the board must make to fund the liability, and the future consequences of those decisions.

Fiscal Health Risk Analysis

FCMAT conducted a comprehensive independent assessment of the district's 2007-08 fiscal status. FCMAT's Fiscal Health and Risk Analysis helps school districts assess their financial risk for the current and two subsequent fiscal years as recommended by AB 1200. The presence of a "No" response on any single criteria is not necessarily an indication of a district in fiscal crisis. However, districts exceeding the risk threshold of six or more "No" responses may have cause for concern and require some level of fiscal

intervention. To complete the analysis, the study team requested a comprehensive list of financial reports, enrollment and ADA data as well as other supplemental documents. The team also met with the Superintendent and the Chief Business Official to gain an understanding of district practices.

Based on nine “no” responses, FCMAT determined that the district has a moderate level of risk. Weaknesses were found in the areas of deficit spending, the fund balance, the reserve for economic uncertainty, enrollment, position control, budget monitoring, leadership/stability, charter schools and the annual audit. The district should continue to monitor its level of fiscal risk by completing the Fiscal Health Risk Analysis on an ongoing basis.

Previous FCMAT Report 2000

It is important to note that in January 2000, FCMAT provided a fiscal crisis intervention review for the Monterey Peninsula Unified School District at the request of the Monterey County Office of Education. At that time, the district was faced with making extensive expenditure reductions to reestablish a general fund reserve that complied with the state reserve recommendations. The board had approved \$6.5 million in budget cuts and had assigned the identification of specific cuts to the administration and program directors. FCMAT’s projection that year identified an immediate need to establish additional reductions.

In addition to the critical need to restore fiscal stability, other operational improvements were recommended in the areas of fiscal management, budget development, revenue maximization, fiscal accountability and self-insurance funds. In summary, those recommendations included the following:

- Immediately identify additional expenditure reductions.
- Transition to the Monterey County Office of Education financial system to generate comprehensive reports needed to monitor and manage all the district’s funds.
- Utilize software tools available to analyze enrollment data and integrate position control into the budget development process.
- Rescind the district designation of “fiscally accountable” based on mutual agreement between the county office and the current status of the district budget.
- Conduct a cost to benefit analysis of joining a joint powers authority to provide employees coverage for workers’ compensation and health and welfare benefits.

FCMAT's scope of work did not include a comparison of the findings in the January 2000 report to the district's current status, but in reviewing the above major recommendations, it is clear the district has made progress in many areas. This progress includes making the budget cuts necessary to maintain the required reserve, transitioning to the county office's financial system, rescinding the "fiscally accountable" status, establishing a position control system and joining a JPA for workers' compensation. Although there is room for improvement in some of the previously identified areas as well as additional ones, the district should be commended for its progress to date.

Findings and Recommendations

Budget Development

The Monterey Peninsula Unified School District has recognized the importance of budget development as reflected in Board Policy 3100(a) approved November 11, 2006, titled “Budget.” Portions of the board expectations related to budget development are as follows:

“The Governing Board accepts responsibility for adopting a sound budget for each fiscal year. The district budget shall guide administrative decisions and actions throughout the year and shall serve as a tool for monitoring the fiscal health of the district.”

“The district budget shall show a complete plan and itemized statement of all proposed expenditures and all estimated revenues for the following fiscal year, together with a comparison of revenues and expenditures for the current fiscal year.”

“The Superintendent or designee shall establish an annual budget development process and calendar in accordance with the single budget adoption process described in Education Code 42127.”

“In order to provide guidance in the development of the budget, the Board shall annually establish budget priorities based on identified district needs and goals and on realistic projections of available funds. The Board shall establish budget assumptions or parameters which may take into consideration the stability of funding sources, enrollment trends, legal requirements and constraints, anticipated increases and/or decreases in the cost of services and supplies, use of one-time resources, categorical program requirements, scheduled salary increases, and any other factors necessary to ensure that the budget is a realistic plan for district revenues and expenditures.”

Although these sections are included in board policy, many areas are not being followed. The district has experienced significant turnover in key staff members and administrative positions during the past several years. A comparison of the approved board policy with current budget development processes and procedures found that there is room for improvement. For example, the district’s budget development process does not include specific input from the Governing Board or key stakeholders regarding educational goals and budget priorities.

The district lacks formal processes for developing, monitoring, updating and validating the budget throughout the year. The district should establish a comprehensive budget development process for utilizing unrestricted funds and focus on using categorical funds appropriately and efficiently. This comprehensive budget development process should be implemented for the 2008-09 fiscal year and should include obtaining input from all key stakeholders, including the Governing Board, and administrators from Curriculum and Instruction, Human Resources, Special Education, as well as school site administrators.

To help the district develop an expenditure plan that fulfills district goals and objectives, the budget development process needs to obtain policy input from the Governing Board. However, instead of focusing on specific line items, the board should focus on expenditure standards and formulas to meet the district's goals. The board should direct staff members to design an expenditure plan that meets student and district needs.

Many types of budget development models exist. These include the following:

- Decentralized budgeting: Major budgeting and related decisions are made at the school-site level.
- Centralized budgeting: Budget decisions are made in a “top-down” manner, commonly used when the district has a severe financial condition or needs to exert greater fiscal control.
- Blended decentralized/centralized method: This approach uses budget committees to gain broad participation while maintaining control.
- Zero-based budgeting: The entire budget is recreated and analyzed each year.
- Rollover budgeting: Prior-year budgets are used for the current year and are reviewed for additions or deletions.
- Enrollment-based budgets: Accurate demographic information becomes the basis for budget allocations.
- Program budgeting: Spending plans are based on the expected results of services to be performed by the organizational units.
- Program planning and budget systems: Current and future budgets are considered.

Because one budget approach seldom meets all of a district's needs or requirements, many districts have created a process that combines elements from the above models. In choosing a budget development process, the primary considerations are assessing the district's budget needs and tailoring the process to the district's unique characteristics.

All budget methods must be carefully communicated to interested parties so that the advantages of the chosen method are evident.

Districts should avoid rollover budgeting, in which the prior year adopted budget is moved to the new budget year, and adjustments are made to account for standard changes such as step-and-column movement, utility increases and other basic increases. Districts that utilize rollover budgeting do not adjust for actual expenditure changes or strategically adjust budgets based on need or priorities. In most cases, it is more appropriate to use zero-based budgeting for the entire budget, not just for some budgets such as those for summer school. This allows the district to review all available funding, determine the most efficient way to expend these resources and decide whether ongoing and new expenditures meet the district's goals and objectives.

The district's business office lacks formal, documented budget development processes and procedures. In the past, the district has used rollover budgeting, which is based on prior-year budgets that are reviewed for additions or deletions, instead of zero-based budgeting, in which the entire budget is re-created and analyzed each year. Rolling over budgets from year to year means that the budget is not a planning document since it is based on the past instead of accurately representing the district's future direction. Effective budget development should include the participation of administrators from Curriculum, Human Resources and Special Education as well as site administrators. All district obligations should be reviewed to determine whether the appropriate funding sources are utilized as well as their impact on the overall budget. This ensures that expenditures align with the board's educational goals and budget priorities.

The budget office should develop the 2008-09 preliminary budget using a technical process that includes revenue forecasts, expenditure verifications and projections, identification of known carryovers and accruals, and expenditure plans. The process should also clearly identify one-time sources and uses of funds. Reasonable ADA and cost-of-living (COLA) estimates should be used when planning and budgeting. This type of process should be applied to all funds.

Restricted dollars should be considered first. As the district identifies its educational goals and budget priorities, categorical dollars should be included in the budget development process. The district should maximize the use of categorical funds by identifying the specific goals that can be met with restricted funds, ensuring that ongoing expenditures are not spent from one-time funds since not all categorical funds are ongoing.

The district produces an annual budget calendar, which is required per board policy. FCMAT reviewed the 2007-08 calendar and noted that it contains various statutory and critical dates that lead to effective budget development. However, the calendar should include first and second interim report dates as reminders of the statutory requirement to update budgets. Also on the calendar was a board presentation scheduled for August to discuss the adopted state budget. The district should add to that item the budget revisions

that are required by statute 45 days after the state budget is adopted. Adding the interim report dates and the 45-day budget revision would make the calendar more inclusive of all statutory budget revision time lines.

Board Policy 3100(a) approved November 11, 2006, titled “Budget” also states the following:

“The Superintendent or designee shall ensure that the district budget is clearly presented and effectively communicated to the Board, staff and public. He/she may adapt or supplement the state-required budget format as necessary for these purposes.”

The FCMAT study team noted improvements in this area for the 2007-08 adopted budget when compared with previous adopted budgets. Responding to complaints and comments from various stakeholders that the budget detail needed to be more understandable, the district utilized the “User Friendly Budget” software, free to educational entities, which was a significant improvement. The district should continue to improve budget communication methods so that stakeholders gain more understanding of the budget. It is important that the budget contain narrative as well as numbers so that stakeholders understand what the data represents.

Recommendations

The district should:

1. Include in the annual budget a mission statement, statement of core values, or a strategic plan that has been approved by the Governing Board. The board should follow board policy and annually establish educational goals and budget priorities based on a realistic projection of available funds.
2. Draft and approve budget development processes and board policies so that district goals, objectives, concepts and guidelines can be linked to the district’s expenditure plan and so that the staff and public understand what the budget reflects. This recommendation can be facilitated by following Board Policy 3100, titled “Budget” if it represents the board’s intent and expectations.
3. Utilize zero-based budgeting instead of rollover budgeting when developing a budget. Zero-based budgeting is a method in which the entire budget is re-created and analyzed each year.
4. Develop spending standards and formulas that clearly reflect the district’s goals and priorities, and include these in the budget.

5. Consider holding additional board study sessions and community meetings during budget development to demonstrate that the district is working with the community and including the public in the process. This also communicates to the public that the district welcomes and answers questions about the budget.
6. Link expenditures by program and/or department to the district's strategic priorities and core values, and include this information in the formal budget document. This should help clarify the expenditure plan for both the Governing Board and interested community members.
7. Establish a comprehensive budget development process that uses categorical funds appropriately and to their full benefit, and provides for input from all key stakeholders. These include the Governing Board, administrators from Curriculum and Instruction, Human Resources, Special Education, and school site administrators.
8. Hold cabinet meetings and meetings with department heads and school principals to discuss budget development. Each individual budget needs to be developed using a zero-based budget model. Input from these key stakeholders is critical.
9. Continue to create a comprehensive budget development calendar detailing major budget preparation activities, adding other statutory requirements such as interim reports and the 45-day revision. This calendar should include input from the Governing Board, Superintendent and cabinet regarding educational goals and budget priorities for the upcoming and subsequent years.
10. Create a formal budget development procedures manual and develop desk manuals for each business office position that participates in budget development. These manuals should specify how and when various tasks are carried out to improve the efficiency and accuracy of budget data as well as maintain continuity in case of staff turnover.
11. Develop an accounting and budget procedures manual for sites and departments. This manual should be revised periodically and forwarded to sites and departments so that they understand the tasks that are expected of them and the reason for these expectations. Staff members should be held accountable for these expectations.
12. Continue to improve budget communication methods so that stakeholders increase their understanding of the budget.

2007-08 Preliminary Budget Review

One of the unique characteristics of fund accounting, when compared with commercial accounting, is the use of budgetary accounts. These accounts project the amount to be received and expended in a specific period of time to carry out the educational agency's goals. Budgetary accounts allow for comparisons between projections and what has actually occurred during the year.

Governmental Accounting Standards Board (GASB) statement 34, which applies to both state and local governments, changed the way budget information is reported in year-end audited financial statements. Agencies previously reported only the final budget and the results of financial transactions. Under GASB 34, the budgetary comparison must include the original budget, the final budget, and the results of financial operations for the general and major special revenue funds.

Encumbrances are important budgetary elements that represent commitments in the form of purchase orders to buy goods or services. They are a budgetary account used to prevent the overspending of an appropriation. Monterey Peninsula Unified's financial system provides the option of encumbering all expenditure accounts utilized by the district. This is an excellent way to monitor budgets and ensure that the portions of the budget that have been committed are protected from being spent in any other manner. For nonsalary items, encumbrances are established when a purchase order is issued and disencumbered when payment is made for the item after it is received.

The estimated annual cost of salaries and benefits is entered into the budget at the beginning of the year during budget development. In many districts, the estimated cost is more efficient and accurate when driven by a position control system that includes the actual costs of employees by incorporating all authorized positions for the current year. For a position control system to serve as an effective resource, the information should continue to be updated as actual positions are filled with contracted employees and/or as positions are added or eliminated. The district should also make any other adjustments that will affect the final calculation of budgeted salaries and benefits for the upcoming year.

In the case of Monterey Peninsula Unified, the working budget's estimates of salaries and benefits were unreliable and inflated because many open positions were included in the position control system when FCMAT completed its initial field work, even though there was no intention of filling many of these positions. When FCMAT revisited the district approximately a month later, the position control system was updated, but many open positions that were not intended to be filled remained. If funds are set aside for positions that won't be filled that year, the budget is unreliable in those specific accounts. Further research found that there were substitutes for some of the open positions, but they were being charged to a substitute account instead of to the account where the open positions were budgeted. There are plans at some point to use a budget transfer to move

funds from the salary account to the substitute budget where the replacement is being charged. However, if this transfer does not occur regularly, the budget shows that some substitute budgets are significantly overspent, and other salary and benefit accounts are overbudgeted. It is important that position control and the budget be reconciled several times throughout the year to ensure the two databases are accurate and reflect the same information since changes made in one system do not automatically update the other system's information.

Some financial systems also encumber salaries and benefits in the budget, which means that the estimated salary and benefit costs for the remainder of the year are set aside in each salary budget category. When payrolls are generated, the actual payroll amounts paid are deducted from the encumbrance, with the remaining encumbrance representing the estimated amount the district will have to expend for the remainder of the year. Encumbering provides districts with a more accurate method of determining whether the budget for the remainder of the year will be sufficient. The district's financial system does not provide the encumbering option for salaries and benefits. Therefore, the district must ensure it has a reliable process to analyze actual salary and benefit expenditures to date against the remaining budgets. Budgets must also be adjusted when there are changes in salary amounts or personnel. Reconciliations need to be performed on a periodic basis, at a minimum during budget development, once the school year begins as more positions are filled, and at the first- and second-interim reporting periods. At Monterey Peninsula Unified, it appears that this type of reconciliation has not occurred for the current and possibly past years since a large number of open, unfilled positions existed in position control at the time of FCMAT's initial visit. By the time of FCMAT's November visit, many adjustments had occurred, demonstrating that the district made progress in that area.

In governmental funds, the difference between assets and liabilities is reported as fund balance, which is divided into reserved and unreserved portions. The reserved fund balance is the portion that is unavailable for expenditure or that is legally segregated for a specific future use. For example, stores, prepaid expenditures and revolving cash are not available for discretionary spending, so the portion of the ending fund balance that is attributed to those items must be reserved. The remaining amount of fund balance is unreserved and separated into designated and undesignated portions.

The state requires boards to designate a reserve for economic uncertainty, which in the district's case is 3%. Boards can also designate other specific balances for intended uses, such as equipment replacement or potential salary increases. Any remaining amounts after designations are considered undesignated, unappropriated fund balance.

FCMAT reviewed all the district's funds by resource to identify trends and formulate questions about the current status of accounts. A preliminary review suggests that some of the district's 2007-08 accounts are not budgeted appropriately. For example, the

administrative salaries charged to the developer fee fund exceed the 3% administrative charge allowed by law. In addition, various accounts were overdrawn or seemed to have a higher budget than necessary in both salary and nonsalary categories, including athletics and other expenditure categories. Substitute and overtime budgets also needed much additional clarification and review since their budgeted amounts appeared to be incorrect based on usage in prior years. Other accounts appeared to be overbudgeted when compared with past-year actuals. These types of adjustments will affect the general fund's ending fund balance unless a way to offset them can be identified.

FCMAT's review found additional resources that include expenditures charged to one resource, but the district plans to charge them to a different resource at the end of the year, based on available balances. This type of transfer occurs in both class-size reduction programs. This practice raises concerns for the following reasons:

- At any point in time, the budget does not reflect where expenditures will ultimately be charged.
- When many costs are not charged appropriately and moved between unrestricted and restricted funds, a realistic fund balance of each of these two categories cannot be determined.
- Compliance with specific laws and regulations regarding restricted, categorical funds is difficult to monitor when costs are moved from where they are initially charged to specific categorical funds.
- The transfer of expenditures has little backup substantiating that the transfer is within program guidelines or the reasoning is justified.

When purchase orders are created in the financial system, funds are encumbered until a payment is made or the order is cancelled. The purchasing system is integrated with the budget and accounting modules. If adequate funds are unavailable or the budget code is not valid, the system can be adjusted to prevent the purchase order from being finalized or moving through the process until a budget revision occurs. This is often referred to as being "hard coded." Currently, a warning error might be generated when the budget is not adequate, but unless hard coding is used, transactions can continue to be processed.

Revenues and expenditures for categorical programs should be reviewed and evaluated in the same manner as unrestricted general fund revenues and expenditures. Carryover and unearned income for categorical programs should be similarly monitored. FCMAT's review found large carryover balances in categorical programs. Categorical budgets in the district's adopted budget include no estimates of beginning balances or deferred revenue. These prior year carryover and beginning balance amounts are incorporated into the budget when unaudited actuals are complete. The budgets are set up as if all carryover and

new funding will be spent in the current year. However, past trends show that this rarely occurs. Instead, carryover has continued at the same rate at the end of each fiscal year. This was further validated in a comparison of restricted expenditure accounts at interim report periods with year-end audited amounts. At second interim, large restricted expenditure budgets included remaining balances, giving the impression they will be utilized by year end. Yet when the books were closed, those same expenditure budgets remained unexpended. An effective second interim practice would be to review categorical budgets for remaining funds, and adjust the budgets accordingly. If there are no real plans to spend those budgets, they should be adjusted accordingly rather than waiting until year end. Interim reports should reflect the most current plans.

The district does not maximize its use of categorical funding based on large carryover balances from prior years. Whenever possible, restricted funding should be spent in the year it is earned. The district should develop a plan to spend categorical funds and avoid carryover unless there is a specific expenditure that requires more than a year of funding such as a future textbook adoption. Program guidelines must be followed to ensure that qualifying students receive the appropriate level of supplies and instructional support to achieve success. In addition, the district should consider including estimated carryover amounts in adopted budgets. Even if this does not occur, these budgets should be monitored and adjusted once the prior year amounts are entered. If the entire carryover will not be spent, the budget should be adjusted accordingly rather than waiting until the books are closed. If these budgets are not updated, the estimated year-end balances will be significantly different than the unaudited actuals. This variance will be noted when comparing the estimated actuals on the next year's adopted budget with the unaudited actuals for that same year.

For the 2007-08 fiscal year, the following is a summary of adjustments FCMAT made to the district's adopted budget after the initial field work. These adjustments are included in the 2007-08 budget in FCMAT's multiyear projection. FCMAT also compared the district's first interim report to the 2007-08 budget that FCMAT produced, providing additional assurance that the following adjustments were necessary:

Unrestricted General Fund

REVENUES

- Increased revenue limit revenues by \$618,784 because of changes in the state calculation and P2 average daily attendance (ADA) adjustments.
- Decreased state revenues by \$162,838 to reflect reporting changes in the state hourly programs.
- Increased interest earned by \$350,000 based on anticipated current year cash flow and actual receipts in prior years.

EXPENDITURES

- Moved one FTE (\$89,975 salary + \$21,998.61 benefits) from resource unrestricted lottery to unrestricted general purpose for the unfilled position of Director of Technology and Assessment.
- Recaptured the salary and benefit savings from the updated position control file dated November 13, 2007 for the following:
 - Certificated Salaries (\$80,388)
 - Classified Salaries (\$85,583)
 - Employee Benefits (\$70,083)
- Decreased certificated substitute salary cost by \$223,246 in unrestricted resource based on a five-year historical trend.
- Increased certificated substitute salary cost by \$18,163 based on historical trends in unrestricted lottery.
- Increased classified staff and substitute costs by \$172,454 based on historical and current year spending.
- Increased other services for athletics by \$231,069 for anticipated program needs.
- Increased transfers out by \$289,000 from general fund to fund 40 for COP payment. This amount is the estimated difference between the actual payment and the estimated interest that will be earned on the COP in fund 40.
- Reduced transfers out to the self-insurance fund from \$1,092,526.92 to \$550,000, a net decrease of \$542,527, for the district's property and liability.
- Established a budget for a one-time current year actual of \$65,653, proceeds for capital leases.
- Decreased the indirect charges from what the district has budgeted based on past-year trends of actual expenditures.

Restricted General Fund

REVENUES/EXPENDITURES

- Resource 3010, Title I: Increased revenues by \$40,717 based on projected current year funding and the 2006-07 carryover. Additionally, the budget was increased by \$61,041 for certificated substitute cost based on historical trend data, and supplies were reduced to maintain expenditures within expected revenues.

- Resource 3310, Special Ed – IDEA. Classified substitutes were increased by \$47,125 based on historical trend data. A contribution was established to match the projected deficit spending in the current and projection years.
- Resource 4035, Teacher Quality. Current year revenues were reduced by \$7,479, which is the anticipated School Services of California (SSC) projected deficit in federal revenues. Expenditures were reduced to match anticipated revenues.
- Resource 4045, Enhancing Education through Technology, Formula Grant. Deferred revenues of \$14,396 were added to the current budget since they were allowed to carry over for expenditure in 2008-09.
- Resource 4046, Enhancing Education through Technology, Competitive Grant. Increased revenues by \$67,665 to the current-year anticipated level. In addition, a budget line of \$2,436 was added for classified overtime based on historical trend data, and the supplies budget was increased to match the additional expected revenues.
- Resource 4110, Innovative Education Strategies. Increased classified overtime by \$5,963 and reduced the supplies budget to match budgeted revenues.
- Resource 4124, 21st Century Community Learning Centers. Revenues were reduced by \$214,449 to the anticipated current-year funding level. A budget line for classified substitutes was added based on historical trend data, and the supplies budget was reduced to match revenues.
- Resource 4203, Limited English Proficiency. Revenues were increased by the 2006-07 deferred revenues of \$46,791. These funds were allowed to carry over and were budgeted to spend in 2008-09.
- Resource 5630, Homeless Assistance Grant. Reduced revenue by \$51,472 to the current-year funding level. Expenditures of \$10,756 for a .15 FTE unfilled position were added in other certificated salaries, an increase of \$1,875 was added in classified salaries, and a decrease in employee benefits of \$1,678 was included because of updated position control data. The result of these adjustments was an increase of \$40,913 in the unrestricted contributions to support the current program.
- Resource 5640, Medi-Cal Billing. Reduced revenues by \$25,777. No changes in budgeted expenditures.
- Resource 5810, Other Federal. Revenues were increased by the 2006-07 deferred revenue of \$10,531; funds were allowed to carry over to spend in 2008-09.
- Resource 6010, After School Learning. The classified substitute budget was increased by \$156,923 based on historical trend data, and supplies were reduced to match the funding level.
- Resource 6092, Cal-Safe Child Care. The budget for classified substitutes was increased by \$8,701 based on historical data.
- Resource 6285, Community Based Tutoring. Revenues were increased by the 2006-07 deferred revenue of \$23,492. Funds were allowed to carry over for expenditure in 2008-09.

- Resource 6286, English Language Acquisition. Revenues were decreased by \$17,370 to the 2006-07 funding level plus an adjustment for the current year COLA.
- Resource 6350, ROC/P. The budget for classified substitutes was increased by \$7,270 because of historical trend data.
- Resource 6500, Special Education. Increased teacher substitute cost, recaptured the saving and reduced the encroachment from the updated position control file of 11-13-2007 for a net effect as follows:
 - Certificated Salaries \$5,765
 - Classified Salaries (\$2,928)
 - Employee Benefits (\$31,493)
- Resource 6510, Special Education, Infant Program. Recaptured the saving and reduced the encroachment from the updated position control file of 11-13-2007 for the following:
 - Certificated Salaries (\$26,533)
 - Employee Benefits (\$7,250)
- Resource 6660, Tobacco-Use Prevention 4-8. Increased revenues by the 2006-07 deferred revenue amount of \$4,479 and allowed funds to carry over for expenditure in 2008-09.
- Resource 6670, Tobacco-Use Prevention High School. Reduced revenues by \$12,599 to the expected current-year funding, and posted a contribution from unrestricted to maintain the current program expenditure level.
- Resource 6760, Arts/Music Block Grant: Reduced revenues by \$103,941 to the current-year funding.
- Resource 7090, Economic Impact Aid. Revenues were moved to resource 7091. Current year expenditures were maintained in this resource to spend the resource beginning balance.
- Resource 7091, Economic Impact Aid. Revenues were increased by \$526,178 to the anticipated current year funding. The substitute budgets were increased by \$74,100 for teachers and \$3,019 for classified substitutes based on historical trend data.
- Resource 7140, Gifted and Talented Education (GATE). Revenues were decreased by \$50,867 to the anticipated current year funding. A contribution from unrestricted was posted to maintain the current budgeted program level.
- Resource 7220, Partnership Academies. Revenues were reduced by \$115,633 to the current year anticipated funding, and the supplies budget was reduced by the same amount to maintain expenditures within expected revenues.
- Resource 7230, Transportation, Home to School. Adjusted the budget for long-term debt by \$38,238 to agree with the current debt schedule, and increased salaries and benefits to reflect the updated position control of 11-13-2007 and an increase to the overtime budget for the following net change:

- Classified Salaries, \$65,383.
 - Employee Benefits, \$13,100 – The unrestricted contribution was increased to reflect the addition in budgeted expenditures.
- Resource 7240, Special Ed/Transportation. Increased salaries and benefits to reflect the updated position control of 11-13-2007 and increased overtime and extra pay for the following net result:
 - Classified Salaries \$51,383.
 - Employee Benefits \$11,975 – The unrestricted contribution was increased to reflect the addition in budgeted expenditures.
- Resource 7271, Peer Assistance & Review. Revenues were decreased by \$33,284 to the anticipated current year funding, and the supplies budget was adjusted to maintain expenditures at the projected funding level.
- Resource 7393, Professional Development Block Grant. Revenues were increased by \$85,383 and allowed to carry over into 2008-09.
- Resource 7395, School and Library Improvement Block Grant. A budget line item was added for teacher substitutes based on historical trend data.
- Resource 7396, Discretionary Block Grant – School Site. A budget line item was added for teacher substitutes based on historical trend data.
- Resource 8150, Ongoing & Major Maintenance. Classified overtime was increased by \$10,912 based on historical trend data. Additionally, the deferred maintenance required transfer was increased by \$10,912 to match the contribution posted for 2007-08 on the CDE Web site. The district's unrestricted contribution was increased to more than the required 3% to maintain the current budgeted expenditure level.

Many, but not all, of these listed adjustments were entered by the district at the time of first interim reporting, which is a positive step. However, many of the items should have been entered into the adopted budget to make this document more realistic and reflective of the district's financial position.

The district should develop a budget monitoring process for all resources, both unrestricted and restricted. Budgets should reflect the most current spending plan at all times. That spending plan and pattern may change during the year as decisions are made. The budget will need to be updated at regular times during the year. Statutorily, budgets are updated at both first and second interim period reporting times, but there must be additional updates as well. The board should receive monthly budget reports with explanations of the reasons changes occurred between major object codes.

Recommendations

The district should:

1. Ensure it has a reliable process to analyze actual salary and benefits to date and compare them with remaining budget balances at least monthly since the financial system is unable to encumber the information.
2. Ensure that timely budget adjustments occur. This includes when substitute staff members are in place for open positions. Either a budget adjustment should be made to move a portion of the salary budget to the substitute account, or the substitute should be charged to the open salary account.
3. Adjust salary and benefit budgets when changes occur in the amounts to be paid, or in personnel.
4. Reconcile position control with the budget on a periodic basis, at a minimum occurring at budget development, once the school year begins as more positions are then filled, and at first interim and second interim.
5. Ensure that 2007-08 accounts are budgeted appropriately. This includes the developer fee fund's 3% administrative charge and the accounts that are overdrawn or seem to have a higher budget than necessary in both salary and nonsalary categories, including athletics and other expenditure categories.
6. Charge expenditures to the budget categories where they belong at the beginning of any fiscal year instead of moving expenditures via transfers at year end. This occurs in both class-size reduction programs.
7. Implement the purchase order system to automatically verify fund availability and account coding when the site or department prepares a purchase requisition. If funds are not available, the district should require a budget transfer before processing.
8. Set up the financial system so that it does not allow purchase orders and/or expenditures to be processed if sufficient funds are not available. This is often referred to as being "hard coded."
9. Consider including estimated carryover of categorical funds when adopting the budget.
10. Update categorical budgets at interim reporting time. If it is anticipated that certain funds won't be expended during that fiscal year, the district should adjust the budget to reflect that certainty.

11. Monitor categorical budgets to ensure they are being spent to optimize categorical expenditures so that students receive the maximum benefit in accordance with program guidelines.
12. Spend restricted categorical program funding in the year received whenever possible.
13. Develop monthly budget monitoring processes for all resources.
14. Ensure that budget information is updated regularly throughout the year.
15. Provide the board with monthly budget reports with explanations on changes between major object codes.

Multiyear Financial Projection

Multiyear financial projections (MYFP) are required by AB 1200 and AB 2756 and are a part of budget and interim reports. They should be produced accurately and timely and contain the most current fiscal information available. These projections allow the district and the county to assess revenues and expenditures and help ensure that the district will be able to meet its financial obligations in the current and two subsequent fiscal years. In developing and implementing the multiyear financial projection, the district's primary objectives are to achieve and sustain a balanced budget, improve academic achievement and maintain local governance.

If a district is unable to meet its financial obligations for the current or two subsequent fiscal years, or has a qualified or negative budget certification, the County Superintendent of Schools must notify the district Governing Board and the Superintendent of Public Instruction (SPI). The county office must follow Education Code 42127.6 when assisting a school district in this situation. Assistance may include assigning a fiscal expert to advise the district on financial issues, conducting a study of the district's financial and budgetary conditions and requiring the district to submit a proposal for addressing its fiscal condition. For a district that does not meet its required reserve levels, the MYFP is designed to help the county and district formulate a plan to regain fiscal solvency and restore the required ending fund balance.

Monterey Peninsula Unified has a positive certification in 2006-07 first and second interim reports, and has again self-certified positive for the 2007-08 first interim. This means that based on current projections, the district is able to meet its financial obligations for the current and subsequent two fiscal years. These projections consider all the known assumptions that are further detailed later in this report. FCMAT agrees that the district is in positive certification even though many amounts in FCMAT's projections differ from those of the district.

FCMAT's projections exclude salary enhancements for any units, other than a 1.5 percent estimated step-and-column movement for all units and the negotiated salary agreement for the certificated unit. The MYFP maintains staffing at the 2007-08 amount.

The district does not fully utilize federal, mega-item and AB 825 block grant flexibility and other transfer options. The district should investigate the feasibility of maximizing these flexibility transfer options in future budget cycles to determine whether this would provide any additional funding flexibility. FCMAT has not included these transfers in its projections since these actions would require decisions by the district on where transfers would occur. As previously mentioned, the district currently charges salaries directly to the developer fee fund over the 3% allowable administrative cost. FCMAT has instead charged those salaries to the general fund and transferred the 3% allowable administrative cost to the general fund in the current and subsequent two years.

The Governor's 2008-09 budget proposal includes severe cuts to education, and those proposed cuts have been included in the multiyear projection that FCMAT has produced. As the state budget continues to be developed and further revised, the district will need to continue to prepare updated projections. But, at this time, it is best to consider that the severe cuts might happen so that the district is able to plan for the worst versus being too optimistic.

FCMAT's MYFP shows that the district *will be* able to maintain the state required reserve of 3% and afford the stipulated agreement to the certificated union for a past lawsuit for the current year only based on the Governor's January 2008-09 budget proposal. These projections are based on assumptions listed later in the report, but *do not* include *any* negotiation settlements in 2007-08, 2008-09 or 2009-10 other than the stipulated agreement with the certificated bargaining unit. Salary increases and/or health and benefit increases, as well as any other increased expenditures would have a significant impact on the ending fund balance.

Multiyear Forecast Assumptions

California school districts and county offices use many different methods and software products to prepare multiyear financial projections. The FCMAT projections for the general fund were prepared using FCMAT's Budget Explorer multiyear projection software, a Web-based forecasting tool that is available at no cost to all California school districts. FCMAT also utilized a spreadsheet when considering account expenditures and other trends from prior years. The information in both applications was then reconciled to forecast the 2008-09 and 2009-10 fiscal years based on trends and known assumptions. The final Budget Explorer projection is part of this final report.

There are inherent limitations with any forecast of financial data because forecasts are based on certain criteria and assumptions rather than on exact calculations. These limitations include issues such as accuracy of baseline data, unpredictable timing of negotiations, unanticipated changes in local property tax, enrollment trends and changing economic conditions at the state, federal and local levels. *Therefore, the budget forecasting model should be evaluated as a trend based on certain criteria and assumptions rather than a prediction of exact numbers. The projection should be updated throughout the year, including at least at each interim financial reporting period and before settling negotiations to maintain the most accurate and meaningful data.*

To evaluate the multiyear projection, much attention is focused on the bottom line, which demonstrates the district's undesignated, unappropriated fund balance. For example, if the bottom line demonstrates a positive unappropriated fund balance, this amount may be used by the Governing Board and/or Superintendent to improve educational programs, increase employee compensation or spend in other categories. However, if the unappropriated fund balance is negative, the deficit balance is the amount by which the budget must be reduced to sustain the recommended reserve levels under AB 1200 guidelines. The projection must be viewed comprehensively, and the district must determine what compounding effects using any or all of the unappropriated fund balance

will have on the projection in the current and future years. The unappropriated balance and the corresponding compound effect can be clearly determined as the years proceed.

FCMAT reviewed the district records, interviewed staff members and examined financial reports to gather the information needed for the multiyear financial projection. The initial review included a summary assessment of the district's 2006-07 unaudited actuals, 2007-08 adopted budget and the 2007-08 first interim budget report. The review also included a fiscal analysis of the projected revenues, expenditures, transfers and components of the ending fund balance for the general fund. FCMAT's multiyear analysis base year utilizes the budget that FCMAT produced for 2007-08. FCMAT reviewed the district's various budget assumptions to validate the 2007-08 adopted budget and first interim report and multiyear financial projections for the two subsequent years when determining the budget FCMAT would use for 2007-08 and future years.

FCMAT used the district's 2007-08 adopted budget with the modifications listed in the previous section of this report as the baseline for the enclosed MYFP, along with other district-provided data that FCMAT did not verify or audit extensively. FCMAT also reviewed the district's first interim report for additional validation. The documents that were utilized in the review process and in developing the MYFP included the following:

- 2007-08 SACS dat. file adoption budget (electronic SACS data file).
- 2006-07 SACS dat.file unaudited actuals (electronic SACS data file).
- Financial system budget reports that correspond to amounts in 2007-08 working budget.
- June 2007 budget adoption documents, all funds, including narrative/Power Point for board presentation for fiscal years.
- First, second and third (if required) interim reports, SACS documents, all funds, including narrative for board presentation for fiscal years 2001-02 through 2006-07.
- Unaudited actuals SACS forms, including all schedules, for fiscal years 2001-02 through 2006-07 and unaudited actual dat.file for 2005-06.
- Revenue limit worksheets, including all schedules, for fiscal years 2001-02 through 2007-08.
- Independent audit reports for 2001-02 through 2005-06.
- Long term debt schedule.
- Any district 2007-08 multiyear projections outside of the SACS multiyear format (Excel for example).
- Any outside review or analysis or recommendations relative to the district's financial condition.
- Information on supplemental revenue sources, such as forest reserves, impact aid, parcel taxes, foundations, redevelopment funds, general obligation bonds etc. for fiscal years 2001-02 through 2007-08 plus the mandated cost dollars for 2006-07.
- 2006-07 actuals and 2007-08 projected general fund cash flow statements
- Current salary proposals, both district and bargaining unit(s)

- AB1200 impact of salary settlement disclosure for all groups
- Salary schedules and Scatter gram, all employee groups for 2006-07 and 2007-08
- Collective bargaining agreements, all employee groups
- Position control spreadsheet, district wide summary by fund, identifying FTE, and formatted by (fund, resource and object) unrestricted and restricted totals, if available
- District organizational chart, departmental organizational charts
- Historical and current enrollment, by school and grade level, with charters separated
- Enrollment projections for next five years
- Current fiscal year CBEDS, by school and grade level
- Staffing allocation formulas by fund, resource and grade level, if applicable, classified and certificated
- Data regarding inter and intra-district transfers for 2005-06, 2006-07 and 2007-08
- Data regarding residential housing starts
- Current student generation factor (SGF), if applicable
- P-1, P-2 and annual ADA reports for 2001-02 through 2006-07, include charters
- Historical and current enrollment, by charter and grade level
- Enrollment projections for next five years (if available) by charter
- Current fiscal year CBEDS, by charter and grade level
- Current and prior year audit reports
- 2006-07 Unaudited Actuals filed with CDE (SACS or alternative form)
- Actuarial report for health and welfare benefits, if required by GASB
- Actuarial report for Workers Compensation, if required by GASB
- History of health and welfare rates- prior six years
- Copy of district plan to address retiree benefits, if applicable
- Copy of golden handshake provisions including cost analysis, if applicable
- Copy of ballot language for general obligation bonds
- Copy of COPs or other financing mechanisms for facilities funding
- Annual developer fee justification report
- Developer fee facilities needs analysis report
- Facility master plan
- Facility cash flow – all capital projects funds
- List of surplus property
- Report reflecting redevelopment funds

FCMAT budget assumptions depict conservative economic factors and estimates as outlined by School Services of California in the Financial Dashboard produced January 2008 after the Governor's 2008-09 budget proposal. FCMAT's MYFP *does not include any increases for salary or increases in the district's contribution toward health and welfare benefits in the current or projection years because those costs are considered during local collective bargaining.* Included in the projection years are the average cost of step and column movement for all contracted salaries (1.5%), the stipulated agreement for the certificated bargaining unit because of a past lawsuit, and the associated cost of employer paid statutory benefits.

2007-08 General Fund

The following chart represents the unrestricted general fund with the assumptions listed in the next section

**General Fund/County School Service Fund
Unrestricted Resources Only
Revenues, Expenditures, and Changes in the Fund Balance**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Year 1 2008 - 09	Year 2 2009 - 10
Revenues					
Revenue Limit Sources	8010 - 8099	\$59,403,566.40	\$59,600,190.08	\$57,930,325.00	\$59,325,836.37
Federal Revenues	8100 - 8299	\$1,533,842.61	\$1,381,030.27	\$1,381,030.27	\$1,381,030.27
Other State Revenues	8300 - 8599	\$6,572,317.17	\$6,382,770.92	\$6,089,631.52	\$6,168,683.98
Other Local Revenues	8600 - 8799	\$1,692,694.25	\$1,506,807.81	\$1,523,257.81	\$1,540,847.41
Total Revenues		\$69,202,420.43	\$68,870,799.08	\$66,924,244.60	\$68,416,398.03
Expenditures					
Certificated Salaries	1000 - 1999	\$30,254,998.96	\$31,789,488.31	\$32,250,380.98	\$33,787,199.12
Classified Salaries	2000 - 2999	\$6,480,831.18	\$6,787,054.34	\$6,881,694.58	\$6,977,754.42
Employee Benefits	3000 - 3999	\$13,036,135.33	\$13,850,770.30	\$14,053,136.07	\$14,244,427.14
Books and Supplies	4000 - 4999	\$683,767.03	\$740,468.30	\$759,624.44	\$778,381.46
Services and Other Operating Expenditures	5000 - 5999	\$4,683,423.52	\$4,646,356.72	\$4,816,551.22	\$4,989,886.58
Capital Outlay	6000 - 6900	\$647,814.96	\$124,971.29	\$124,971.29	\$124,971.29
Other Outgo	7000 - 7299	\$1,771,456.83	\$75,462.00	\$79,189.82	\$81,565.51
Direct Support/Indirect Cost	7300 - 7399	(\$1,145,282.40)	(\$1,116,332.89)	(\$1,116,332.89)	(\$1,116,332.89)
Debt Service	7430 - 7439	\$250,568.85	\$97,730.00	\$85,413.00	\$72,696.00
Total Expenditures		\$56,663,714.26	\$56,995,968.37	\$57,934,628.51	\$59,940,548.63
Excess (Deficiency) of Revenues Over Expenditures		\$12,538,706.17	\$11,874,830.71	\$8,989,616.09	\$8,475,849.40
Other Financing Sources/Uses					
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00	\$0.00	\$0.00
Interfund Transfers Out	7600 - 7629	\$1,272,907.46	\$799,446.00	\$924,898.00	\$949,894.00
All Other Financing Sources	8930 - 8979	\$489,192.02	\$65,653.00	\$0.00	\$0.00
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00	\$0.00	\$0.00
Contributions	8980 - 8999	(\$9,724,663.51)	(\$11,516,534.30)	(\$12,048,938.64)	(\$12,380,755.05)
Total Other Financing Sources/Uses		(\$10,508,378.95)	(\$12,250,327.30)	(\$12,973,836.64)	(\$13,330,649.05)
Net Increase (Decrease) in Fund Balance		\$2,030,327.22	(\$375,496.59)	(\$3,984,220.55)	(\$4,854,799.65)
Fund Balance					
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$3,035,313.66	\$5,078,541.95	\$4,703,045.36	\$718,824.81
Audit Adjustments	9793	\$0.00	\$0.00	\$0.00	\$0.00
Other Restatements	9795	\$13,824.07	\$0.00	\$0.00	\$0.00
Adjusted Beginning Fund Balance		\$3,049,137.73	\$5,078,541.95	\$4,703,045.36	\$718,824.81
Ending Fund Balance		\$5,079,464.95	\$4,703,045.36	\$718,824.81	(\$4,135,974.84)
Components of Ending Fund Balance					
Reserved Balances	9700	\$0.00	\$0.00	\$0.00	\$0.00
Revolving Cash	9711	\$21,055.74	\$21,055.74	\$21,055.74	\$21,055.74
Stores	9712	\$0.00	\$0.00	\$0.00	\$0.00
Prepaid Expenditures	9713	\$0.00	\$0.00	\$0.00	\$0.00
Other Prepay	9719	\$0.00	\$0.00	\$0.00	\$0.00
General Reserve	9730	\$0.00	\$0.00	\$0.00	\$0.00
Legally Restricted Balance	9740 - 9759	\$0.00	\$0.00	\$0.00	\$0.00
Economic Uncertainties Percentage		3.00%	3.00%	3.00%	3.00%
Designated for Economic Uncertainties	9770	\$2,840,216.09	\$2,892,873.26	\$2,927,120.41	\$3,006,486.51
Designated for the Unrealized Gains of Investments and Cash in County Treasury	9775	\$0.00	\$0.00	\$0.00	\$0.00
Other Designated	9780	\$1,166,084.00	\$1,339,084.00	\$0.00	\$0.00
Undesignated/Unappropriated	9790	\$1,052,109.12	\$450,032.36	\$0.00	\$0.00
Negative Shortfall	9790	\$0.00	\$0.00	(\$2,229,351.34)	(\$7,163,517.09)

Multiyear Forecast Assumptions

FCMAT has focused attention on the unrestricted portion of the district's general fund budget, including the impact of general fund contributions to special education, transportation, and the 3% required ongoing and major maintenance contribution.

FCMAT's projection expended the district's restricted ending fund balance where appropriate in the future years and reduced supplies, services and equipment if necessary to remain within the projected revenue resources.

Revenue Limit Sources - Revenue limit sources make up the majority of the district's total general fund budgeted revenues. The revenue limit calculation is based on student ADA levels, COLA and deficit adjustments, and qualifying add or deduct amounts such as unemployment increases, PERS revenue limit adjustments and longer day, longer year amounts. Enrollment and ADA projections are based on an analysis of trends in student enrollment and ADA ratios, birth rates by zip code and changing enrollment levels over the past five years. FCMAT calculated the district's revenue limit for 2007-08 using the state budget information from the current 2007-08 School Services of California (SSC) Dartboard with a COLA of 4.53% and an estimated deficit of .5%, as the Governor's current proposal includes mid-year 2007-08 budget cuts of \$360 million. These will first come from unspent categorical programs, and any remainder by applying a deficit factor to the revenue limit. Since it is anticipated that the entire \$360 million will not be available in unspent categorical funds, it is expected that a .50% deficit will be necessary in the current year. In addition, the estimated statutory COLA of 4.94% was used for 2008-09 and 3.0% for 2009-10, with a deficit of 6.99% against those COLAs in both years. This is a net funded revenue limit charge of (2.40) % in 2008-09.

Federal Revenues – FCMAT continued to budget unrestricted federal revenues associated with federal impact aid because of military bases at the current 2007-08 level. Restricted federal revenues were decreased in future years by the 2007-08 carryover balances that are included in the 2007-08 revenue, but were otherwise budgeted at the same amount as in 2007-08, with the exception of Title 1, which was decreased by 4% each year.

State Revenues – State revenues have been adjusted by a (6.5) % deficit in 2008-09 and a 3% COLA in 2009-10. This includes special education revenues from state and local sources. FCMAT did not budget for mandated cost reimbursement claim funding because these revenues have not been included in the state's proposed budget or in the projection years. The School Services Dartboard was used for lottery rates in the current and projected fiscal years. Restricted state revenues were decreased in future years by the 2007-08 carryover balances that are included in the 2007-08 revenue accounts.

All 2007-08 onetime restricted revenues were eliminated from the projected years, and all other ongoing state revenues were increased by the anticipated COLA.

Local Revenues – Unrestricted interest increased in future years based on the 2007-08 School Services of California (SSC) Dartboard. Lease rentals are also included at the same amount for all projection years. If the leases are not renewed in 2008-09, the multiyear projection should be updated to reflect that change for 2009-10.

Expenditures

State and federal restricted expenditures were adjusted for the Consumer Price Index (CPI) and changes in student enrollment, in addition to being reduced for restricted ending balances and/or carryover that were included in the 2007-08 base year totals.

Certificated Salaries - Certificated salaries have been projected by including an annual 1.5% step-and-column adjustment with *no other adjustments* for salary enhancements other than the certificated stipulated agreements since those are determined through local negotiations. The projection years reflect the ongoing cost of the current contract.

Classified Salaries – Classified salaries have been projected with a 1.5% step-and-column adjustment. *No other adjustments* were included for salary enhancements since those are determined by local negotiations.

Employee Benefits - Employee benefits are the most difficult area of the budget to project. Double-digit inflation levels for both active and retiree health benefits and increases in other benefit categories must be considered carefully in the projection years. Changes to statutory benefits such as STRS, PERS, Social Security and Medicare are proportional to changes in salary accounts. FCMAT increased statutory benefits in proportion to certificated and classified salary changes and made *no increase* to the current level of employer paid health and welfare contributions in the projection years.

Books and Supplies - FCMAT adjusted the budget for materials and supplies using the CPI inflation factor from the SSC Dartboard.

Services and other Operating Expenditures - Outside contracts and utilities were increased by the projected CPI.

Capital Outlay - The equipment budget was not changed in subsequent years.

Other Outgo – The budget was increased by CPI in future years.

Direct Support/Indirect Costs – FCMAT used the same indirect cost rate as 2007-08 in subsequent years.

Other Financing Sources/Uses

Transfers Out - FCMAT has budgeted a transfer of \$550,000 in 2007-08, \$575,000 in 2008-09 and \$600,000 in 2009-10 for the self-insured liability fund. In addition, transfers of \$249,446 in 2007-08, \$349,898 in 2008-09 and \$349,894 in 2009-10 are budgeted in each year. These are to pay for the portion of the COP payment in the special reserve fund that is estimated not to be covered by interest earned on the amount.

Contributions to Restricted Programs - The district is projected to contribute to the following restricted resources in the current and subsequent years as in past years, but with an increase for each year: special education, transportation, and the required 3% contributions to the ongoing and major maintenance programs.

The following resources also encroach because of the rising cost of salaries and associated benefits in future years: Title 2, math and science; Title 5, assistance grants; Tobacco Use and Prevention; Art and Music Grant; Gifted and Talented Students; and SAIT corrective action. Although these resources do not encroach in 2007-08, the cost of salaries and benefits increase each year. If other budget categories such as books and supplies, services/other operating expense, cannot be decreased, encroachment will occur unless these categorical positions are eliminated or charged elsewhere.

Restricted Programs - Where possible, restricted programs were reduced in the following categories: books and supplies, services/other operating expense and capital outlay as necessary to maintain expenses at the expected revenue levels.

Net Increase/Decrease in Fund Balance - The difference in the 2006-07 budgeted unrestricted revenues and expenditures, taking into account the contributions to restricted programs, is a positive \$250,569.77, leaving a projected ending fund balance at a positive \$1,222,805.72.

Reserve Level - The FCMAT projection indicates that the district *will* be able to meet the 3% minimum required reserve level in fiscal years 2007-08, 2008-09 and 2009-10 based on the projections herewith. The district's required 3% reserve for economic uncertainties and additional 1% is in place, in addition to \$340,808 in a special designation for mandated cost and MAA revenues in 2006-07, which are not necessarily ongoing. A balance of \$206,891.52 remains in undesignated after these specific designations in 2006-07. There is a projected legally restricted balance of \$505,415.50 in restricted categorical funds in 2006-07, \$475,792.53 in 2007-08 and \$671,986.14 in 2008-09.

The specific assumptions included in FCMAT's Multiyear Financial Projection include the following:

2007-08

- Funded ADA: 10,512.28
- Revenue limit COLA: 4.53%
- Revenue limit Deficit: .5%
- California CPI: 3.2%
- Title I revenue reduced by 4%
- Eliminated any deferred revenue or carryover from 2006-07
- State categorical revenues increased by 4.53% COLA
- Transfer of 3% from the Developer Fee fund for administrative costs
- Continued with a 3% reserve
- Unrestricted lottery of \$121.00 per ADA
- Restricted lottery of \$22.00 per ADA
- Interest rate of 4.2%
- 1.5% for step and column movement for both certificated and classified
- Stipulated agreement included for the certificated lawsuit
- Use of the 2007-08 state approved indirect cost rate

2008-09

- Funded ADA: 10,502.00
- Revenue limit COLA: 4.94%
- Revenue limit deficit: 6.99%
- California CPI: 2.7%
- Restricted lottery of \$22.50 per ADA
- Unrestricted lottery of \$121.00 per ADA
- Interest rate of 4.10%
- Title I revenue reduced by 4%
- Eliminated any deferred revenue or carryover from 2007-08
- State categorical revenues decreased by (6.5)% COLA
- Transfer of 3% from the developer fee fund for administrative costs
- Continued with a 3% reserve
- 1.5% for step-and-column movement for both certificated and classified
- Stipulated agreement is not included for the certificated lawsuit as there is no projected state COLA once the deficit is applied
- Books and supplies (4000 objects) and services/operating (5000 objects) are increased each year by CPI
- Use of the 2007-08 state approved indirect cost rate
- Special education and transportation encroachment will continue to increase each year due to increasing expenditures within the programs
- No budget for mandated costs or MAA

2009-10

- Funded ADA: 10,498.90
- Revenue limit COLA: 3.0%
- Revenue limit deficit: 6.99%
- California CPI: 2.5%
- Restricted lottery of \$22.50 per ADA
- Unrestricted lottery of \$121.00 per ADA
- Interest rate of 4.80%
- 1.5% for step and column movement for both certificated and classified.
- Stipulated agreement included for the certificated lawsuit
- Books and supplies (4000 objects) and services/operating (5000 objects) are increased each year by CPI
- Use of the 2007-08 state approved indirect cost rate
- Special education and transportation encroachment will continue to increase each year due to increasing expenditures in the programs
- No budget for mandated costs or MAA
- Title I revenue reduced by 4%
- State categorical revenues increased by 3.0% COLA
- Transfer of 3% from the developer fee fund for administrative costs
- Continued with a 3% reserve

FCMAT projects revenue and expenditures based on trend data that includes a five-year average of district expenditures, including carryover. The district projects that all incoming revenue will be spent in the year it is received and therefore does not show carryover and deferred revenue in the subsequent year. The district's assumption that all budgeted expenditures will be spent is appropriate, however, this has not occurred in past years. In reviewing past years, the district's final actual expenditures are much less than the budget has shown during the year.

FCMAT's multiyear financial projection assumes that the district will continue to operate in the same manner with the ongoing costs currently in place. These include the costs of step-and-column adjustments, the stipulated agreement with the certificated bargaining unit, utilities and other ongoing expenditures such as encroachment from special education and transportation. This also assumes that the district will continue to carry over significant balances in some categorical programs just as in past years.

Various categorical programs in restricted resources are projected to have significant carryover balances in both 2008-09 and 2009-10. The projected carryover is based on the assumption that the district will continue to spend the funds at the same rate as in the past instead of spending all the funds in the year generated. Those funds include the following:

- Resource 6300, lottery, instructional materials
- Resource 6350, ROP
- Resource 6405, school safety and violence prevention
- Resource 6761, art and music supplies
- Resource 7090, economic impact aid
- Resource 7156, instructional materials realignment
- Resource 7393, Professional Development Block grant
- Resource 7394, Targeted Instructional Improvement Grant
- Resource 7395, School and Libraries Improvement Grant
- Resource 7396, Discretionary Block Grant, school sites
- Resource 7397, Discretionary Block grant, school district
- Resource 9010, other local

Both restricted carryover and deferred revenue should be discussed, and a plan developed to spend the balances. If such a plan were developed, costs currently charged to unrestricted general funds may be allowable charges to categorical funds, alleviating the unrestricted part of the budget. The district is working with School Services to review the categorical funds and provide recommendations on how they can be further expended. This will be of great assistance and may allow the district to better allocate expenditures as well as relieve part of the burden on the unrestricted part of the budget.

The 2008-09 budget proposal includes significant cuts to various categorical programs, which may cause encroachment in future years unless plans are made to decrease expenditures in those programs as well.

FCMAT's MYFP reflects that the district can maintain the 3% state required reserve in 2007-08, but will not be able to do so in either 2008-09 or 2009-10 based on the Governor's 2008-09 budget proposal. The proposal affects not only future years, but also affects 2007-08 with a proposed revenue limit deficit of .5%.

Recommendations

The district should:

1. Investigate the feasibility of utilizing the federal, mega-item and AB 825 block grant flexibility and other transfer options to their full extent in future budget cycles.
2. Include more detail with multiyear projections so that individual resources can be reviewed.
3. Make multiyear projections available to the Governing Board at budget adoption, at each interim report, during collective bargaining, and after bargaining concludes.

4. Prepare multiyear projections to provide sound data for use in the decision-making process, especially when a significant multiyear expenditure commitment is contemplated.
5. Review carryover and deferred revenue amounts. The district should also develop spending plans to expend past balances and to ensure that funds are spent in a timely manner.
6. Ensure that budget spending plans show what will occur rather than what should occur.
7. Continue to review and revise the 2007-08 budget based on actual transactions to better estimate the ending fund balance and develop the 2008-09 budget.
8. Discuss both restricted carryover and deferred revenue and develop a plan to spend the balances, potentially alleviating a portion of the unrestricted budget.

Categorical Funds

The district does not maximize its use of categorical funding based on large carryover balances from previous years. Whenever possible, restricted funds should be spent in the year earned and on the students generating the revenue. In addition, categorical funds must be integrated with the budget development process and monitored and used to the full extent.

Categorical program revenues, expenditures, and carryover should also be reviewed and evaluated in the same manner as unrestricted general fund revenues and expenditures. Categorical programs should help meet the district's goals and objectives. It is important to ensure that funds are specifically allotted to cover expenditures that are consistent with categorical funding guidelines and restrictions. The Superintendent, superintendent's cabinet and business office should establish procedures to ensure that categorical funds are used to meet district goals. Program guidelines must be followed to ensure that qualifying students receive the appropriate level of supplies and instructional support to achieve success.

The district should ensure that categorical, restricted resources pay for themselves, including paying for general fund overhead expenses, such as direct support, indirect costs, PERS revenue limit reduction, post retirement benefits and all other costs. Categorical funds should be charged their fair share of overhead costs. Overhead charges should be discussed at the board level so that there is an understanding of the charges for a district to implement categorical programs.

Categorical funds are meant to be expended in the same year the funds are generated, unless there is planned carryover for large future purchases. These types of exceptions should be approved by the Governing Board and Superintendent so that it is understood that saving restricted dollars is the exception rather than the rule. An example is when this type of carryover is used for instructional materials purchases since it often takes years of savings to purchase a new state textbook adoption.

Many districts carry over large balances in categorical funds and fail to utilize them. Because the ending fund balances of categorical funds are restricted, the balances do not help meet the three percent reserve level mandated by state-adopted criteria and standards. Both restricted carryover and deferred revenue should be discussed and a plan developed to spend the balances.

For illustrative purposes, FCMAT has included information on ending fund balances in restricted categorical programs going back to 2001-02. As the information reflects, for the past three years the district's ending fund balance amounts in these programs continues to grow.

Monterey Peninsula Unified School District

Six-Year History of Restricted - Ending Balances

Description	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Community Day School						14,513.01
Medi-Cal Billing Option	106,927.93	61,344.93	3,149.45	16,530.04	38,161.02	34,560.36
Other Federal		28,694.00	67,041.52			
Cal-SAFE -Support Services	27,297.52	33,368.61	7,652.01	1,456.84		20,983.21
Cal-SAFE Child Care and Development Services	63,727.98	53,434.62	27,791.18	6,960.51	232.51	8,700.85
School Facility Needs Assessment Grant					24,622.18	24,622.18
Program--Williams Case						
Certificated Staff Performance Incentive Bonus				153,000.00	17,646.93	
English Language Learners, Teacher Training &	208,196.98	176,421.67	48,569.91	90,172.76	63,933.68	115,947.08
Student Assistance						
English Language & Intensive Literacy Program	239,752.19	66,509.88				
(ELILP)						
Block Grant-School Classroom Libraries	57,814.00					
California Public School Library Act	376,428.57	103,755.89	28,613.83	8,820.42		
Lottery: Instructional Materials	189,673.24	476,761.27	600,975.14	753,180.60	963,007.37	1,153,055.19
ROC/P Apportionment	173,256.38	372,653.17	253,943.81	474,826.25	433,723.35	465,298.00
ROC/P Equipment	53,555.12					
Career Technical Education Equipment and						79,522.07
Supplies						
School Safety/Violence Prevention 8-12	135,748.75	136,748.12		125,907.09	191,611.52	105,870.82
Special Education, Infant	118,044.96	191,372.61	264,566.17	366,326.71	360,555.40	10,320.23
Arts and Music Block Grant						170,118.25
Art/Music/P.E. Supplies and Equipment						861,805.25
CAHSEE Intensive Instruction and Services						135,847.84
CAHSEE Individual Intervention Materials						10,298.00
Supplemental School Counseling Program						319,272.99
Economic Impact Aide						467,202.00
Economic Impact Aide-LEP			341,563.47	476,963.35	401,738.49	493,649.95
Digital High School TSST	64,250.43	3,996.91				
Gifted and Talented Education		601.57				389.22
Instructional Materials-Grades K-8	470,531.20	173,337.98				
Instructional Materials Realignment, IMFRP		155,131.71	148,308.41	603,730.68	970,169.48	450,693.21
(AB1781)						
Instructional Materials - Williams Case				224,077.60	185,271.87	193,196.91
Instructional Materials-Grades 9-12	91,511.13	46,000.22				
Standards-Based Instructional Materials	168,822.24					
Transportation-Home to School	155,069.56	392,293.21	150,246.34			
Transportation-Special Education (SH/OH)		0.01	5,180.00			
California Peer Assistance & Review Program	103,056.86	37,200.80	83,841.09	56,054.29	42,630.13	12,866.33
for Teachers (CPARP)						
Staff Development Math/Reading (AB466)		87,500.00	32,152.53		8,480.47	4,138.19
Staff Development: School Development Plans	29,950.27	10,212.97				
(SB1882)						
10th Grade Counseling	25,088.51	34,200.06	9,760.95	21,949.01		

Pupil Retention Block Grant					1,597.74	26,404.26
Professional Development Block Grant					230,021.07	383,068.55
Targeted Instructional Improvement Block Grant						418,320.00
School and Library Improvement Block Grant					143,741.68	205,622.77
Discretionary Block Grant -- School Site						466,397.61
Discretionary Block Grant -- School District						195,487.98
Instructional Materials, Library Materials and						26,949.52
Education Technology						
Restricted Maintenance	(14,473.99)		24,460.78			
Other Local	745,463.61	639,226.48	566,616.62	828,935.60	1,116,709.43	920,093.44
Total - Restricted Resources	\$3,589,693.44	\$3,280,766.69	\$2,664,433.21	\$4,208,891.75	\$5,283,854.32	\$7,795,215.27

Because categorical funds have a variety of compliance and accountability requirements, additional oversight and approval should be required prior to funds being spent. This is normally performed by the Assistant Superintendent of Instructional Services or a similar position. The partnership between business and instruction is essential to ensuring that categorical funds are spent correctly.

At the time of FCMAT’s visit, various administrators were assigned to oversee specific restricted/categorical programs. Two of the three positions were created within the last calendar year:

- Interim Director of Special Education
- Associate Superintendent of Program Improvement and Secondary Education
- Assistant Superintendent of Early Childhood and Elementary Education

These new positions were not in place for 2007-08 budget development and therefore did not benefit the budget development process. The district does not plan to use rollover budgeting for 2008-09 budget development. Instead, each program will be developed from scratch, with each position and expenditure reviewed individually.

One of the three administrators in charge of specific categorical programs should review and approve all purchase requisitions and purchase orders charged to specific categorical funds before they are authorized for processing or payment due to the many compliance and accountability requirements. This will ensure that program compliance and site plans are being followed. It cannot be assumed that site administrators are performing such reviews when approving transactions at their own sites, whether they are charged to unrestricted or restricted funding. Although all administrators who are responsible for budgets should be held accountable regardless of the source of funds, it is prudent to require an additional approval authority for categorical expenditures because of the specific and different allowable uses of funds.

Recommendations

The district should:

1. Ensure that the instructional department develops and monitors the district's categorical budget.
2. Estimate and budget for deferred revenues, carryover balances and their appropriate expenditures and include them in the adopted budget.
3. Develop and compare the consolidated application with actual revenues and expenditures to assist in monitoring and validating budgets.
4. Ensure that categorical, restricted resources pay for themselves, including paying for general fund overhead expenses, such as direct support, indirect costs, PERS revenue limit reduction, post retirement benefits and all other costs.
5. Oversee categorical program accounting to ensure compliance by reviewing all personnel and purchase requisitions that are charged to categorical programs. The district should set up the financial system so that the program manager's signature is required before any purchase order is produced for categorical funds because of the many specific guidelines associated with the funds.
6. Establish and adhere to priorities for the use of categorical funds. Develop plans to expend carryover funds, recognizing that these funds are not recurring.
7. Develop plans for the categorical funds the district expects to receive. Ensure that all expenditure plans are consistent with categorical funding guidelines and restrictions.
8. Encourage schools to use restricted funds first whenever an item or program can be legitimately funded from either restricted or unrestricted funds. This is because restricted funds are allocated for students in the year they are received.
9. Aggressively evaluate categorical carryover to ensure that departments and sites use available dollars effectively. Use the funds to respond to district needs in the year they are allocated. From February to June, provide the Superintendent with a monthly report so that it can be determined whether the funds can be redirected to reduce carryover and unused balances in other financial areas.
10. Include the review of categorical program supervision, delivery and expenditures in the evaluation of managers responsible for these funds.

Budget Revision Processes

The district adopts its annual budget within the statutory time lines established by Education Code Section 42103. These provisions require the Governing Board to hold a public hearing on the budget to be adopted for the subsequent fiscal year on or before July 1. At least five days after that adoption or by July 1, whichever occurs first, the Governing Board is required to file the budget with the Monterey County Superintendent of Schools.

Revisions to expenditures based on the state budget are considered and adopted by the Governing Board. At least 45 days after the Governor signs the annual Budget Act, the district is required to make available for public review any revisions in revenues and expenditures made to its budget to reflect funding available by the Budget Act. The law requires the amounts budgeted in each major expenditure category to be the maximum amount that can be expended under each of these classifications. During the fiscal year, budgets should be monitored to ensure that appropriations are not overspent and that revenues received or expenditures made are not different than expected. Revisions to major expenditure classifications are subject to board approval per Education Code section 42600.

All purchase orders should be properly encumbered against the budget until payment is made. At the time of FCMAT's review, some budgets exceeded allocations at the object level. This demonstrates that the financial system allows purchase orders and/or expenditures to be processed even if sufficient funds are not available. While there may be sufficient budget upon review of all expenditure budgets, allowing overexpenditures in one area distorts balances by resource. This reduces the overall budget category in a nonspecific way, making it unclear why the reduction is occurring. If adequate funds are not available or the budget code is invalid, the financial system should be modified to prevent the purchase order from being finalized until an actual budget revision occurs.

When purchase orders are created in the financial system, funds are encumbered until a payment is made or the order is cancelled. The purchasing system is integrated with the budget and accounting modules. If adequate funds are not available or the budget code is invalid, the financial system should be hard coded as previously discussed. Hard coding cannot occur for salary accounts because paying salaries is a legal obligation whether there is a budget or not, so the system has to be set up to regularly monitor these accounts.

Although budget revisions are submitted to the Governing Board at specific times during the year, the revisions include little detail and do not conform to acceptable standards. Specifically, there is no explanation of the changes made and the reason they occurred. These revisions should also be submitted to the board more frequently. Many school boards establish a policy specifying how often budget revisions should be received and the level of detail required.

Some school districts present budget revisions to the board with interim reports and some present revisions more frequently, such as monthly. This is especially important for adjustments that significantly affect the ending fund balance or other key aspects of the budget. Governing boards can establish policy regarding how often revisions are presented.

Many budget revisions are made during the fiscal year as additional information develops and is validated. Revisions normally fall into the following three main categories:

- Increases to both estimated income and appropriations because of the receipt of new grant awards or donations
- Budgeting of carryover balances from prior years
- Increases in expenditure appropriations to prevent budget overruns

Board Policy 3100(a), approved November 11, 2006 titled “Budget” states as follows:

“Whenever revenues and expenditures change significantly throughout the year, the Superintendent or designee shall recommend budget amendments to ensure accurate projections of the district’s net ending balance. When final figures for the prior-year budget are available, this information shall be used as soon as possible to update the current budget’s beginning balance and projected revenues and expenditures. In addition, budget amendments shall be submitted for Board approval when the state budget is adopted, collective bargaining agreements are accepted, district income declines, increased revenue or unanticipated savings are made available to the district, program proposals are significantly different from those approved during budget adoption, and/or other significant changes occur that impact budget projections.”

A review of district records and items submitted to the board for approval found that specific budget revisions are not included with board agendas throughout the year. A 45-day revision appears in most years, showing the budget was updated within 45 days after the Governor approved the state budget. However, the revision shows the differences in major object category between the adopted and the 45-day version without providing explanation at the object or resource level. The detail reflects adjustments by the full accounting string, but there are no subtotals or descriptions of what the numbers in the accounting string mean. It is advisable to include additional information on the reason that adjustments are necessary, especially since many are significant. For interim reports (December and March), it appears that the updated budget served as a budget revision, even though the board report does not specifically indicate that this occurred. If the interim report serves as a budget revision, the board policy should specifically state that this is the case and provide additional detail.

The district's scheduling of revisions at the 45-day and interim reporting periods is an acceptable and common practice statewide, but the lack of detail about the revision is neither acceptable nor standard. The district's board policies do not specify how often revisions should be presented or their level of detail. Current board policy should be revised to include those specifications.

Detailed budget reports do not show that budget transfers were made routinely, other than the statutory times listed. Discretionary budgets list many negative objects by site and program, making it difficult to monitor spending within these budgets.

To keep the board and stakeholders apprised of the budget's status, the district should consider submitting budget revisions to the board for approval at the following times:

- Forty-five days after the Governor signs the state budget
- When carryover and deferred revenue are added, no later than October 1
- At first interim (December)
- At second interim (March)
- In May in preparation for closing
- In June to assess where the budget will be at closing
- Whenever the ending fund balance is affected
- Whenever transfers between funds occur

The board should determine through policy whether budget revisions will be ratified via the consent calendar or approved via board action.

The following is a recommended format/detail for budget revisions that are submitted to the board for approval:

Fund Description and Budget Update

This includes a narrative describing each fund's legal use, with additional information specific to the district relating to that fund. Information is also included on when the budget was last revised and any increases or decreases to the fund that have occurred since the last board-approved budget revision.

Budget Status

For each fund, the following is provided:

- The summary by major object code of the 2007-08 adopted budget, adopted by the Governing Board June 2007.
- The revised operating budget, including all changes since the budget was adopted.
- Financial information to date, including all revenues received, bills paid, or transfers made through the current reporting period.

- The encumbered transactions, which are purchase commitments based on approved purchase requisitions, purchase orders or contracts.
- The balance of the revised operating budget, with the available balance after deducting the actual and encumbered transactions from the operating budget.
- The percentage of the operating budget used through the current reporting period.

Budget Revisions

Information is provided by resource, identifying any material changes to the budget since the last budget revision.

When actual budget revisions are not submitted for approval, the Governing Board should be provided with monthly budget transfer reports, including explanations on changes between major object codes. This will help keep the board apprised of the district's budget and financial status.

Recommendations

The district should:

1. Prevent the financial system from processing a purchase requisition, purchase order or vendor payment until a budget revision occurs when adequate funds are not available or the budget code is not valid.
2. Revise current board policy to state how often budget revisions should be submitted to the board for approval.
3. Revise current board policy to include mandatory detail in budget revisions submitted to the board for approval.
4. Provide monthly budget reports to the board explaining changes between major object codes in the months that budget revisions are not presented for approval.

Instructional Material Funds

A review of categorical restricted funding found that a large amount of carryover is attributed to funding specific to instructional materials. Because several interviews included questions about instructional materials, FCMAT felt it important to include information about this funding.

Local educational agencies (school districts, charter schools, and county offices of education) have the authority and responsibility to conduct their own evaluation of instructional materials and adopt those that best meet the needs of their students. Some local educational agencies (LEAs) conduct adoptions on an agencywide basis; others delegate authority to individual school sites to select their own materials. However, all instructional materials used in California public schools must comply with Education Code sections 60040-60045 and 60048.

LEAs and schools are encouraged to use content standards, curriculum frameworks, State Board of Education (SBE) -adopted evaluation criteria, and reports on each adoption as resources when making their own decisions. Although the state evaluation criteria are developed for kindergarten through grade eight state adoptions, these criteria may also be useful in the design of evaluation criteria for high schools.

In addition to the previous guidelines, Assembly Bill 1781 added Chapter 3.25, sections 60420-60424, to the Education Code to implement the new Instructional Materials Funding Realignment Program (IMFRP). Assembly Bill 1781 provides for the following:

“Districts must use funds to ‘ensure that each pupil is provided with a standards-aligned textbook or basic instructional materials, as adopted by the SBE subsequent to the adoption of content standards pursuant to Section 60605 for kindergarten and grades 1 to 8, inclusive, or as adopted by the local governing board pursuant to Sections 60400 and 60411, for grades 9 to 12, inclusive.’” (Section 60422 [a]) “Pupils shall be provided with standards-aligned textbooks or instructional materials by the beginning of the first school term that commences no later than 24 months after those materials were adopted by the SBE.” (Section 60422 [a])

Once a Governing Board certifies that each pupil has been provided with a standards-aligned textbook or basic instructional materials in the “core curriculum areas of reading/language arts, mathematics, science, and history/social sciences,” and if the Governing Board has “met the eligibility requirements of Section 60119” by holding a hearing and adopting a resolution on the sufficiency of instructional materials, the remaining funds may be used for other stated purposes as listed in Section 60242 (a). (Section 60422 [b])

The other stated purposes listed in Section 60242 (a) include the use of funds to purchase instructional materials adopted by the SBE for kindergarten through grade eight, or by the Governing Board for grades nine through 12 for other subject areas.

- To purchase, “at the district’s discretion, instructional materials, including, but not limited to, supplementary instructional materials and technology-based materials, from any source.”
- To purchase tests.
- To purchase classroom library materials for kindergarten through grade four.
- To bind textbooks.
- To fund in-service training related to instructional materials.

The schedule for curriculum development and adoption of instructional materials is as follows. This information was taken directly from the California Department of Education’s (CDE’s) Web site.

**Schedule for Curriculum Framework Development, Kindergarten through Grade Twelve and Adoption of Instructional Materials, Kindergarten through Grade Eight
Reflecting action of the State Board of Education on March 7, 2007**

Calendar Year		05	06	07	08	09	10	11	12	13	14	15	16	17
Academic content standards and SBE adopted instructional materials	History-Social Science	A				Fc		A				Fc		A
	Science		A				Fc		A				Fc	
	Mathematics	Fc		A				Fc		A				Fc
	Reading/Language Arts/ELD		Fc		A				Fc		A			
Content standards and SBE adopted instructional materials	Visual & Performing Arts		A						Fc		A			
SBE adopted instructional materials, will have content standards	Foreign Language					SFc		A						
SBE adopted instructional materials, will have content standards	Health					S	Fc		A					
SBE adopted model content standards, no SBE adopted instructional materials	Physical Education	S			F							F		

A = Primary Adoption
c = Evaluation Criteria
F = Framework
ELD = English Language Development
S = Standards to be adopted by SBE
SBE = State Board of Education

Education Code (EC) Section 60119 requires the Governing Board of a school district to hold an annual public hearing to determine whether the district has sufficient standards-aligned textbooks and instructional materials. Several requirements for the public hearing have changed over the last two years.

EC Section 60119 requires that each governing board must do the following:

- Hold a public hearing on or before the end of the eighth week from the first day pupils attend classes. For multitrack year-round schools, the requirement refers to the end of the eighth week from the first day that pupils attend classes in a track that begins in August or September.
- Determine at the hearing whether “... each pupil in each school in the district has sufficient textbooks or instructional materials or both ...” This is defined as each pupil, including English-language learners, having a “standards-aligned textbook or instructional materials, or both, to use in class and to take home.” The language does not require two sets of textbooks or instructional materials for each pupil regardless of whether homework is assigned. The use of class sets of instructional materials is insufficient. The requirement for sufficient textbooks may not be satisfied by photocopied sheets from a portion of a textbook or by instructional materials photocopied in response to a shortage.
- Determine whether each pupil enrolled in a foreign language or health course has sufficient standards-aligned textbooks or instructional materials.
- Determine whether laboratory science equipment is available to students in grades 9-12 enrolled in science laboratory courses.
- Adopt a resolution stating whether textbooks and instructional materials are sufficient.
- Disclose the percentage of pupils in each school who lack sufficient standards-aligned materials to the public and to classroom teachers, if an insufficiency exists, and the reasons for the insufficiency.
- Remedy any insufficiency identified at the hearing within two months of the beginning of the school year. The action cannot be one that would require reimbursement by the Commission on State Mandates. (Previously, districts were allowed two years to correct any deficiency.)

- Notice of the hearing must be posted at least 10 days in advance in at least three public places in the district. The notice must state the time, place, and purpose of the hearing. The hearing may not be held during or immediately following school hours.
- Governing boards must encourage participation in the hearing by parents, teachers, members of the community, and bargaining unit leaders.

The most significant change requires the Governing Board of every school district to hold the public hearing on or before the end of the eighth week from the first day pupils attend classes. This requirement applies to all districts, not just districts with decile 1 to 3 schools that are subject to the provisions of the Williams Settlement.

Failure to follow requirements can result in the loss of 2006-07 State Instructional Materials funding. A district's compliance with EC Section 60119 is now subject to verification by the district's auditors. The finding of an audit exception can affect a district's receipt of funding.

It is important that all school districts hold their hearings early and not wait until the eighth week of school because, if insufficiencies exist, a school district will have very little time to remedy the insufficiencies identified at the hearing.

Governing boards are also required to certify compliance with all regulations regarding instructional materials per EC Section 60421(a) and California Code of Regulations Title 5, Section 9531(a). The Governing Board may schedule this certification in conjunction with the annual public hearing required for instructional materials. The certification must be kept on file for auditing purposes and must be renewed each time there is a new primary state adoption of standards-aligned instructional materials for grades K-8 in history/social science, mathematics, reading/language arts, and science. The certification for grades 9-12 must be renewed following local Governing Board adoption of standards-aligned instructional materials in any of the above subject areas.

“Instructional materials” is defined in Education Code Section 60010(h) as “all materials that are designed for use by pupils and their teachers as a learning resource and help pupils to acquire facts, skills, or opinions or to develop cognitive processes. Instructional materials may be printed or nonprinted, and may include textbooks, technology-based materials, other educational materials, and tests.” Education Code Section 60010(m) further defines “technology-based materials” as “those basic or supplemental instructional materials that are designed for use by pupils and teachers as learning resources and that require the availability of electronic equipment in order to be used as a learning resource. Technology-based materials include, but are not limited to, software programs, video disks, compact disks, optical disks, video and audio tapes, lesson plans, and data bases.”

Meetings with employee union groups surfaced comments about the large amount of carryover in instructional material funds. Based on district records, 2006-07 carryover was composed of the following:

- | | |
|--|-------------|
| • Lottery, Proposition 20, Resource 6300 | \$1,153,055 |
| • Instructional Materials Funding, Resource 7156 | \$450,693 |
| • Instructional Materials, Williams, Resource 7158 | \$193,197 |

FCMAT discussed with the district administration the district's textbook adoptions during the past few years as well as plans for the next few years. The district utilized the calendar when implementing adoptions, purchased textbooks for K-12 social studies in 2005-06 and began science adoption for the middle and high school levels in 2006-07. Science textbooks for K-5 will continue to be adopted during the current year, 2007-08. That year, the district is also beginning K-12 math textbook adoption, which will not be complete until the fall of 2009. The adoption process for English-language arts in grades K-12 will begin in the winter of 2009 and be complete in 2010. District calculations estimate that there will be insufficient funds for any other purposes than adoptions. The district plans to stay within the state guidelines for all adoptions cycles and use these funds only on adopted textbooks.

All sites have confirmed annually with the district office that they have sufficient textbooks. Replacement textbooks are ordered each year when needed, as well as additional textbooks when growth occurs in specific grade levels.

Along with specific state funding for textbooks under the Williams Act and instructional materials realignment fund, a portion of lottery funding is also to be used specifically in this area. As amended by Proposition 20 (March, 2000 ballot initiative), Government Code section 8880.4 provides that 50% of statewide increases in lottery revenues for education over the 1997-98 base fiscal year be allocated to districts for the purchase of instructional materials. Because the proposition does not define "instructional materials," the CDE has determined that the definition specified in Education Code section 60010 is applicable. In addition, Education Code section 60119, which requires boards to hold a hearing upon receipt of funds for instructional materials from any state source, also applies to Proposition 20 funds.

"Instructional materials" means all materials that are designed for use by students and their teachers as a learning resource to help students acquire facts, skills, or opinions or to develop cognitive processes. Instructional materials may be printed or nonprinted, and may include textbooks, technology-based materials, other educational materials and tests.

Government Code section 8880.5 states that lottery funds are to be used for the education of students and not for the acquisition of real estate, construction of school facilities, financing of research or any other "non-instructional purpose," such as those related to school maintenance, business and administrative operations.

The district has established a separate account for the receipt and distribution of lottery funds, as required by Government Code 8880.5. This account is Resource 6300 in the financial records.

Recommendations

The district should:

1. Ensure that the districts' stakeholders understand the textbook adoption cycle and the reason carryover balances exist in instructional materials funds.
2. Hold an annual public hearing on or before the end of the eighth week from the first day pupils attend classes to determine whether the district has sufficient standards-aligned textbooks and instructional materials.
3. Determine at the hearing whether "... each pupil in each school in the district has sufficient textbooks or instructional materials or both."
4. Determine whether each pupil enrolled in a foreign language or health course has sufficient standards-aligned textbooks or instructional materials.
5. Determine whether laboratory science equipment is available to students in grades 9-12 enrolled in science laboratory courses.
6. Adopt a resolution stating whether textbooks and instructional materials are sufficient.
7. Disclose the percentage of pupils in each school who lack sufficient standards-aligned materials. If an insufficiency exists, this disclosure should be made to the public and classroom teachers along with the reasons for the insufficiency.
8. Remedy any insufficiency identified at the hearing within two months of the beginning of the school year. This action cannot require reimbursement by the Commission on State Mandates. (Previously, districts were allowed two years to correct any deficiency.)
9. Ensure that notice of the hearing is posted at least 10 days in advance in at least three public places in the district. The notice must state the time, place, and purpose of the hearing. The hearing may not be held during or immediately following school hours.
10. Encourage participation in the hearing by parents, teachers, members of the community, and bargaining unit leaders.

11. Certify compliance with all regulations regarding instructional materials per EC Section 60421(a) and California Code of Regulations Title 5, Section 9531(a). The Governing Board may schedule this certification in conjunction with the annual public hearing required for instructional materials. The certification must be kept on file for auditing purposes and must be renewed each time there is a new primary state adoption of standards-aligned instructional materials for grades K-8 in history/social science, mathematics, reading/language arts, and science. The certification for grades 9-12 must be renewed following local Governing Board adoption of standards-aligned instructional materials in any of the previously mentioned subject areas.

Categorical Education Block Grant

Assembly Bill 825 (Chapter 871, Statutes of 2004) placed 26 different categorical programs in six specific block grants including one competitive grant program. They are as follows:

- Pupil Retention Block Grant
- School Safety Consolidated Competitive Grant
- Teacher Credentialing Block Grant
- Professional Development Block Grant
- Targeted Instructional Improvement Block Grant
- School and Library Improvement Block Grant

Prior to being included in the block grants, the 26 programs were governed by their own unique provisions of law. AB 825, however, repealed almost all of these laws and instead specified that block grant funds can be used for “any purpose authorized by the programs” as the statutes governing them read on January 1, 2004, providing increased flexibility to local educational agencies (LEAs) as well as consolidating funding sources.

Education Code Section 41500, added by AB 825, provides for the transfer of funds from the following four (of the six) block grants, with limitations:

- School Safety Consolidated Competitive Grant
- Professional Development Block Grant
- Targeted Instructional Improvement Block Grant
- School and Library Improvement Block Grant

Up to 15 percent of the amount allocated during any fiscal year to one of the these four block grants can be transferred to any other program for which LEAs are eligible for funding, including programs whose funding is not part of a block grant. The total funding expended for a program to which funds are transferred may not exceed 120 percent of the amount of state funding allocated for that program or block grant in the fiscal year.

Prior to expenditure of transferred funds, the governing boards of LEAs are required to hold a public meeting to discuss the expenditure. Funds may not be transferred from the Pupil Retention Block Grant and the Teacher Credentialing Block Grant, but fines may be transferred to these two grants.

With the exception of the School Safety Consolidated Competitive Grant, AB 825 requires that each block grant receive annual statewide growth and inflation based on the cost-of-living adjustment (COLA) for district base revenue limits. AB 825 provides that each LEA eligible to receive block grant funds also receives annual adjustments for statewide growth and COLA.

AB 825 repeals all but the Continuation High School and Beginning Teacher Support and Assessment Program statutes associated with the programs in the block grants. In addition, the Education Code sections governing each block grant specify that LEAs may use block grant funds for any purpose authorized by the programs included in the block grants. For programs where the associated statutes have been repealed, it is the CDE's interpretation that funds may be spent on the purpose of a program, but recipients are not required to adhere to past program requirements for each individual program, such as reporting or specific program delivery models. For example, an LEA receiving funds for a block grant may choose to establish a hybrid program to combine the purposes of more than one program in a block grant. Alternatively, nothing prevents an LEA from operating a program that closely resembles the program as it existed prior to the enactment of AB 825. Consistent with the CDE's existing indirect cost rate guidance, the grants may be charged for indirect costs provided the amount charged does not exceed the LEA's approved indirect cost rate.

A review of 2006-07 actuals and 2007-08 budget information found that the district participates in categorical education block grant transfers. The district will need to ensure that the appropriate amount is being transferred, especially as the year proceeds, and revenue estimates are finalized. The review found that these transfers are recorded in object code 8995, rather than object code 8998, categorical flexibility transfers. The object code should be corrected to comply with CDE guidelines.

Recommendations

The district should:

1. Utilize the 825 block grant flexibility to maximize categorical programs.
2. Ensure that the appropriate amount is being transferred from the four eligible block grants.
3. Adjust the object code used for the grant transfers. Object code 8998 should be used and not 8995 as is currently the case.
4. Discuss expenditures from transferred funds at a public board meeting before they occur. The district should also ensure that funds are not transferred from the Pupil Retention Block Grant and the Teacher Credentialing Block Grant, however, funds may be transferred to these two grants.

Targeted Instructional Improvement Block Grant

School districts are eligible for funding from the Targeted Instructional Improvement Block Grant if they received funding in 2003-04 from either Targeted Instructional Improvement Grants or Supplemental Grants. Because Monterey Peninsula Unified did receive prior supplemental grants, the district continues to receive funding via the Targeted Instructional Improvement Block Grant (TIIG).

The purposes of this program are to fund the costs of any court-ordered desegregation program and any voluntary desegregation program, and provide instructional improvement for the lowest achieving pupils in the district. Districts are first required to satisfy the cost of desegregation programs that fall under active court orders before expending Targeted Instructional Improvement Block Grant funds on any other purpose. Because the district does not have any desegregation programs under active court orders, this is not a requirement for spending these funds.

Monterey Peninsula Unified is able to supplement the funding of approximately two dozen categorical programs listed in the supplemental grant statutes. Those programs are listed below. Districts must follow the statutory rules of the program when expending block grant funds from a program's resource code.

- California Peer Assistance and Review Program for Teachers, successor to Mentor Teacher Program (Resource Code 7271)
- Agricultural Vocational Education (Resource Code 7010)
- Child Nutrition (Resource Code 5310)
- Economic Impact Aid (Resource Codes 7090 and 7091)
- Educational Technology Program (Resource Code 7110)
- Environmental Education (Resource Code 7135)
- Foster Youth Services (Resource Code 7365)
- Gifted and Talented Education (Resource Code 7140)
- Home-to-School Transportation, excluding Special Education Transportation (Resource Code 7230)
- Instructional Materials Realignment (Resource Code 7156)
- Native American Indian Education (Resource Code 7015)
- Partnership Academies (Resource Code 7220)
- Reader Services for Blind Teachers (Resource Code 7295)
- Vocational Education Pupil Organizations (Resource Code 7360)
- Small School District Bus Replacement (Resource Code 7235)
- Specialized Secondary Schools (Resource Code 7370)

In 2006-07, expenditures of \$47,019 for salaries and benefits occurred in the TIIG program, leaving a significant ending balance of \$418,320. In addition, staff members indicated that the salaries and benefits were for class size reduction personnel, although class size reduction is not one of the allowable programs to use TIIG funds.

Recommendations

The district should:

1. Utilize the TIIG block grant funds as allowed by statute.
2. Ensure that whenever possible, the funds are used by the students generating them. Having large carryover balances should not continue.

Title II Funding for Teacher Quality

The purpose of Title II, Part A is to increase the academic achievement of all students by helping schools and districts to perform the following:

- Improve teacher and principal quality through professional development and other activities, including reduced class sizes.
- Ensure all teachers are highly qualified.

The Title II, Part A funding combined the Eisenhower Professional Development Grant and federal Class-Size Reduction programs into one program that focuses on preparing, training, and recruiting high-quality teachers. This program provides LEAs with increased flexibility to allocate funds among professional development, class-size reduction, and other teacher quality activities. Funds should be used for purposes based on comprehensive collaborative needs assessment that involves teachers, paraprofessionals, principals, parents, and other relevant school personnel. Allowable uses include teacher and principal recruitment and retention initiatives, signing bonuses and other financial incentives, teacher and principal mentoring, reforming tenure systems, merit pay, pay differentiation initiatives, and reduced class sizes.

Although there were concerns that the funds were being used incorrectly in class size reduction programs, it is allowable to use these funds for class size reduction at both the K-3 and ninth grade levels.

Recommendation

The district should:

1. Continue to utilize the Title II funds as allowed by statute.

Mega-Item Flexibility

The California Legislature created the mega-item in the early 1990s to “protect” funding for a number of categorical programs. This change grouped a number of programs into one funding item that provided some flexibility to transfer funds between programs, but also made it impossible for funding to be reduced for one program without affecting the associated programs. The list of programs included in the mega-item was largely a strategic decision that included programs popular in urban areas, such as Economic Impact Aid; programs favored in suburban areas, such as Gifted and Talented Education; and a few with statewide appeal, such as home-to-school transportation.

Mega-item has changed substantially since it first began. In 2001-02, 34 state categorical programs were included in the mega-item compared to 14 in 2006-07. In addition, the flexibility allowance has been reduced from 20% out/25% in to 10% out/15% in. The programs eligible for mega-item transfers included the following:

- Resource 7010, Agricultural Vocational Education Incentive Grants (EC 52460).
- Resource 7015, California American Indian Early Childhood Education (EC 52060)
- Resource 5310, Child Nutrition (EC 41311/49501/49536/49550/49552).
- Resource 7140, Gifted and Talented Education (GATE) (EC 52200).
- Resource 7125, Educational Technology (EC 51870).
- Resource 7370, Specialized Secondary Programs (EC 58800).
- Resource 7271, Peer Assistance and Review (EC 44500).
- Resource 7275, Bilingual Teacher Training Program (EC 52180).
- Resource 7282, Reader Services for Blind Teachers (EC 45371/44925).
- Resource 0000, Teacher Dismissal Apportionments (EC 44944).
- Resource 7230, Home to School Transportation (EC 41850).
- Resource 7235, Small School District Bus Replacement (EC 42290).
- Resource 7240, Special Education Transportation (EC 41851.5).
- Resource 7380, Year-Round Education Grants (EC 42260)

The mega-item’s composition has changed significantly with the removal of all programs that are now included in the AB 825 block grants. This notably includes the School Improvement Program, dropout prevention, Targeted Instructional Improvement, 10th grade counseling, and opportunity classes. However, the mega-item flexibility is now in addition to the flexibility provided by AB 825 block grants. Another change is that starting in 2006-07; Economic Impact Aid (EIA) is no longer included in the programs with transfer out capability. Both EIA, resource code 7090 and 7091, and Foster Youth Services, resource codes 7365 and 7366, allow transfers in from mega-item programs.

Once money is transferred from one program to another, the dollars fall under the rules of the new program. The mega-item can be a useful budgeting tool to the extent that it allows an LEA to reduce general fund encroachment and/or move dollars from resource

to resource, the transfers allowed by the mega-item do not happen by themselves. CDE has tracked use of the mega-item over the past years and found that fewer than one-quarter of LEAs take advantage of mega-item flexibility. In 2004-05, just 235 LEAs reported making such a transfer.

Based on reports for 2006-07 actuals and 2007-08 budget, the district does not use the flexibility transfers option. The district should take advantage of this flexibility since it could reduce encroachment in transportation and/or assist in other programs. Because there is carryover in many of the programs where flexibility can occur, the district is failing to take advantage of a valuable opportunity.

Recommendations

The district should:

1. Utilize mega-item transfer flexibility to maximize categorical programs.
2. Review all categorical programs where flexibility transfers can occur and develop a plan to utilize this option either to reduce encroachment (such as in transportation) or to add additional funds to programs where enhancement is needed.

Developer Fees

Developer fees are a method to finance facilities. Governing boards may establish, levy and collect developer fees on residential, commercial and industrial construction in the district, subject to restrictions specified by law and administrative regulation, to finance the construction or reconstruction of school facilities needed to accommodate students coming from new development. The district currently assesses level one fees of \$2.63 per square foot for residential projects and 42 cents per square foot for commercial projects.

To levy or increase developer fees, Government Code section 66001 requires districts to develop a fee justification study that justifies the amount. The State Allocation Board establishes developer fee rates, and the rates increase every two years. To increase rates, the Government Code requires districts to update their fee justification studies and meet notice and hearing requirements. Education Code section 17622 requires separate, special findings when levying fees on spaces enclosed for agricultural purposes.

Before taking action to establish, increase or impose developer fees, the Governing Board must conduct a fee justification study that does the following:

1. Identifies the purpose of the fee and how it will be used.
2. Determines a reasonable relationship between the fee use and the type of development project that necessitated the imposition of the fee.
3. Determines a reasonable relationship between the need for the public facility and the type of development project that necessitated the imposition of the fee.
4. Determines a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributed to the development that necessitated the imposition of the fee.

Level One Fees

The Governing Board is required to schedule a public hearing before levying developer fees or increasing an existing fee. The Superintendent or designee is required to mail the notice of the time and place of the meeting, including a general explanation of the matter to be considered and a statement that the required data are available, at least 14 days before the meeting to any interested party who has requested this information. Any written request remains valid for a year from the date it is filed unless a renewal request is filed.

Renewal requests for mailed notices must be filed on or before April 1 each year. The district may charge a fee reasonably related to the cost of providing these materials.

Information on the anticipated amount of fees, other available funds and funding sources, and the estimated cost of planning, land acquisition and school construction must be made available to the public at least 10 days before the hearing.

At the hearing, the board is required to adopt a resolution for levying the developer fees that includes the following information:

1. The purpose of the fee and the public improvement(s) that the fee will be used to finance.
2. The board's findings of reasonable relationship that justify the fees.
3. To collect fees earlier than the date of final inspection or the issuance of a certificate of occupancy, the district must determine either of the following conditions:
 - a. That the fees are to reimburse the district for previous expenditures.
 - b. That the fees shall be collected for public improvements or facilities with an established account, funds have been appropriated, and the district has adopted a proposed construction schedule or plan.

Level Two Fees

Government Code section 65995.5 allows the board to impose a fee on residential construction that is higher than the level one fee limit established in the Government Code if the district is eligible under Education Code 17071.10 to 17078.10, and a timely application is made to the State Allocation Board. The Government Code requires the district to adopt a facility needs analysis and satisfy the cost-saving/revenue-enhancing measures described in that section. The code states that developer fees may be expended on the costs of performing the needs analysis as well as administrative costs for fee collection. Monterey Peninsula Unified does not collect level two fees.

To impose residential construction fees higher than the level one fee limit, the board must perform the following:

1. Make a timely application to the State Allocation Board for new construction funding for which it is eligible.
2. Conduct and adopt a school facility needs analysis.
3. Satisfy at least two of the requirements established in Government Code section 65995.5 (b) (3) (A-D).

At least 45 days before completing the school facility needs analysis, the board is required to notify the planning commission or agency of the city or county with land use jurisdiction in the district and provide copies of the document to this entity. If either party requests it, the board and city or county must meet within 15 days following notification.

The board is required to adopt the school facility needs analysis by resolution at a public hearing. Adoption cannot occur until the document has been made available to the public in its final form for at least 30 days. Before it is adopted, the public must be provided with the opportunity to review and comment on the analysis, and the board must respond to any written comments. (Government Code section 65995.6)

During the public review period, the district also is required to provide the analysis to the local agency responsible for land use planning for its review and comment.

At least 30 days before the hearing, the district must publish notice of its scheduled time and place, including the location and procedure for viewing or requesting a copy of the proposed analysis. This notice must be published in at least one newspaper of general circulation in the district of jurisdiction. If there is no paper of general circulation, requirements call for the notice to be posted in at least three conspicuous places in the district's jurisdiction at least 30 days before the hearing.

At least 30 days before the hearing, the Superintendent or designee are also required to mail a copy of the needs analysis to anyone who made a written request 45 days before the hearing. The district may charge a fee for the cost of providing these materials.

The school facility needs analysis may be revised any time under the same conditions and requirements for adoption of the analysis. The existing school building capacity must be recalculated as part of any revision to the needs analysis.

The fees take effect immediately after adoption and are effective for one year. The district must repeat the adoption process after that amount of time.

Level Three Fees

When level three fees are authorized by law and the district qualifies for level two funding according to Government Code section 65995.5, the board may assess a fee on residential construction. The notice and hearing requirements, resolution requirement, and term of effectiveness for level three funding are required to be the same as those for level two funding as previously specified.

All Developer Funding Fees: Additional Requirements

The district is required to send a copy of any resolution adopting or increasing developer fees to the city and county, along with all relevant supporting documentation and a map showing the boundaries of the area subject to the fee.

In cooperation with local governmental agencies issuing building permits, the Superintendent or designee are required to establish a means to accomplish the following:

1. The project applicant must receive a written statement of the fee amounts and notification that the 90-day approval period, allowing the applicant to protest, has begun.
2. The Superintendent or designee must receive and retain acknowledgment that this notification was received (this is optional but suggested).
3. Before a permit is issued and upon the payment of the applicable fee or requirement, the board is required to immediately certify that the fee has been paid or that the district has determined that the fee does not apply to the development project.

The law requires developer fees to be deposited, invested, accounted for and expended according to Government Code section 66006. Developer fees must be deposited in a separate capital facilities account, except for the temporary investments allowed by law, and used only for their original purpose. Any interest income earned by the capital facilities account must also be deposited in that account and used only for the original purpose.

Annual Accounting of Developer Fees

Governing Code sections 66001 and 66006 impose detailed requirements on public agencies that levy development fees. Each year, school districts that collect developer fees are required to complete an accounting of those fees.

Within 180 days after the fiscal year ends, the Superintendent or designee must make available to the public the following information for each established developer fee account in the fiscal year:

1. A brief description of the type of fee in the account or fund.
2. The fee amount.
3. The beginning and ending balance of the account or fund.
4. The amount of the fees collected and the interest earned.

5. A list of each public improvement project that involved developer fee expenditures and the amount for each improvement. This must include the total percentage of the cost of the public improvement that was funded with fees.
6. An approximate deadline for the start of construction for the public improvement project if the district determines that sufficient funds have been collected to complete financing on an incomplete public improvement.
7. A description of each inter-fund transfer or loan made from the account or fund, including the public improvement project where transferred or loaned fees will be expended. For an inter-fund loan, this information must include the date that the loan will be repaid, and the rate of interest that the account or fund will receive.
8. The amount of refunds and any allocations made according to the Government Code.

The board is required to review this information at the first regularly scheduled public board meeting that occurs 15 days after the information is provided to the public. Fifteen-day prior notice of this meeting must be mailed to parties that file a written request. The district may establish a reasonable charge, based on estimated cost, for sending the notice.

On the fifth fiscal year after the developer fees are first deposited to the account or fund and every five years after that, the board must make all of the following findings on any unexpended portion whether committed or uncommitted. Otherwise, the district may be required to refund the moneys. Even if funds remaining at the end of the fiscal year have been spent before the date of the accounting, the district must still comply with Government Code section 66001.

The findings are required to do the following:

1. Identify the purpose of the fee.
2. Demonstrate a reasonable relationship between the fee and its purpose.
3. Identify all sources and amounts of funding anticipated to complete financing on the incomplete improvements that were originally identified.
4. Designate the approximate dates when the funding referred to in item number three is expected to be deposited into the appropriate account or fund.

When sufficient funds have been collected to complete public improvements, but the improvements are incomplete, the district is required to identify an approximate deadline for the start of construction or refund unexpended revenues in accordance with the Government Code. This must occur within 180 days of the date that a determination of sufficient funding was made.

The Superintendent or designee is required to establish an appeals process for any developer protests. The Education Code provides developers with the opportunity to protest the imposition of any of the previously listed fees. However, developers of residential, commercial and industrial projects who claim that the developer fee has been inappropriately levied must use the following procedures:

1. The developer can make the payment in full, provide satisfactory evidence of arrangements to pay the fee when it is due, or ensure performance of the conditions necessary to meet the requirements of the imposition.
2. The developer can serve written notice to the board that includes the following:
 - a. A statement that the required fee will be paid when due, or that any conditions that have been imposed are provided for or satisfied under protest.
 - b. A statement informing the board of the factual elements of the dispute and the legal theory forming the basis of the protest.
 - c. The protest can be filed at the time of approval or conditional approval of the development or within 90 days of the date the fees are imposed.

When the fee is imposed, the Superintendent or designee is required to provide each project applicant with written notice that the 90-day period for protest has begun. The developer may file an action to attack, review, set aside, void or annul imposition of the fees imposed on the development project within 180 days of delivery of the notice.

Use of Developer Fees

Education Code Section 17620 discusses the right of school districts to levy developer fees on new construction in the district. The statute indicates in section 17620(a) (3) that developer fees cannot be used for the following purposes:

- The regular maintenance or routine repair of school buildings and facilities.
- The inspection, sampling, analysis, encapsulation, or removal of asbestos-containing materials. An exception is when this work is incidental to school facilities construction or reconstruction projects where the collection of developer fees is not prohibited.
- The purposes of deferred maintenance described in section 17582.

Education Code Section 17620(a) (5) allows school districts to spend developer fees to pay for any study or facilities needs analysis described in Government Code section 65995.6. This section also allows school districts to use up to 3% of the fees collected during a fiscal year to reimburse for administrative costs incurred by the district to collect the fees. The 3% can be calculated using only basic developer fees. If a district collects fees above the basic fees established by the State Allocation Board, it cannot deduct any administrative cost reimbursement.

Other than these code sections, no governmental manual provides a definitive list of allowable expenditures. Districts collecting developer fees must review their developer fee justification study carefully since it will reflect the connection between district development and the need to collect the fees to mitigate the impact of development. The justification study should include a description of planned expenditures and areas of need such as a new school or additional classrooms. When in doubt about appropriate expenditures, districts should seek legal counsel or advice from their external auditors before the expenditures are made. Developer fees undergo tight scrutiny requiring the completion of numerous reports that detail how funds were expended.

For many years, the district funded the Facilities Consultant and 10% of the chief business official (CBO) from the developer fee fund. In 2007-08, the district used the funds to hire an Assistant Superintendent of Facilities, Management and Planning instead of funding a Facilities Consultant. FCMAT believes that both of these positions are classified as administrative costs, and the total of these expenditures is well above the 3% allowed by law for administrative costs incurred for fee collection. The district should instead transfer the allowable 3% administrative amount directly to the general fund. Expenditures related to these two positions, as well as any other administrative costs included in the developer fee fund, should be charged directly to the general fund. The general fund will need to make up the difference for any costs not covered by the 3%.

According to estimates based on the district's 2007-08 adopted budget, the district has \$1.09 million available in developer fee revenue. For that revenue, the 3% allowed for administrative costs is \$32,700. Administrative salaries and benefits of \$125,310 are being directly charged to the developer fee fund, which is \$92,610 more than the 3% amount of \$32,700. The district should instead charge these administrative salaries directly to the general fund and transfer the \$32,700 administrative cost recovery to the general fund. The excess \$92,610 will need to come from the general fund ending balance, or from reductions made in other budget categories to cover the difference.

Recommendations

The district should:

1. Ensure that developer fees are spent appropriately based on statute.
2. Develop a fee justification study that justifies the amount of the fee to levy or to increase developer fees.
3. Update the fee justification study to increase rates, including an increase every two years to coincide with the State Allocation Board increase.
4. Complete an accounting regarding collected developer fees within 180 days of the end of the fiscal year, and make the accounting available to the public.
5. Review the developer fee accounting at its next regularly scheduled meeting held no earlier than 15 days after the information becomes available to the public.
6. Make findings on developer fees that are unexpended every five years.
7. Establish an appeals process for protests by developers.
8. Change the current accounting practice of charging administrative salaries directly to developer fees, instead charging them to the general fund.
9. Transfer the allowable 3% administrative amount from the developer fee fund to the general fund.
10. Determine whether the excessive salaries above the 3% will be covered by reductions in other budgets or from the ending fund balance.

Deferred Maintenance Program and Five-Year Plan

The Deferred Maintenance Program (DMP) provides state matching funds to help school districts with major repairs or replacement of existing school facilities. The program typically provides for repair or replacement of roofing, plumbing, heating, air conditioning, electrical systems, wall systems, floor systems and other components. An annual basic grant is provided to districts for major repair or replacement work listed on the district's five-year plan (Form SAB 40-20). An extreme hardship grant is provided in addition to the basic grant if the district's five-year plan contains a critical project that must be completed within one year for health and safety or structural reasons.

The five-year plan is intended to forecast deferred maintenance projects. Because it is not intended to be an expenditure report, the project costs reported in the plan should be estimates. The district is not required to perform all the work listed in the plan. New or revised plans for the current fiscal year shall be submitted to the Office of Public School Construction (OPSC) by the last working day in June of that fiscal year.

The five-year plan allows a district to designate an individual approved by the Governing Board to act on behalf of the district as the OPSC contact person for the deferred maintenance program. If part one of the five-year plan is not completed, the district superintendent must act as the district's OPSC contact person.

Beginning in the 2005–06 fiscal year, school districts and county offices of education were required to establish a facilities inspection system (FIS) as a condition of participation in the deferred maintenance program, pursuant to Senate Bill 550, which modified Education Code (EC) Section 17070.75(e). The law does not specify requirements for the FIS other than requiring the system to ensure that each school in the district or county is maintained in good repair. The design of the FIS should be determined at the local level. The only exception is for school sites newly constructed before January 1, 2000 and identified by the California Department of Education (CDE) as ranked in deciles one to three based on the 2003 Academic Performance Index (API).

Before a district submits a new or revised five-year plan, proposals and plans for expending deferred maintenance funds must be discussed in a public hearing at a regularly scheduled school board meeting. The district is required to record the date the hearing occurred in the certification section of form SAB40-20. The public hearing requirement must be met each time a revised plan is submitted to the OPSC.

A district may amend its approved five-year plan as needed for the current and future fiscal years. Plan revisions are not required for estimated cost changes or for moving a project already listed on the plan into a different fiscal year. However, a revised plan should be submitted to the OPSC if any one of the following circumstances exists:

- The plan has expired.
- Deferred maintenance work will be performed that is not currently listed in the plan, or at a school that is not included in the plan.
- The same project was entirely paid for with funds from the School Facility Program (SFP) Modernization or Federal Renovation Program. In this case, the plan must be resubmitted without the project.

The fiscal year in which a district revises the five-year plan will become the plan's starting year. The OPSC will not accept revisions to the five-year plan for earlier fiscal years.

Any project to be placed on the five-year plan must meet the following criteria:

- It must be either a repair or replacement project for one of the school facility components that have approached or exceeded their normal life expectancy and are listed in the law or approved by the State Allocation Board (SAB).
- It must be located within district-owned facilities that are used for school purposes.

Components with a history of continued repairs indicating a shortened life expectancy may be included as eligible items.

Annual assessments should be completed to establish priorities for areas of concern such as paving, flooring, painting and roofing. These priorities should be included in the five-year plan. Planning should occur to determine which priorities will be met in any given year.

Although FCMAT did not review the district's five-year maintenance plan, the district maintains large ending balances in this fund. FCMAT was told that there is a district requirement to maintain \$1 million in reserve funds. There is no written policy or procedure on this requirement, and existing statutes don't require this reserve amount for deferred maintenance funds. However, if the district mandates this reserve amount, it should be incorporated into board policy. Some projects may be large enough that several years of savings are needed to fund them, but there should be written communication that details this information.

**Monterey Peninsula Unified School District
Deferred Maintenance 5 Year History**

	ACTUALS				Budget
	2003/04	2004/05	2005/06	2006/07	2007/08
Beginning Balance	1,899,242	568,312	1,792,015	2,251,659	3,047,712
Total Revenues	(279,889)	1,039,907	1,084,264	1,197,954	1,103,924
Total Expenditures	1,051,041	(183,795)	624,620	401,901	661,070
Estimated Ending Fund Balance	568,312	1,792,015	2,251,659	3,047,712	3,490,566

Recommendations

The district should:

1. Ensure that assessments are performed on roofs, paving, painting, asbestos, heating, ventilation and air conditioning (HVAC) systems and other building components to maintain a current five-year plan.
2. Ensure that priorities are established for projects and build a five-year plan to correct system deficiencies. This plan can be modified each year as requirements change.
3. Update board policy so that district-mandated reserve levels are communicated if they continue to be a requirement. If this is not a requirement established by board policy, stakeholders need to understand the district’s needs and priorities based on current funding levels.

Class Size Reduction

K-3 Class Size Reduction (CSR) is a voluntary program established in 1996 to improve education for children in kindergarten through third grade, particularly in reading and mathematics. The state provides per-pupil funding for each child in those grades who receives instruction in a class of 20 or fewer pupils. The program includes two options. Option One provides full funding for pupils who receive the 20-to-1 instruction all day, and Option Two provides half funding for pupils who receive the 20-to-1 instruction for half the instructional minutes per day. All pupils must receive instruction from a certificated teacher, not an instructional aide. Each CSR class must be in a separate, self-contained classroom or a facility with the equivalent square footage provided before CSR. Although classes may occasionally exceed 20 pupils without penalty, each class must maintain an average of 20.4 pupils or fewer to receive funding.

The Morgan-Hart Class Size Reduction Act created a voluntary program that reduces class size in ninth-grade English and another ninth-grade course required for graduation (either mathematics, science, or social studies). The majority of pupils in participating classes must be ninth graders. (Districts that implemented the program before June 30, 1998 may also serve grades 10, 11, or 12.) Average class size at each participating school for the school year can be no more than 20:1 per certificated teacher and no more than 22 pupils enrolled in any participating class.

The district participates in the state's K-3 and Morgan-Hart class-size reduction programs. Estimates indicate that for the 2007-08 fiscal year, the district will receive \$251,109 from the Morgan-Hart program and \$4,114,568 from the K-3 program.

To apply for and receive K-3 CSR funds, the governing board of each school district or charter school must certify that certain statements as well as the information contained in the application are true and correct and that all applicable state rules and regulations will be observed. A board resolution or an entry in the board meeting minutes must indicate the governing board's certification. The LEA's superintendent or charter school's chief administrative officer (as authorized by the local governing board) is also required to certify via signature that the certification statements are true and accurate. The California Department of Education (CDE) maintains board resolutions or separate certifications. These items should be kept on file at the school district or charter school for audit purposes.

No board resolution or entry in the board meeting minutes is required for the Morgan-Hart program, but the certification needs to be signed.

Although there is no mandated format for budgeting these two programs, it is important that the budgets help stakeholders understand actual program costs. For example, the state's CSR apportionment in most cases does not cover salaries and benefits. The budget should reflect the program's full costs to the district. Encroachment can be calculated by

comparing the number of teachers necessary to staff grades K-3 and grade nine, based on normal district student/teacher ratios, with the number of teachers necessary based on the smaller K-3 and Morgan-Hart class ratios. The difference would represent the additional cost of these programs. Subtracting that year's state program apportionment from that amount would show program encroachment based on true costs and revenues. Although the district usually provides funding to reduce class sizes, the cost is worth the benefit of having smaller class sizes for many districts.

At present, district data does not reflect the actual cost of the programs. The revenue received from the class size reduction programs is recorded in the specific resource numbers. All teacher salaries are charged to the general unrestricted resource, and at year-end, salaries and benefits are transferred from the unrestricted resource to the two class size reduction resources. The amounts transferred are based on the revenue amount received and earned from the state, not the actual expenditures.

Recommendations

The district should:

1. Ensure that enrollment in CSR classes is closely monitored so that class sizes are maintained within the correct range to maximize funding.
2. Calculate the cost of CSR programs, ensuring that encroachment is reflected.
3. Charge the cost of the extra teachers and their payroll benefits directly to the CSR resources rather than to another resource. Journal entries should not be made to move the cost. The expenditures should be recorded in the correct place as the year proceeds.
4. Ensure district stakeholders understand that the CSR programs operate at a cost to the district.

Purchasing

The district needs to formalize purchasing rules, processes and procedures. This includes procedures on the use of Cal-Cards and the supporting documentation necessary to make payments on vendor invoices. There are also concerns about who has signatory approval for contracts and whether bids are being utilized when appropriate. The district should establish clear guidelines by adopting board policies and administrative regulations, including regulations that address purchasing.

Since the prudent expenditure of tax dollars is a major policy function, the Governing Board is responsible for purchasing. All purchase orders and formal contracts must be approved by the board, with specific approvals indicated in the official board minutes. Each transaction between the school district and any other entity or person involving property transfer or the rendering of a service is a contract, and all contracts are subject to the approval of the Governing Board.

The district should establish clear guidelines by adopting board policies and administrative regulations, including regulations that address purchasing. By adopting administrative regulations, the district's Superintendent directs the development and control of procedures and forms that implement the Governing Board's established purchasing policies.

Governing boards may delegate the power to enter into a contract to the district Superintendent or a designated agent. However, these contracts are not binding until they have been ratified by the Governing Board. The board can grant blanket authority or limit authority regarding time, money, or subject matter. [EC §§ 17604-5, 35161, 81655-6]

Depending on individual board practice and policy, some boards approve purchase orders before they are sent to the vendor, and others approve them afterward, but before payments are made. Yet others approve the payment of warrants after the purchase is paid. The board can determine who will have the authority to enter into agreements and when they will be approved by the board. This usually means that a designated staff member is given the authority to sign purchase orders and agreements. However, governing boards must always grant approval at some point in the process. The minutes of the governing board's meeting must include approval of purchase orders/warrants when it occurs.

To promote efficient meetings, the board may act on several items with a single vote by using a consent agenda. The consent agenda should include only routine items that the Superintendent recommends for approval and that are unlikely to be the object of discussion or need additional clarification. Because many contracts and bids are not considered routine, the consent agenda may not be the correct place for these types of items.

In reviewing the consent agenda and associated backup in the board packet FCMAT found that many items didn't include much explanatory information, especially as it relates to the effect on the district budget. In addition, several board members expressed concerns about the minimal level of detail and information on consent items.

Board Policy 1420, Internal Board Policies, approved on September 21, 1998, indicates that consent agenda items should include a brief general description of less than 20 words. Twenty words will usually not provide an adequate amount of explanation for contracts and other financial transactions. District staff members should ensure that the board has adequate information for consent items. If more than 20 words are necessary to explain the transaction, the item should not be placed on the consent agenda. The board needs adequate information to make appropriate decisions on all board items, including those related to financial transactions. In addition, Board Policy 1420 needs to be reviewed, explained and followed, or updated if the 20-word limit is insufficient.

Recommendations

The district should:

1. Formalize purchasing rules, processes and procedures and ensure that board policy and administrative regulations in this area are current and effective.
2. Ensure there is a thorough process that requires all purchase orders and formal contracts to be approved by the Governing Board, with specific approvals indicated in the official board minutes.
3. Emphasize that contracts are not binding until they have been ratified by the Governing Board.
4. Ensure that nonroutine purchasing transactions are excluded from the consent agenda.
5. Ensure that the board has adequate and satisfactory information on all board items related to financial transactions to make an appropriate decision. The consent agenda may not be the appropriate place for purchasing-related items because of the limited information contained on these items.
6. Review Board Policy 1420, Internal Board Policies, to determine whether the 20-words limit is sufficient to decide whether something will be placed on the board agenda.

Organization, Staffing and Requisition Processing

The purpose of a Purchasing Department is to ensure that all district goods and services are obtained through a uniform and unbiased process in accordance with applicable law and appropriate business practice. The district has one district office employee with purchasing functions, but lacks a traditional purchasing department per industry standards. The district should consider assigning an additional employee to perform purchasing duties. Although a cost would be associated with a new position, the position would more than pay for itself over time through increased efficiency and cost savings on purchases of goods and services from price comparisons and bids. Sites and departments also should not routinely select their own products and vendors for purchases as is occurring in the district. The district instead would benefit from standardizing products and consolidating orders from sites and departments, creating more of a cost savings.

The duties of a Purchasing Department should include the following:

- Establishing a centralized purchasing process to ensure selection of the best pricing and vendors.
- Standardizing bid documents.
- Setting up multiyear contracts for commodities such as custodial supplies, paper and office products.
- Communicating clearly with departments and school sites on the reasons purchase orders and requisitions are returned, such as insufficient budget or incorrect coding.
- Ensuring that the processing of purchase orders and payments is carried out by separate individuals.
- Standardizing products and purchasing in quantity to reduce costs and save time.
- Processing purchase orders in a timely manner. If this task occurs too slowly, the amount of money in the site budget often changes by the time processing is completed.
- Ensuring that each purchase order contains a clause to prevent vendors from making changes in unit costs or shipping charges without prior approval from the district.
- Ensuring that accounts payable is allowed to pay no more than the industry standard of 10% more than the approved purchase order amount.
- Implementing an online purchase order system to save time and increase efficiency and accuracy.

The district lacks guidelines for securing quotes. The guidelines should indicate when several telephone quotes or written quotes are required and who is authorized to obtain quotes and sign contracts. All bids should be processed by the Purchasing Department, but this does not occur at the district. Instead, departments and sites procure their own items, in many cases regardless of the price. The Purchasing Department should focus on purchasing goods for the district instead of simply processing paperwork.

The District's requisition approval process is inefficient in several areas. Requisitions are completed manually and sent to the purchasing employee for entry into the financial system. Although there is an online purchasing module, it has been implemented only in the district office. The inability of the sites and departments to access and enter requisitions into the online purchasing system prevents them from tracking requisitions in a timely manner. There is a delay from the submission of requisitions to the encumbrance of the purchase order because of the paperwork volume received from the sites and departments and the time required to enter the information into the financial system once it reaches the Purchasing Department. Although sufficient budget may exist when the school site sends the manual (or typewritten) purchase requisition to the district office for processing, it may not exist when the requisition is processed and entered into the purchasing module as an actual purchase order. Sometimes, account codes are no longer valid by the time some orders are processed. The district should implement the online purchasing module districtwide so that all sites and departments can enter purchase requisitions into the system. This would save time, ensure that the budget information is current when the requisition is entered, and eliminate the return of requisitions that lack understandable reasons and comments. The online system automatically validates information and notifies the user of problems found during data entry. The module has more than adequate control features that ensure the necessary review and approval are completed.

If the online system is implemented, the district should conduct mandatory staff training on the system and the accompanying changes in routing and approvals.

The district lacks a master schedule for purchases and requisitions. It is in the district's best interest to develop and maintain a master schedule that includes all multiyear service agreements and contracts for products, services and purchases. This could prevent costly lapses in service.

Recommendations

The district should:

1. Ensure that the Purchasing Department takes a more active role in purchasing operations and creates a cohesive Purchasing Department.
2. Consider adding another employee in Purchasing to process purchase orders, manage the paperwork flow and secure quotes and bids on routine orders.
3. Create and approve guidelines for securing quotes, including information on when several telephone quotes or written quotes are required and who is authorized to obtain quotes and sign contracts.
4. Ensure that there is an established process to inform departments and sites when additional information is needed or there is a budget issue concerning their order.

5. Implement the online purchasing module and provide training in its use.
6. Conduct mandatory staff training so that the staff can learn the online purchase order system and accompanying changes in routing and approvals.
7. Develop a master bid schedule that includes all multiyear service agreements and purchase contracts to prevent lapses in service.

Outside Contracts and Agreements

Several district departments and sites essentially function as their own purchasing agents, processing their own bids and quotes and maintaining those documents at their own site or department. This practice should be discontinued. The Purchasing Department should secure the best prices for products and should complete and send all contracts and purchasing agreements. This approach is the industry standard for purchasing and accounting.

The purpose of a Purchasing Department is to ensure that all district goods and services are obtained through a uniform and unbiased process in accordance with applicable law and appropriate business practices. Allowing separate departments to issue their own contracts compromises control and the integrity of the process, including ensuring the use of appropriate documents with the correct sections and requirements. Because these are legal documents, the risks of this arrangement outweigh the benefits.

Signature authority is typically designated annually at the discretion of the Governing Board. The Superintendent and assistant superintendents are usually granted full signature authority for all documents. Other department heads are often granted signature authority for specific amounts and/or purposes. Recommendations for granting signature authority are developed by the administration and provided to the Governing Board for approval, modification or rejection.

The district does not have bid documents, quote documents, standard contracts or service agreements on file. Standard contracts and service agreements should be developed with the assistance of legal counsel and should be maintained in the Purchasing Department for use as needed.

Recommendations

The district should:

1. Ensure that only the Purchasing Department completes and sends all contracts and purchasing agreements.
2. Ensure that purchases are approved only by those who are authorized by the board.
3. Develop standard contracts and service agreements with the assistance of legal counsel. The district should keep these forms in the Purchasing Department for use as needed.

Bid Limits

The district must ensure it complies with Public Contract Code (PCC) 20111, which covers bid limits. Effective January 1, 2007, the statutory bid threshold amount was raised by 6.05% to \$69,000.

In accordance with requirements of the PCC, the State Superintendent of Public Instruction (SPI) annually adjusts the bid limit that governs competitive bid contracts as of January 1. This higher bid limit applies only to the following:

1. The purchase of equipment, materials, and supplies;
2. Services, except construction services; and
3. Repairs, including maintenance as defined in PCC Section 20115, that are not public projects as defined in Section 22002(c).

The \$15,000 threshold for construction contracts under section 20111(b) has remained unchanged for several years.

The Purchasing Department should consolidate orders, develop standard specifications and process annual bids for furniture and all other products that will exceed the bid limit, as well as one-time purchases as they arise. Multiyear bids or quotes should be established for products such as office supplies and custodial supplies as the anticipated expenditure amount dictates. This will help ensure selection of the best pricing and vendors. All bids should be maintained in the Purchasing Department, with copies sent to the business office. Records should be maintained in the Purchasing Department to demonstrate that the bid process was followed, including board approval.

Recommendations

The district should:

1. Stay apprised of the annual bid limits.
2. Instruct departments and sites to forward their requisitions and specifications to the Purchasing Department for quotes and bids.
3. Ensure that the district's legal services provider develops standard language to be used by the Director of Facilities and Purchasing in obtaining equipment and service bids and quotes.
4. Ensure that bids are provided if there is a chance that annual purchases from that vendor may exceed the bid threshold.

5. Maintain appropriate records in the Purchasing Department to demonstrate that the bid process was followed.
6. Ensure that Governing Board approval is received for all bids.

Cal-Card

The CAL-Card Program allows California state and local agencies to use the Visa credit card to purchase goods and services. At Monterey Peninsula Unified, these cards are utilized districtwide.

FCMAT believes that the district uses an excessive number of these cards. Districts can utilize Cal-Cards effectively in a number of places, but their use should be strictly controlled regarding both the vendor used and the type of commodity purchased.

In the Purchasing Department, using Cal-Cards would immediately reduce the workload. The cards would also benefit the department because of increased use of the Internet to purchase goods and travel services.

Appropriate uses for Cal-Cards also include air travel, hotels, conference registration and minor emergencies. Assistant superintendents and the Deputy Superintendent could continue to be issued cards for emergencies, and the Human Resources Department could be issued a card for advertising open positions. The Purchasing Department should be issued a card for online purchases.

The district should monitor utilization of these cards in a few departments to determine whether other areas would benefit from their use in the future. Before these cards are issued, clear precise board policies and procedures should be developed on their use.

Recommendations

The district should:

1. Eliminate the use of Cal-Cards throughout the district and provide them only to select positions.
2. Utilize Cal-Cards in the Purchasing Department, where they could immediately reduce the workload. Using these cards will also benefit the department because of the increased use of the Internet for buying goods and travel services.
3. Monitor Cal-Card use and determine whether the cards are convenient before considering if other areas could benefit from using the cards in the future.
4. Develop clear, precise board policies and procedures on the use of Cal-Cards before the cards are issued.

Fiscal Health Risk Analysis

Key Fiscal Indicators

The Fiscal Health and Risk Analysis was developed by FCMAT to evaluate key fiscal indicators that will help a school district measure its financial solvency for the current and two subsequent fiscal years as recommended by AB 1200. No single criteria is necessarily an indication of a district in fiscal crisis. However, districts exceeding the risk threshold of six or more “No” responses may have cause for concern and require some level of fiscal intervention. Diligent planning will enable a district to better understand its financial objectives and strategies to sustain its financial solvency. A district must continually update its budget as new information becomes available from within the district or from other funding and regulatory agencies.

The Fiscal Health and Risk Analysis uses 17 components of key fiscal indicators to measure a district’s potential risk. Any of the 17 individual components receiving a simple majority of “No” responses to the questions it contains should be rated with an overall “No” response.

Is the district’s fiscal health acceptable in the following areas? **Yes** **No** **N/A**

1. Deficit Spending

- Is the district avoiding deficit spending in the current year? **No**
The district is deficit spending in the current and subsequent two years based on the Governor’s January budget proposal for 2008-09 as there is a projected .05 deficit in 2007-08.
- Is the district avoiding deficit spending in the two subsequent fiscal years? **No**
No, it is deficit spending in both subsequent years based on the Governor’s January 2008-09 budget proposal.
- Has the district controlled deficit spending over the past two fiscal years? **Yes**
The district deficit spent by \$(116,224) in 2004-05, but did not in 2005-06 or 2006-07.
- Is the issue of deficit spending addressed by fund balance, ongoing revenues, or expenditure reductions? **No**
- Has the board approved a plan to eliminate deficit spending? **No**
The district does not have a recovery plan to address deficit spending at this time.

Yes **No** **N/A**

2. Fund Balance

- Is the district’s fund balance at or consistently above the recommended reserve for economic uncertainty? **No**
The district was above the recommended 3% reserve for economic uncertainty through 2007-08 but will not be able to meet the reserve in the subsequent two years based on the Governor’s January 2008-09 budget proposal.

- Is the fund balance stable or increasing due to ongoing revenues and/or expenditure reductions? **No**

No, with the current state budget proposal, the district cannot maintain a stable fund balance without adopting a recovery plan.

- Does the fund balance include any designated reserves for unfunded liabilities or one time costs above the recommended reserve level? **Yes**

The district reflects the stipulated agreement with the certificated bargaining unit in 2007-08 as a designated reserve.

3. Reserve for Economic Uncertainty Yes No N/A

- Is the district able to maintain its reserve for economic uncertainty in the current and two subsequent years based on current revenue and expenditure trends? **No**

Although the district can maintain the 3% reserve in 2007-08, it will not be able to do so in the subsequent two years based on the Governor's January 2008-09 budget proposal.

- Does the district have additional reserves in fund 17, special reserve for noncapital projects? **No**

The district does not have a fund 17 special reserve.

- If not, is there a plan to restore the reserve for economic uncertainties in the district's multiyear financial projection? **N/A**

4. Enrollment Yes No N/A

- Has the district's enrollment been increasing or stable for multiple years? **No**

Enrollment increased in 2006-07, mainly because of a charter school closing. Enrollment declined by 39 students in 2007-08. Without the charter school closure in 2006-07, enrollment probably would have continued to decline. Prior to 2006-07 the district's enrollment had been decreasing. FCMAT is projecting a slight decline in 2008-09 and in 2009-10 based on both cohort and birth rate projection models.

2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009-10
CBEDS	CBEDS	CBEDS	CBEDS	CBEDS	CBEDS	Projected	Projected
12,032	11,766	11,178	10,929	11,164	11,125	11,112	11,109

- Is the district's enrollment projection updated at least semiannually? **Yes**
During document review, the study team verified that enrollment data is being reviewed at key financial reporting periods. School districts, especially those with declining enrollment, must consider student enrollment and attendance data a priority in planning. Many methods of projecting enrollment are available, from the most basic roll-forward method to sophisticated demographic presentations.

FCMAT recommends the cohort survival method, which uses a grade progression ratio (GPR). The GPR is the quotient obtained by dividing the current enrollment of one grade level into the next higher grade level one year later. It represents the proportion of students expected to progress from one grade level to the next. It closely accounts for retention, dropouts, and in and out migration, grade by grade. Although other enrollment forecasting techniques are available, the cohort survival method is the industry standard for school districts because of its sensitivity to incremental changes in population.

The process of projecting kindergarten enrollment is different from other grades because very little data is available regarding 4- and 5-year-old children who may enroll the following year. The industry standard is to identify the percentage of countywide live births that enroll in the elementary district five years later.

- Are staffing adjustments for certificated and classified employee groups consistent with the enrollment trends? **Yes**

Although the district has not made official staffing cuts during the years of enrollment decline, attrition has allowed the district to reduce staffing as needed.

- Does the district analyze enrollment and average daily attendance (ADA) data and present that information to the Governing Board? **No**

Enrollment reports are prepared monthly but not compared with district projections. Monthly reports are sent to the county office and are not consistently included in the board packets. Interviewed board members indicated they would like to receive this type of information more often instead of having to specifically request it.

The CBO has prepared an extensive five-year enrollment trend using a standard cohort survival method. Grade level and site enrollment projections are mapped to district level trends for budget preparation.

- Does the district track historical data to establish future trends between P-1 and P-2 for projection purposes? Is this information presented to the Governing Board? **No**

The district does not have a formal process to track trends between reporting periods, however, the CBO reviews projections to actuals at major reporting periods. Although this data is reviewed internally, it is not presented to the board.

- Has the district implemented any attendance programs to increase ADA? **No**
The district has not implemented any attendance incentive programs to increase ADA, however, there have been discussions about various options.
- Have approved charter schools had little or no impact on the district’s student enrollment? **No**
From 2002-03 to 2005-06, three charter schools were sponsored by the district, with two in 2006-07. Enrollment in these schools has consistently increased on an annual basis, with the majority of the students coming from the district.

Fiscal Year	Cypress Grove High School	International School of Monterey (K-8)	Learning for Life Charter School (7-12)	Totals
2002-03	145	116	19	280
2003-04	134	144	88	366
2004-05	135	189	111	435
2005-06	166	302	149	617
2006-07	0	336	107	443

- Does the district have a board policy that attempts to reduce the effect that transfers out of the district have on the district’s enrollment? **Yes**
Board Policy and Administrative Regulation 5117 are titled Interdistrict Transfers and were last updated on 8-21-95. The administrative regulations state that “Inter-district transfers shall be allowed only with the approval of the Superintendent or designee for Support Services. Applications for inter-district transfers shall be considered only for the following reasons: medical transfers, Verified Future Change of Residence, child care, senior students, and special transfers.”
These regulations constitute an attempt to reduce inter-district transfers, but FC-MAT did not validate whether the policy is being strictly followed.

5. Interfund Borrowing Yes No N/A

- Can the district manage its cash flow in all funds without interfund borrowing? **Yes**
At the current time the district can manage its cash flow in all funds without interfund borrowing.
The County Treasurer pools all district funds, so a cash shortage is not perceived unless there are insufficient funds in all combined district funds. The business office does not review cash flow monthly.
- Is the district repaying the funds within the statutory period in accordance with Education Code section 42603? **N/A**
This is not applicable as interfund borrowing is not occurring.

Salary and Benefit Expense as a Percentage of Total Expense
Unrestricted General Fund

Statewide Averages	2004-05 state	2004-05 district	2005-06 state	2005-06 district
Unified	92.03%	89.98%	91.38%	89.48%

Source: School Services of California

- Is the district making sure that only ongoing restricted dollars pay for permanent staff? **Yes**
FCMAT did not find any issues of permanent staff members being charged to one-time restricted or unrestricted funds.
- Does the budget include reductions in expenditures proportionate to one-time revenue sources, such as parcel taxes, that will terminate in the current or two subsequent fiscal years? **No**
The district does not have a parcel tax or any other significant one-time revenue sources other than two school sites being leased with a federal agency for approximately \$450,000 to \$500,000 per year. The lease ends at the end of 2008-09, and although there is no commitment for the lease to continue, the district expects it to continue. If not, the properties would easily be leased to another entity.
The district does not feel it would be difficult to lease the property in 2009-10, but unless there is an official commitment to do so in 2008-09, the revenue should be reduced in the year that projections are produced.
- If the district receives redevelopment revenue that is subject to AB 1290 and SB 617, has it made the required offset to the revenue limit? **Yes**
Based on district documents, this requirement is being handled correctly.

8. Encroachment

Yes **No** **N/A**

- Is the district aware of the contributions to restricted programs in the current year? (Identify cost, programs and funds) **Yes**
The district has encroachments for both restricted and unrestricted programs that total \$11,516,534.30 as shown in the chart below.

To Special Education Programs: IDEA	\$47,125.00
To NCLB: Title X	\$40,913.00
To Special Education Programs	\$6,705,252.00
To Tobacco Use Prevention	\$12,599.00
To Gifted and Talented Education	\$50,477.69
To Home-to-school Transportation	\$637,293.90
To Special Education Home-to-school Transportation	\$1,276,993.00
To School and Library Improvement Block Grant	\$(135,366.00)
Total Restricted Program Encroachments	\$8,635,287.59
To Maintenance & Operations	\$2,881,246.71
Total Unrestricted Program Encroachments	\$2,881,246.71
Total Encroachments	\$11,516,534.30

- Does the district have a reasonable plan to address increased encroachment trends? **Yes**
The district is working with a consultant reviewing special education programs and another consultant reviewing utilization of categorical programs due to increased concern about encroachment as well as how funding is being utilized. In addition, there is a current management review being done by FCMAT of the Monterey County Office of Education SELPA. With so many different studies being done in the area of restricted programs, the district will be able to utilize the information as they move forward in budget development and planning for the future.
- Does the district manage encroachment from other funds such as adult, cafeteria, child development, etc.? **Yes**
There is no encroachment from other funds.

9. Management Information Systems **Yes** **No** **N/A**

- Is the district’s financial data accurate and timely? **Yes**
FCMAT reviewed the following technical correction letters from the Monterey County Office of Education and has noted its concerns:

Fiscal Year	Report	Technical Issues Noted
2007-08	Adopted Budget	Form 40, Special Reserve fund, audit adjustment of \$(68,277) should be reflected
2006-07	Second Interim	None
2006-07	First Interim	None
2006-07	Adopted Budget	None
2005-06	Unaudited Actuals	None
2005-06	Second Interim	None
2005-06	First Interim	None

This level of technical concern is minimal and reflects that the county office feels the district is paying attention to detail on state reports.

Overall, the county office is pleased with the district’s attention to details and responses to questions. No concerns were noted in this area.

- Are the county and state reports filed in a timely manner? **Yes**
The district has been consistent with filing required reports in a timely manner based on FCMAT’s review and the county office’s response to this question.
- Are key fiscal reports readily available and understandable? **No**
The FMS county-operated financial system has report-writing limitations that make reports cumbersome. For example, a financial report by resource and object printed one object per page, causing the report to be more than 1,500 pages long. The reports from position control are more functional. Reports are available and understandable, but have limited functionality.

FCMAT also noted that the 2007-08 official adopted budget did not appear as the adopted budget on the 2006-07 unaudited actuals SACS report. Instead, the 2007-08 revised budget was reflected in the 2006-07 unaudited SACS report. This is not technically correct. The adopted budget is revised throughout the year, but it is then called the revised budget, not the adopted budget. The county office does not review the 2007-08 adopted budget portion of the unaudited actuals and is not concerned with the data being different. FCMAT believes this practice should change. It is important for the board and other stakeholders to understand the impact of the prior-year ending fund balance on the adopted budget, which is not determined until the unaudited actuals are produced.

- Is the district on the same financial system as the county? **Yes**
The district is on the same financial system as the county, which is FMS.
- If the district is on a separate financial system, is there an automated interface with the financial system maintained by the county? **N/A**

10. Position Control Yes No N/A

- Does the district maintain a reliable position control system? **No**
Employee salaries and benefits are the largest part of any school district’s budget, comprising an average of 92% of the unrestricted budget in many California districts. In 2005-06, Monterey Peninsula Unified School District’s percentage was 89.48%. Calculating these costs accurately is the most important element in any financial projection.

A reliable position control system establishes positions by site or department and prevents overstaffing by ensuring that staffing levels conform to district-approved formulas and standards. To be effective, position control must be integrated with other financial modules such as budget development. However, the position control functions must also be separated so that proper internal controls exist.

The controls must ensure that only board-authorized positions are entered into the system, that Human Resources hires only employees authorized by the board, and that payroll pays only employees hired for authorized positions. The proper separation of duties is a key factor in creating strong internal controls to ensure a reliable position control system.

The district has implemented a position control system a little more than a year. Although this is a vast improvement, some controls still need to be addressed. One major concern is that the district staff does not consistently reconcile the position control system with the budget. At Monterey Peninsula Unified, it appears that reconciliation has not occurred for the current and possibly past years since a large number of open, unfilled positions exist in position control. Furthermore, the position control system has been reconciled with payroll only for certificated staff members. Other controls can help payroll ensure that only authorized personnel are paid, such as a requirement that all new entries into the payroll system must have an authorized position control number. This does not ensure that the budget reflects any eliminated positions.

This point is further illustrated by the fact that the district had more than \$6 million in open unfilled positions at the time of FCMAT's initial field work. Of this amount, approximately \$1.9 million was in the unrestricted part of the budget.

FCMAT completed a reconciliation to ensure that only authorized and open positions were included in both position control and the 2007-08 budget. If positions that will not be filled are included, the salary and benefit portion of the budget would be inflated and require adjustment.

The budget projection prepared by the FCMAT study team excludes several vacant positions for both certificated and classified staff members that were contained in district position control documents. Vacancies that remain in the projection were verified by the Superintendent and compared with the openings reported by the Human Resources Department. Several certificated vacant positions are currently filled by substitutes. In addition, several classified vacancies are back filled by offering overtime to existing employees, substitutes, or in some cases, the district has been unable to cover the open position.

When FCMAT revisited the district in November, the position control system had been updated, reflecting fewer open positions and providing a better idea of the open positions that were filled with substitute staff members. FCMAT reviewed the data once more and adjusted open positions according to additional data provided by the district.

The staff expressed many concerns about categorically funded and special education positions. The staff was uncertain about the number of vacant positions in these areas and the district's actual need for staff.

- Is position control integrated with payroll? **No**
Position control is not integrated with payroll, although it has been discussed.
- Does the district control unauthorized hiring? **No**
The district has had isolated incidents of unauthorized hiring. Most of the recent issues concern directors and managers promising increased salary placements. The district is conducting staff training to control this process. Position control is new to the district. Although some procedures are in place, there are gaps in the internal controls that are necessary to prevent unauthorized salary placements that affect the budget.
- Are the appropriate levels of internal controls in place between the business and personnel departments to prevent fraudulent activity? **No**
Internal controls help ensure efficient operations, reliable financial information, and legal compliance. They also protect the district from material weaknesses, serious errors and fraud. Regardless of the type of position control system used, these controls should be in place.

The following table provides a suggested distribution of labor between the Business and Personnel departments to help provide the necessary internal control structure.

Task	Responsibility
Approve or authorize position	Governing Board
Input approved position into position control, with estimated salary/budget. Each position is given a unique number.	Business Department
Enter demographic data into the main demographic screen, including the following: Employee name Employee address Social Security number Credential Classification Salary schedule placement Annual review of employee assignments	Personnel Department
Update employee benefits Review and update employee work calendars Annually review and update salary schedules	Business Department
Account codes Budget development Budget projections Multiyear projections Salary projections	Business Department

There must be a distribution of labor between the Business and Personnel departments to help provide the necessary internal control structure for the position control system. Effective checks and balances should exist between personnel decisions and budgeted appropriations. Although the district appears to have an unwritten process in this area, it should be reviewed, documented and communicated so that both departments validate the data. This will ensure that the database accurately reflects the positions approved by the board, those that are filled, and these that remain open.

The current practice lacks sufficient internal controls and procedures between the Business Department, Human Resources and other central office departments. The district should have written procedures to close vacant positions at certain intervals throughout the fiscal year to accurately reflect projected expenditures. In addition, the district should establish written procedures that include board approval to hire and/or change any existing salary placement.

- Does the district use position control data for budget development? **No**
Rolling over position control data provides the district with a starting point for developing its budget. For a position control system to serve as an effective resource, all authorized positions for the current fiscal year should be rolled into the upcoming budget year. The appropriate positions should then be eliminated and/or approved new positions should be added. The district should also make any other adjustments that will affect the final calculation of budgeted salaries and benefits for the upcoming year. A fully functioning position control system helps districts maintain accurate budget projections, employee demographic data, and salary and benefit information.

Although position control is used for budget development, it is not used effectively because additional positions are contained and budgeted that will not be filled during the year.

- Is position control reconciled against the budget during the fiscal year? **No**
Position control is not reconciled with the budget at critical points throughout the fiscal year. Currently, the district staff rolls position control into the budget development without reconciling it to actual payroll records or Human Resource listings by site and department.

At defined periods in the fiscal year, the district staff should compare position control to the payroll and Human Resource listings by site and department. This is not an established procedure. The district should reconcile position control at budget adoption and again at first and second interim periods to validate that budget information is correct. In addition, when substitutes work in some of the open positions, the budget from the open position should be used to pay for the substitute. Although the district plans to adjust the budgets accordingly, the adjustments should happen on a more timely basis.

Yes No N/A

11. Budget Monitoring

- Are budget revisions completed in a timely manner? **Yes**
Budget revisions are completed daily in the Business Department. They are completed as needed for expenditures based on purchase requisitions and/or invoices. However, in the past these revisions were not submitted to the board in a timely basis or discussed at times other than the first and second interim reporting periods.
- Does the district openly discuss the impact of budget revisions at the board level? **No**
In the past, budget revisions have been submitted to the board with interim reports, but with little explanation or discussion about the revisions. On October 1, 2007, a very detailed budget revision was submitted that delineated the budget adjustments to the 2007-08 adopted budget, and included a narrative description of the change by line item. This type of budget revision should continue as board members indicated that this was helpful.

This rating is based on past practice since the most current budget revision is not sufficient for the district to warrant a “yes” rating.

- Are budget revisions made or confirmed by the board at the same time the collective bargaining agreement is ratified? **No**
Official budget revisions have not been submitted to the board at the time of collective bargaining disclosure, although it is assumed that the disclosure is adequate. The district limits its budget revisions to interim reports and estimated actuals since this is a difficult process using the district’s financial system. Even so, budget revisions should be submitted more often.
- Has the district’s long-term debt decreased from the prior fiscal year? **No**
No, the district entered into a seven-year lease agreement for \$514,000 during the last fiscal year to lease/purchase school buses and maintenance vehicles. The increase will be partially offset by fewer maintenance costs on the old vehicles.
- Has the district identified the repayment sources for long-term debt or nonvoter-approved debt, i.e. certificates of participation, capital leases? **No**
The district has issued \$8.4 million in COPs, which is guaranteed by the general fund. The proceeds from the COPs have not been spent pending the outcome of the OPSC audit reviews for the modernization projects. The district has not budgeted the required annual COP payment in any fund, although expected interest has been budgeted. Since proceeds have yet to be spent, the interest earnings are expected to be high. That earned interest could be identified as part of the annual payment with the remaining portion of the payment coming from the general fund since there does not seem to be another source identified at this time. The payment needs to be budgeted, rather than just budgeting the interest.

The district has capital leases with annual payments of \$84,000 that are budgeted in department budgets for repayment.

- Does the district’s financial system have a hard coded warning regarding insufficient funds for requisitions and purchase orders? **No**
The financial system does not have a hard code warning when there are insufficient funds for requisitions and purchase orders. FCMAT recommends that the district implement this change to better monitor and control the budget and spending. In addition, there is no online purchase requisition mechanism to send requests for purchase orders. The FMS financial system has online capability that should be considered for implementation.
- Does the district encumber salaries and benefits? **No**
The district does not encumber salaries and benefits. Encumbering should be a priority for more effective monitoring and control of salaries and benefits.

Yes **No** **N/A**

12. Retiree Health Benefits

- Has the district completed an actuarial valuation to determine the unfunded liability under GASB 45 requirements? **Yes**
An actuarial study of retiree health liability was completed on June 2, 2007, focusing on the retiree benefit program. The “pay-as-you-go” cost of providing retiree health benefits was estimated at \$1,708,289 as of March 1, 2007. For current employees, the value of benefits accrued in the year beginning on that date is \$4,301,313. The actuarial report calculates the annual cost to amortize the unfunded actuarial accrued liability at \$3,442,255 using a 5% discount rate and a 30-year amortization period. This payment would increase each year based on covered payroll. Combining the normal cost and the unfunded actuarial accrued liability in the first year produces a total first-year annual required contribution of \$7,743,568.
- Does the district have a plan for addressing the retiree benefits liabilities? **No**
The district does not have a plan to address retiree benefit liabilities. The individuals interviewed have a limited understanding of GASB 45 that seemed to be gained primarily from newspapers and other entities, although an administrator indicated that some internal cabinet meetings included discussions on the subject. The Governing Board, unions and all other stakeholders must be informed of GASB 45, the decisions the board must make to fund the liability, and the future consequences of those decisions. A plan needs to be developed and discussed at the board level within the next year.
- Has the district conducted a re-enrollment process to identify eligible retirees? **Yes**
The district has consistently re-enrolled all employees and retirees for health and welfare benefits. Re-enrollment was performed in 2002, again in 2004 and will be conducted once more in November 2007. The Risk Manager has been diligent in this area and has definite plans to ensure that re-enrollments are completed every three years on an ongoing basis.

13. Leadership/Stability

Yes **No** **N/A**

- Does the district have a superintendent and/or chief business official that has been with the district more than two years? **No**
- Does the governing board adopt clear and timely policies and support the administration in their implementation? **No**

The Governing Board has been working with CSBA to ensure board policies are up to date. In the area of business and noninstructional operations, policies and administrative regulations were updated and adopted February 2006. Most are not outdated, but are not being followed in many instances. However, other policies and regulations were developed as early as the 1980s. This area should continue to be reviewed to ensure all policies and regulations are up to date and determine whether it is necessary to develop others.

14. Charter Schools

Yes **No** **N/A**

- Has the district identified a specific employee or department to be responsible for oversight of the charter? **Yes**

The Assistant Superintendent of Business, who is also the CBO, oversees the charter schools' budgets and financial matters. The CBO meets with charter schools as issues develop instead of regularly. A schedule should be established so that meetings occur regularly for proper oversight and review. Meetings should occur at least quarterly, but monthly if the charter school is deficit spending.

- Has the charter school submitted the required financial reports? **Yes**
- Has the charter school commissioned an independent audit? **Yes**
- Does the audit reflect findings that will not impact the fiscal certification of the authorizing agency? **No**

Charter schools submit all required reports, including adopted budget, interim reports and unaudited actuals.

FCMAT requested to review independent audits for the district's open charter schools and was provided with several years of audits for the International School of Monterey (2003 through 2006) and Learning for Life Charter School (2004 through 2006), which are both district-sponsored. One additional charter school operates in the district, but because it is county-approved, the district does not have oversight responsibilities, only responsibilities related to Proposition 39.

Both district-sponsored charter schools, International School of Monterey and Learning for Life Charter School, contained audit findings on attendance for several years. If they continue to occur, this could affect the certification of the authorizing agency. The findings with a fiscal impact include the following:

<i>Charter School</i>	<i>Year of Audit</i>	<i>Finding Category</i>	<i>Specific Finding</i>	<i>Fiscal Impact</i>	<i>Implemented</i>
<i>Learning for Life</i>	<i>June 30, 2006</i>	<i>Attendance</i>	<i>Errors when transferring attendance summary spreadsheets to actual reports, overstating P2 and annual ADA.</i>	<i>P2=\$3,310 Annual=\$1,866</i>	<i>Unknown</i>
<i>Learning for Life</i>	<i>June 30, 2006</i>	<i>Attendance</i>	<i>Attendance reports did not agree to supporting documentation, understating P2 and annual ADA</i>	<i>P2=\$(4,033) Annual=\$(3,912)</i>	<i>Unknown</i>
<i>Learning for Life</i>	<i>June 30, 2006</i>	<i>Compliance</i>	<i>Independent financial audit report not filed timely</i>	<i>None</i>	<i>Unknown</i>
<i>Learning for Life</i>	<i>June 30, 2005</i>	<i>Attendance</i>	<i>Attendance reports did not agree to supporting documentation, understating P2 and annual ADA</i>	<i>P2=\$(1,430) Annual=\$(1,430)</i>	<i>Partially Implemented</i>
<i>Learning for Life</i>	<i>June 30, 2005</i>	<i>Compliance</i>	<i>Independent financial audit report not filed timely</i>	<i>None</i>	<i>Unknown</i>
<i>Learning for Life</i>	<i>June 30, 2004</i>	<i>Attendance</i>	<i>Errors when transferring attendance summary spreadsheets to actual reports, overstating P2 and understating annual ADA.</i>	<i>P2=\$14,504 Annual=\$(549)</i>	<i>Implemented</i>
<i>Learning for Life</i>	<i>June 30, 2004</i>	<i>Attendance</i>	<i>Attendance reports did not agree to supporting documentation, overstating P2 and annual ADA</i>	<i>P2=\$12,361 Annual=\$12,471</i>	<i>Partially Implemented</i>
<i>International School of Monterey</i>	<i>June 30, 2006</i>	<i>Attendance</i>	<i>Error made when transferring attendance summary totals to the worksheet used to prepare the annual ADA report, overstating ADA.</i>	<i>\$250</i>	<i>Unknown</i>
<i>International School of Monterey</i>	<i>June 30, 2005</i>	<i>Attendance</i>	<i>Attendance reports did not agree to supporting documentation, overstating P2 and annual ADA</i>	<i>P2=\$505 Annual=\$500</i>	<i>Implemented</i>
<i>International School of Monterey</i>	<i>June 30, 2005</i>	<i>Attendance</i>	<i>Error made when transferring attendance summary totals to the worksheet used to prepare the annual ADA report, understating ADA.</i>	<i>\$(10,523)</i>	<i>Partially Implemented</i>
<i>International School of Monterey</i>	<i>June 30, 2005</i>	<i>Compliance</i>	<i>Independent financial audit report not filed timely</i>	<i>None</i>	<i>Implemented</i>
<i>International School of Monterey</i>	<i>June 30, 2004</i>	<i>Attendance</i>	<i>Attendance reports did not agree to supporting documentation, understating P2 and annual ADA</i>	<i>P2=\$(453) Annual=\$(453)</i>	<i>Partially Implemented</i>
<i>International School of Monterey</i>	<i>June 30, 2004</i>	<i>Attendance</i>	<i>Attendance for students in GATE program not accounted for correctly, understating ADA</i>	<i>P2=\$(861) Annual=\$(680)</i>	
<i>International School of Monterey</i>	<i>June 30, 2004</i>	<i>Miscellaneous</i>	<i>Did not maintain the 3% reserve required as part of the MOU</i>	<i>None</i>	<i>Implemented</i>
<i>International School of Monterey</i>	<i>June 30, 2003</i>	<i>Attendance</i>	<i>Parental Agreement for Pupil to continue in Kindergarten form not completed for one student, overstating ADA</i>	<i>P2=225 Annual=\$180</i>	<i>Partially Implemented</i>

<i>International School of Monterey</i>	<i>June 30, 2002</i>	<i>Attendance</i>	<i>Students were enrolled and given ADA credit that did not meet kindergarten age requirements, overstating ADA</i>	<i>P2=\$10,345 Annual=\$7,029</i>	<i>Implemented</i>
<i>International School of Monterey</i>	<i>June 30, 2002</i>	<i>Compliance</i>	<i>Independent financial audit report not filed timely</i>	<i>None</i>	<i>Partially Implemented</i>

- Is the district monitoring and reporting the current status to the board to ensure that an informed decision can be made regarding the reauthorization of the charter? **No**
The Governing Board does not regularly receive information on charter schools. Information on charter school status should be submitted to the board on a regular schedule throughout the year for proper oversight and review. This would allow the board to make more informed decisions on reauthorization and other matters.

It is important to note that although a charter school with enrollment of approximately 100 students closed at the end of 2005-06, actual charter school enrollment increased by more than 125 students from 2006-07 to 2008-09, a two-year increase of more than 200 students. It is important for the administration and board to understand how the transfer of district students to district charter schools affects revenue limit funding.

15.Audit Report

Yes **No** **N/A**

- Did the district receive an audit report without material findings? **No**
FCMAT reviewed audits from June 30, 2006 to June 30, 2007. The June 30, 2007 audit had not been completed at the time of FCMAT's visit. All the audits had material findings, and many were prior year findings that had not been corrected. The findings included the following:

Audit Finding	6-30-06	6-30-05	6-30-04	6-30-03	6-30-02
Payroll/Personnel Authorization -Personnel action forms are not completed for changes to district employee’s step/ column classifications or position changes.	X	X	X		
Vacation Accrual -Vacation carryover policy is not enforced. Employees have exceeded their maximum allowable vacation carryover.	X	X	X	X	X
Instructional Time for School Districts -The business office does not perform a review or approve the calculation of the instructional minutes for all school sites. Otherwise, there is no assurance that each site complies with state requirements.	X	X	X		
Salaries paid from Federal funds -Employees who are both paid solely and who are multifunded from federal sources are not completing semiannual certifications and/or time and effort distribution records. This means that the district is not in compliance with the requirements of OMB Circular A-87 Attachment B; documentation of approval for employees charged to applicable federal programs is not maintained.	X		X		X
Attendance Reporting -One teacher selected for LEP certification did not have proper certification for teaching classes containing at least 20% LEP students.	X				
Class Size Reduction -Twenty-nine fourth grade students were included in the student count claimed for class-size reduction funding.	X				
Associated Student Body - Student body internal controls are not in place, including the following: Receipt books are not issued to students/faculty for events generating money; cash and checks are not turned in with the proper supporting documentation; student body and the site administrator do not approve all campus fund-raising activities; student body bank reconciliations are not performed on a timely basis and/or reviewed; a log of receipt books issued to student groups is not maintained; student organizations are not provided with a monthly statement of financial activity expenditures made without required approval; supporting documentation not maintained for items sold.		X	X	X	X
Cash/Cafeteria Bank Reconciliations - The cafeteria account reconciliation is not prepared and reviewed in a timely manner; the cafeteria cash journal is not reconciled to the financial system routinely; the Director of Fiscal Services does not review cash reconciliations for the cash in county treasury accounts, which are being performed monthly by the Accounting Supervisor.		X			

<p><u>Cash Receipts and Account Reconciliation</u>-Checks received at the district office are not restrictively endorsed immediately upon receipt; cash receipts are not included in a document that lists all sources of funds; all general ledger balances for cash accounts are not reconciled to bank or county treasury statements.</p>		X		X	X
<p><u>Journal Entry</u>-Journal entries are not consistently approved by the Accountant or Director of Fiscal Services once they are entered into the accounting system.</p>		X			
<p><u>Continuation Education</u>-In some school months, some continuation education students carried forward excess attendance hours (more than 15 hours per school week).</p>		X	X		
<p><u>Attendance Reporting</u>-Various district schools do not develop and maintain accurate and adequate records to support the attendance reported to the state; specific schools improperly counted one day for student(s) apportionment when they were actually absent; one student was reported on the student absence telephone log, but not marked absent in the district attendance system, overclaiming apportionment.</p>		X	X	X	X
<p><u>Instructional Materials</u>-The district recorded an expenditure in the instructional materials resource code for the purchase of a high school textbook that had not been adopted by the local Governing Board.</p>		X			
<p><u>Cash Receipts</u>-Bank reconciliations for the district’s revolving bank account and the district’s cash in county treasury have not been completed.</p>			X		
<p><u>Attendance Reporting</u>-Attendance rosters did not agree with the monthly attendance report used to generate the second principal report of attendance; mathematical errors were noted.</p>			X		X
<p><u>Attendance Reporting</u>-ADA claimed for special education, special day classes did not agree with the supporting documentation, overstating ADA.</p>			X		
<p><u>Kindergarten Continuance</u>-The parental agreement form required by the CDE was not properly completed for eight students retained for an additional year in kindergarten.</p>			X		X
<p><u>Instructional Time and Staff Development Reform Program (ITSDR)</u>-One employee included in the district’s claim for ITSDR funding was not eligible to be included.</p>			X		
<p><u>Independent Study</u>-The summary of attendance used by the district for completion of the P-2 Report of Attendance did not agree with the supporting documentation maintained at the site.</p>				X	

Independent Study -The summary of attendance used by the district for completion of P2 Report of Attendance did not agree with the supporting documentation maintained at the site.				X	
Ninth Grade Class Size Reduction -The claim form J-9 MHA reported more hours of attendance than actually supported by documentation.				X	X
Teacher Credential Testing -The district was not able to provide teaching credentials for two teachers who instructed students during the fiscal year.				X	
Access to Computerized Systems -The district needs policies and procedures to limit access to personnel and vendor master files. Individuals in the Payroll Department have access to employee set up screens and individuals in the AP Department have access to vendor master files.					X
Accounts Payable Processing -The district does not maintain an approved copy of purchase orders that have been processed					X
Schiff-Bustamante Standards Based Instructional Materials -An expenditure charged to this program was not included on the list of state-adopted materials.					X

- Can the audit findings be addressed without impacting the district’s fiscal health? **Yes**
Although a review of all audits to June 30, 2002 contained numerous findings in a variety of areas, including those with fiscal impact, they were not material in amount and will remain so unless they remain unaddressed.
- Has the audit report been completed and presented within the statutory time line? **Yes**
- Are audit findings and recommendations reviewed with the board, and implemented? **No**
A review of annual audits since June 30, 2002 revealed a number of audit findings. Any district should eliminate or minimize findings. Although many occurred in common areas such as attendance and student body accounting, many were ongoing issues that are not commonly found in other districts and may have a fiscal impact on Monterey Peninsula Unified. They included the following:
 - *Payroll/Personnel Authorization-Personnel Action Forms: These forms are not completed when changes are made to a district employee’s step/column classification or position. This audit finding has occurred annually since June 30, 2004.*

- *Vacation Accrual-Vacation: The carryover policy is not enforced: Employees have exceeded their maximum allowable vacation carryover. This audit finding has occurred annually since June 30, 2002.*
- *Instructional Time for School Districts: The business office does not perform a review of the instructional minutes for all school sites or approve the calculation of these minutes. If this review is not completed, there is no assurance that each site complies with state requirements. This audit finding has occurred annually since June 30, 2004.*

The district must reduce the number of audit findings, investing more time and attention to becoming compliant in this area. Although audit findings and recommendations are reviewed with the Governing Board, and corrective action plans are developed annually as required by law, the many reoccurring findings must also be addressed, especially the three highlighted above. The district must continuously review all audit findings to ensure compliance and to ensure that these issues will not continue.

- Did the audit report meet both GAAP and GASB standards? **Yes**
 FCMAT’s limited review of audit reports dating back to June 30, 2002 found them to be in compliance with standards.
As a reminder, AB 2834 (Chapter 1128/2002) established a limit of six consecutive years for any firm where the partner in charge of the audit and the reviewing partner have been the same in each of those years. At the end of the sixth year, the firm could rotate these responsibilities among the partners, but the partners cannot just switch roles. The law allows the six-year limitation to be waived by the Education Audit Appeals Panel if it finds that no other eligible auditor is available to perform the audit.

*Education Code Section 41020(s) states:
 “Notwithstanding any other provision of law, a non-auditing, management, or other consulting service to be provided to a local education agency by a certified public accounting firm while the certified public accounting firm is performing an audit of the agency pursuant to this section, must be in accord with Government Accounting Standards, Amendment No. 3, as published by the United States General Accounting Office.”*

16. Facilities

Yes **No** **N/A**

- Has the district passed a general obligation bond? **No**
The district has been unable to pass a local school bond, but has qualified for hardship funding to modernize existing schools.

- Has the district met the audit and reporting requirements of Proposition 39? **Yes**
The district has offered Proposition 39 facilities to a qualifying charter school sponsored by the county office of education.
- Is the district participating in the state's School Facilities Program? **No**
The district qualified for \$53 million in hardship modernization funding under applications for individual school sites. The district pooled the funds and applied savings from one project to offset overages on other projects. The Office of Public School Construction originally disallowed over \$7 million in funding, which was later reduced to \$2 million.

District officials issued \$8.49 million in COPs to complete projects before the penalty was reduced and has these funds in a special reserve fund until the OPSC completes auditing and approves the projects. The annual payment of approximately \$648,000 was to be partially paid from earned interest and the rest from a transfer from the general fund, however, the payment was not budgeted.

- Does the district have sufficient personnel to properly track and account for facility-related projects, and are proper practices in place? **No**
The district has sufficient personnel to track and account for facility projects, however, current staff members are not properly trained. In addition, the business office utilizes an Excel spreadsheet that is not available to the Facilities Department. This practice does not provide sufficient controls to appropriately track facility projects.
- Has the district met the reporting requirements of the Williams Act? **Yes**
The district's Personnel Department handles this area and reports that all reporting requirements have been met. FCMAT did not extensively verify this response.
- Is the district properly accounting for the 3% routine repair and maintenance account requirement at the time of budget adoption? **Yes**
Yes. The district properly calculates the 3% routine repair maintenance account at adoption. However, this amount is undercalculated because the negotiated settlement with the certificated unit was set aside as a reserve of the ending fund balance at budget adoption instead of being budgeted correctly in a salary budget line.
- If needed, does the district have surplus property that may be sold or used for lease revenues? **Yes**
The district closed several schools over the last two years because of declining enrollment. All the facilities are being leased or otherwise used (two by the Army, one by a charter school, one for adult education, and one for child development).
The district owns two parcels of land. There are no current plans to sell these parcels.

- If needed, are there other potential statutory options? **Yes**
Joint Use: Can the district enter into a joint use agreement with some entities without declaring the property surplus and without bidding?
Joint Occupancy: The Education Code provides for a joint venture that can authorize private development of district property that will result in some educational use.
- Does the district have a facilities master plan that was completed or updated in the last two years? **Yes**
A Community Facility Task Force developed a facilities plan a year ago. The task force has joined with community groups to follow up on targeted projects and to reassess individual site needs.

Yes **No** **N/A**

17. General Ledger

- Has the district closed the general ledger (books) within the time prescribed by the county office of education? **Yes**
The district uses the county office’s closing schedule, which is tied to financial system issues.
- Does the district follow a year-end closing schedule? **No**
The district should follow a written year-end process to close the books for the fiscal year. The district currently receives a schedule from the county office that provides cut-off dates for processing commercial warrants, payroll, and general ledger entries. The district does not have a written year-end schedule that identifies specific tasks to be completed at certain dates and assigned to individual staff members.
- Have beginning balances in the new fiscal year been recorded correctly for each fund from the prior fiscal year? **Yes**
The district verifies beginning balances once the county office rolls ending balances into the new fiscal year. The county office rolls balances by resource, and the district converts the balances by program. All balances are verified by the district.
- Does the district adjust prior year accruals if the amounts actually received (A/R) or paid (A/P) are greater or less than the amounts accrued? **Yes**
The district does not perform an automatic reversal for accruals. Instead, the actual receivables and payables are posted to accounts and reconciled in January. If balances are not as projected, the district investigates the variances and makes adjustments as necessary.
- Does the district reconcile all payroll suspense accounts at the close of the fiscal year? **Yes**
Payroll suspense accounts are reconciled at the county-office level. The district reconciles all health and welfare benefits through the district’s Insurance Department.

Total “No” Responses: 9**RISK ANALYSIS**

1. Total the number of component areas in which the district’s fiscal health is not acceptable (“No” responses).
2. Use the key below to determine the level of risk to the district’s fiscal health.

0 – 4	5 – 9	10 – 14	15 – 17
Low	Moderate	High	Extremely High

Moderate Level of Risk**Recommendations**

The district should:

1. Monitor its level of fiscal risk by completing the Fiscal Health Risk Analysis throughout the year.
2. Analyze enrollment and average daily attendance (ADA) data and regularly present that information to the Governing Board.
3. Continue to monitor enrollment and attendance percentages. The district should continually update projections after comparing them to actual enrollment reports.
4. Establish a formal process to track trends between reporting periods (i.e. P1 to P2) and present the information to the Governing Board.
5. Develop incentive programs to keep students in class and increase attendance percentages.
6. Continue completing all of the required documentation and disclosures as they relate to collective bargaining to ensure the full impact on the district’s future budgets is known.

7. Reduce local revenue in 2009-10 when completing a multiyear projection unless the lease with a federal agency ending in 2008-09 is renewed during the 2008-09 year. Without a commitment by 2008-09, the district should not count on that revenue.
8. Ensure there is a distribution of labor between the Business and Personnel departments to help provide the necessary internal control structure for the position control system. Effective checks and balances should exist between personnel decisions and budgeted appropriations. Although the district appears to have an unwritten process in this area, it should be reviewed, documented and communicated so that both departments validate the data.
9. Develop written procedures to close vacant positions in position control at certain intervals throughout the fiscal year if they are not going to be filled by either a permanent staff member or a substitute to accurately reflect projected expenditures. In addition, the district should establish written procedures to hire and/or change any existing salary placement that would include board approval.
10. Develop and maintain an up-to-date reconciliation to ensure that position control, the budget and actual amounts paid for salary and benefits are in line and budgeted correctly.
11. Investigate integrating position control with the payroll system.
12. Control unauthorized hiring by establishing proper controls between the Business and Human Resources departments.
13. Ensure the position control system is fully functioning to maintain accurate budget projections, employee demographic data and salary benefit information.
14. Ensure that long-term debt is monitored closely, and identify the sources that will be used to make payments.
15. Implement the “hard code” warning regarding insufficient budgets for purchase orders and requisitions.
16. Begin encumbering salaries and benefits to more clearly monitor and control the largest part of any school district budget, salaries and benefits.
17. Submit additional information to the Governing Board on budget revisions and ensure that budget revisions are communicated at the board level more often.
18. Develop and implement a plan on how to address the retiree benefit liabilities as part of GASB 45.

19. Ensure that the Governing Board, unions and all other stakeholders are informed of GASB 45, the decisions the board must make to fund the liability, and the future consequences of those decisions.
20. Review and update board policies and administrative regulations, as well as ensure they are being followed.
21. Establish a schedule so that meetings occur regularly between the charter school administration and the CBO for proper oversight and review. Meetings should occur at least quarterly, but monthly if the charter school is deficit spending.
22. Closely monitor audit findings related to the charter schools. Both district sponsored charter schools, International School of Monterey and Learning for Life Charter School contained audit findings in the area of attendance for several years, which could affect the certification of the authorizing agency if the findings continue to occur.
23. Ensure that the Governing Board regularly receives information on district charter schools. Information on charter school status should be submitted to the board on a regular schedule throughout the year for proper oversight and review.
24. Reduce the number of audit findings, investing more time and attention to becoming compliant in this area, especially as there are various recurring findings. The district must continuously review all audit findings to ensure compliance and to ensure that these issues will not continue.
25. Follow a written year-end process to close the books for the fiscal year. Currently, the district receives a schedule from the county office that provides cut-off dates for processing commercial warrants, payroll, and general ledger entries. The district does not have a written year-end schedule that identifies specific tasks to be completed at certain dates and assigned to individual staff members.
26. Develop a plan to avoid deficit spending in the subsequent years.
27. Monitor ending fund balances and deficit spending to maintain the state required 3% reserve.
28. Continue efforts to contain general fund contributions to the special education and transportation programs.

Appendices

- A. *Multiyear Financial Projection*
- B. *Study Agreement*

Projection Rules

Rule	Description	Base Year 2007 - 08	Year 1 2008 - 09	Year 2 2009 - 10	Note
CertCOLA	Certificated COLA %	0.00%	0.00%	0.00%	
ClassCOLA	Classified COLA %	0.00%	0.00%	0.00%	
CertColumn%	Certificated Staff Column Increase %	0.00%	0.00%	0.00%	
CertStep%	Certificated Staff Step Increase %	0.00%	1.50%	1.50%	
ClasStep%	Classified Staff Step Increase %	0.00%	1.50%	1.50%	
CPI	California CPI (SSC)	3.20%	2.70%	2.50%	(1)
LOT-Res	California Lottery Restricted (SSC)	\$22.00	\$22.00	\$22.00	(2)
LOT-Unr	California Lottery Unrestricted (SSC)	\$121.00	\$121.00	\$121.00	(3)
INT	Interest Rate Trend for 10 Year Treasuries (SSC)	4.80%	4.70%	4.80%	(4)
NetCOLA	Net Funded Revenue Limit COLA (SSC)	4.53%	4.94%	3.00%	(5)
RLDef	Revenue Limit Deficit: K-12 (SSC)	0.50%	6.99%	6.99%	(6)
SpEdDef	Special Education Base Deficit (SSC)	4.53%	-6.50%	3.00%	(7)
CatCOLA	State Categorical COLA (SSC)	4.53%	-6.50%	3.00%	(8)
StCOLA	Statutory COLA (SSC)	4.53%	4.94%	3.00%	(9)
HW%	Health & Welfare Benefit Increase	0.00%	0.00%	0.00%	
CustAmt	Custom Amount	\$0.00	\$0.00	\$0.00	
Cust%	Custom Percent	0.00%	0.00%	0.00%	
Cust1Amt	Custom One Time Amount	\$0.00	\$0.00	\$0.00	
Cust1%	Custom One Time Percent	0.00%	0.00%	0.00%	
ManInput	Manual Input	\$0.00	\$0.00	\$0.00	
PRO	Proportional	0.00%	0.00%	0.00%	
Zap	Zero Out	\$0.00	\$0.00	\$0.00	
Enr	Year-to-Year Change in Enrollment	-0.35%	0.47%	-1.32%	
RL-ADA	Year-to-Year Change in RL ADA	0.00%	-0.11%	-0.03%	
TchrStfg	Year-to-Year Change in Teacher Staffing	0.00%	0.00%	0.00%	
SalFrcstr	Salary Forecaster	\$21,537,840.06	\$21,537,840.06	\$21,537,840.06	

- (1) California CPI
- (2) The forecast for Lottery funding per ADA includes only the amount restricted by Proposition 20 (2000) for instructional materials. Lottery funding is based on prior year annual ADA times the statewide average excused absence factor of 1.04446.
- (3) The forecast for Lottery funding per ADA includes only the base (unrestricted) funding. Lottery funding is based on prior year annual ADA times the statewide average excused absence factor of 1.04446.
- (4) Interest Rate for 10-year Treasuries
- (5) Net Funded Revenue Limit Change
- (6) Revenue Limit Deficits K-12
- (7) Special Education Base Deficit
- (8) State Categorical COLA (including adult ed, ROC/P)
- (9) Statutory COLA (use for K-12 and COE Revenue Limits and Special Education)

Enrollment, P2ADA & Enrollment Factors

Enrollment	Historical 5 2002 - 03	Historical 4 2003 - 04	Historical 3 2004 - 05	Historical 2 2005 - 06	Historical 1 2006 - 07	Base Year 2007 - 08	Year 1 2008 - 09	Year 2 2009 - 10
K	1020	1025	967	997	1066	1013	1032	1032
1	1030	1014	986	945	999	1022	971	973
2	1016	933	906	905	861	908	942	866
3	974	1001	885	863	883	851	896	923
4	1066	940	903	850	855	846	823	875
5	1008	1005	901	854	818	827	813	786
Subtotal (K - 5)	6114	5918	5548	5414	5482	5467	5477	5455
6	941	925	904	879	831	795	800	792
7	882	892	862	839	857	772	805	768
8	852	858	822	833	816	836	763	781
Subtotal (6 - 8)	2675	2675	2588	2551	2504	2403	2368	2341
9	837	829	822	799	886	865	852	777
10	854	819	737	790	837	866	842	844
11	835	784	747	695	783	810	860	791
12	717	741	730	680	672	714	778	821
Subtotal (9 - 12)	3243	3173	3036	2964	3178	3255	3332	3233
Ungraded Elementary	0	0	0	0	0	0	0	0
Ungraded Secondary	0	0	6	0	0	0	0	0
Subtotal Excluding Charter Schools	12032	11766	11178	10929	11164	11125	11177	11029
Charter Schools	280	366	435	617	443	479	503	518
Total	12312	12132	11613	11546	11607	11604	11680	11547

P2ADA	Historical 5 2002 - 03	Historical 4 2003 - 04	Historical 3 2004 - 05	Historical 2 2005 - 06	Historical 1 2006 - 07	Base Year 2007 - 08	Year 1 2008 - 09	Year 2 2009 - 10
Excluding Charter Schools	11362.20	11118.00	10691.60	10441.60	10512.28	10501.30	10489.90	10487.20
Charter Schools	0.00	0.00	0.00	0.00	0.00	407.33	407.33	407.33
COE SDC	0.00	0.00	0.00	0.00	0.00	111.50	111.50	111.50
Total	11362.20	11118.00	10691.60	10441.60	10512.28	11020.13	11008.73	11006.03

Enrollment Factors	Historical 5 2002 - 03	Historical 4 2003 - 04	Historical 3 2004 - 05	Historical 2 2005 - 06	Historical 1 2006 - 07	Base Year 2007 - 08	Year 1 2008 - 09	Year 2 2009 - 10
Excluding Charter Schools	0.9443	0.9449	0.9565	0.9554	0.9416	0.9439	0.9385	0.9509
Charter Schools	0.0000	0.0000	0.0000	0.0000	0.0000	0.8504	0.8098	0.7864

Revenue Limit

Description	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
1. Base Revenue Limit Per ADA					
1.a. State Avg Base RL Per ADA (Prior Year)	\$5,568.00		\$5,820.00	\$6,108.00	
1.b. Base RL per ADA (Prior Year)	\$5,529.35		\$5,781.35	\$6,069.35	
2. Inflation Increase	\$252		\$288	\$183	
3. All Other Adjustments	\$0.00		\$0.00	\$0.00	
4. Current Base Revenue Limit Per ADA	\$5,781.35		\$6,069.35	\$6,252.35	
Revenue Limit Subject To Deficit					
5. Base Revenue Limit					
5.a. Base Revenue Limit Per ADA (Line 4)	\$5,781.35		\$6,069.35	\$6,252.35	
5.b. Prior Year P2 ADA	10,512.28		10,501.30	10,489.90	
5.b.i. Prior Yr. ADA Adjustment	0.00		0.00	0.00	
5.b.ii. Net Prior Yr. Revenue Limit ADA	10,512.28		10,501.30	10,489.90	
5.c. Current Yr. RL ADA (excluding Charter ADA)	10,501.30		10,489.90	10,487.20	
5.d. ADA Used for Revenue Limit (before adjustments)	10,512.28		10,501.30	10,489.90	
5.d.i. Current Yr. Charter Schl. ADA	\$407.33		\$407.33	\$407.33	
5.d.ii. Deduct: Necessary Small Schools ADA	\$0.00		\$0.00	\$0.00	
5.e. ADA used for Revenue Limit (Excluding COE SDC)	10,512.28		10,501.30	10,489.90	
5.f. Total Base Revenue Limit	\$60,775,169.98		\$63,736,065.16	\$65,586,526.27	
6. Allowance for Necessary Small Schools	\$0.00		\$0.00	\$0.00	
7. Gain or Loss from Interdistrict Attendance Agreements	\$0.00		\$0.00	\$0.00	
8. Meals for Needy Pupils	\$0.00		\$0.00	\$0.00	
9. Other Revenue Limit Adjustments	\$0.00		\$0.00	\$0.00	
10. Beginning Teacher Salary	\$811,691.00	(1)	\$758,931.08	\$781,699.01	
11. Less: Class Size Penalties Adjustment	\$0.00		\$0.00	\$0.00	
12. Total Before Deficit	\$61,586,860.98		\$64,494,996.24	\$66,368,225.28	
Deficit Calculation					
13. Revenue Limit Deficit:	0.50000%		6.99000%	6.99000%	
13.a. Loss to Deficit	\$307,934.30		\$4,508,200.24	\$4,639,138.95	
14. SubTotal, After Deficit	\$61,278,926.68		\$59,986,796.00	\$61,729,086.33	
Other Revenue Limit Items Net of Any Deficit					
15. Unemployment Insurance Revenue	\$21,343.00		\$21,343.00	\$21,343.00	
16. Continuation High School Revenue	\$0.00		\$0.00	\$0.00	
17. Less: Longer Day/year Penalty	\$0.00		\$0.00	\$0.00	
18. Less: Excess ROC/P Reserves Adjustment	\$0.00		\$0.00	\$0.00	
19. Less: PERS Reduction	\$421,078.00	(2)	\$450,511.35	\$482,002.09	
20. PERS Safety Adjustment	\$0.00		\$0.00	\$0.00	
21. Total, Other Revenue Limit Items Net of any Deficit	(\$399,735.00)		(\$429,168.35)	(\$460,659.09)	
22. Total, Revenue Limit	\$60,879,191.68		\$59,557,627.65	\$61,268,427.24	
Revenue Limit Local Sources					
23. Property Taxes	\$30,698,694.48		\$32,127,848.23	\$33,628,459.67	
24. Miscellaneous Taxes	\$0.00		\$0.00	\$0.00	
25. Community Redevelopment Funds	\$15,000.00		\$15,000.00	\$15,000.00	
26. Less: Charter Schools In-lieu Taxes	(\$1,126,783.00)	(3)	(\$1,200,914.01)	(\$1,257,317.24)	
27. Total, Revenue Limit - Local Sources	\$29,586,911.48		\$30,941,934.22	\$32,386,142.43	
28. Charter School General Purpose Block Grant Offset (Unified Districts Only)	\$0.00		\$0.00	\$0.00	
29. State Aid Portion of Revenue Limit	\$31,292,280.20		\$28,615,693.43	\$28,882,284.81	
Basic Aid Status					
30. Funding Model Used: ("Basic Aid" or "Revenue Limit")	Revenue Limit		Revenue Limit	Revenue Limit	
31. Educational Revenue Augmentation Fund Allocation (ERAF)	\$0.00		\$0.00	\$0.00	
32. Total Basic Aid Funding Received	N/A		N/A	N/A	
Other Items					
33. Less: County Office Funds Transfer	\$0.00	(4)	\$265,682.00	\$551,447.00	
34. All Other Adjustments	\$22,927.52		\$0.00	\$0.00	
35. Total, Other Items	\$22,927.52		(\$265,682.00)	(\$551,447.00)	
36. Total State Aid Portion of Revenue Limit	\$31,315,207.72		\$28,350,011.43	\$28,330,837.81	
Reconciliation to SACS Form 01					
37. Total State Aid Portion of Revenue Limit (Line 36)	\$31,315,207.72		\$28,350,011.43	\$28,330,837.81	
38. Total, Revenue Limit - Local Sources	\$29,586,911.48		\$30,941,934.22	\$32,386,142.43	
39. Total Combined Revenue Limit	\$60,902,119.20		\$59,291,945.65	\$60,716,980.24	
Revenue Limit Transfers					
40. Restricted Revenue Limit	\$1,723,007.12	(5)	\$1,812,132.00	\$1,873,145.96	
Reconciliation of Total Revenue Limit Sources					
41. Revenue Limit State Aid - Prior Year	\$0.00		\$0.00	\$0.00	
42. PERS Revenue Limit Reduction (Line 19)	\$421,078.00		\$450,511.35	\$482,002.09	

Revenue Limit

Description	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
43. Total Unrestricted Revenue Limit Sources	\$59,600,190.08		\$57,930,325.00	\$59,325,836.37	
OTHER NON REVENUE LIMIT ITEMS					
44. Core Academic Program	\$16,744.00		\$16,744.00	\$16,744.00	
45. California High School Exit Exam	\$224,444.00		\$224,444.00	\$224,444.00	
46. Pupil Promotion and Retention, and Low STAR Score Program	\$0.00		\$0.00	\$0.00	
47. Apprenticeship Funding	\$0.00		\$0.00	\$0.00	
48. Community Day School Additional Funding	\$85,299.00		\$85,299.00	\$85,299.00	
49. Other State Apportionments-Current Year	\$0.00		\$0.00	\$0.00	
50. Total Other Non Revenue Limit Items	\$326,487.00		\$326,487.00	\$326,487.00	

Rules:

- (1) Rules applied: CatCOLA
- (2) Rules applied: RLDef
- (3) Rules applied: Cust%
- (4) Rules applied: ManInput
- (5) Rules applied: ManInput

**General Fund/County School Service Fund
Unrestricted and Restricted Resources
Revenues, Expenditures, and Changes in the Fund Balance**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Year 1 2008 - 09	Year 2 2009 - 10
Revenues					
Revenue Limit Sources	8010 - 8099	\$61,056,602.55	\$61,323,197.20	\$59,742,457.00	\$61,198,982.33
Federal Revenues	8100 - 8299	\$8,765,795.71	\$9,871,864.02	\$9,371,564.27	\$9,303,564.27
Other State Revenues	8300 - 8599	\$20,428,967.17	\$17,717,220.96	\$16,489,712.81	\$16,880,310.03
Other Local Revenues	8600 - 8799	\$8,488,824.33	\$7,070,936.52	\$7,087,386.52	\$7,104,976.12
Total Revenues		\$98,740,189.76	\$95,983,218.70	\$92,691,120.60	\$94,487,832.75
Expenditures					
Certificated Salaries	1000 - 1999	\$39,947,996.79	\$41,861,487.98	\$42,464,986.45	\$44,146,549.48
Classified Salaries	2000 - 2999	\$12,998,120.31	\$14,123,410.24	\$14,310,389.83	\$14,507,066.35
Employee Benefits	3000 - 3999	\$18,206,355.60	\$19,990,548.12	\$20,237,432.59	\$20,474,908.92
Books and Supplies	4000 - 4999	\$4,875,516.35	\$7,081,549.05	\$6,654,660.27	\$6,813,025.61
Services and Other Operating Expenditures	5000 - 5999	\$8,870,206.22	\$6,219,359.61	\$6,426,973.00	\$6,614,419.06
Capital Outlay	6000 - 6900	\$1,298,085.90	\$243,907.61	\$243,907.61	\$243,907.61
Other Outgo	7000 - 7299	\$6,842,302.62	\$5,788,063.47	\$6,079,490.51	\$6,233,348.93
Direct Support/Indirect Cost	7300 - 7399	(\$453,833.80)	(\$419,322.85)	(\$420,150.85)	(\$420,150.85)
Debt Service	7430 - 7439	\$289,268.09	\$213,366.42	\$172,581.00	\$159,864.00
Total Expenditures		\$92,874,018.08	\$95,102,369.65	\$96,170,270.41	\$98,772,939.11
Excess (Deficiency) of Revenues Over Expenditures		\$5,866,171.68	\$880,849.05	(\$3,479,149.81)	(\$4,285,106.36)
Other Financing Sources/Uses					
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00	\$0.00	\$0.00
Interfund Transfers Out	7600 - 7629	\$1,799,851.46	\$1,326,739.00	\$1,400,410.00	\$1,443,278.00
All Other Financing Sources	8930 - 8979	\$489,192.02	\$65,653.00	\$0.00	\$0.00
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00	\$0.00	\$0.00
Contributions	8980 - 8999	\$0.00	\$0.00	\$0.00	\$0.00
Total Other Financing Sources/Uses		(\$1,310,659.44)	(\$1,261,086.00)	(\$1,400,410.00)	(\$1,443,278.00)
Net Increase (Decrease) in Fund Balance		\$4,555,512.24	(\$380,236.95)	(\$4,879,559.81)	(\$5,728,384.36)
Fund Balance					
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$8,319,167.98	\$12,873,757.22	\$12,493,520.27	\$7,613,960.46
Audit Adjustments	9793	\$0.00	\$0.00	\$0.00	\$0.00
Other Restatements	9795	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Beginning Fund Balance		\$8,319,167.98	\$12,873,757.22	\$12,493,520.27	\$7,613,960.46
Ending Fund Balance		\$12,874,680.22	\$12,493,520.27	\$7,613,960.46	\$1,885,576.10
Components of Ending Fund Balance					
Reserved Balances	9700	\$0.00	\$0.00	\$0.00	\$0.00
Revolving Cash	9711	\$21,055.74	\$21,055.74	\$21,055.74	\$21,055.74
Stores	9712	\$0.00	\$0.00	\$0.00	\$0.00
Prepaid Expenditures	9713	\$0.00	\$0.00	\$0.00	\$0.00
Other Prepay	9719	\$0.00	\$0.00	\$0.00	\$0.00
General Reserve	9730	\$0.00	\$0.00	\$0.00	\$0.00
Legally Restricted Balance	9740 - 9759	\$7,795,215.27	\$7,790,474.91	\$6,895,135.65	\$6,021,550.94
Economic Uncertainties Percentage		3.00%	3.00%	3.00%	3.00%
Designated for Economic Uncertainties	9770	\$2,840,216.09	\$2,892,873.26	\$2,927,120.41	\$3,006,486.51
Designated for the Unrealized Gains of Investments and Cash in County Treasury	9775	\$0.00	\$0.00	\$0.00	\$0.00
Other Designated	9780	\$1,166,084.00	\$1,339,084.00	\$0.00	\$0.00
Undesignated/Unappropriated	9790	\$1,052,109.12	\$450,032.36	\$0.00	\$0.00
Negative Shortfall	9790	\$0.00	\$0.00	(\$2,229,351.34)	(\$7,163,517.09)

Source	Note
Resource: 0000 - Unrestricted Object: 1101 - Cert. Compensation	Stipulated agreement amounts for each have been put in this object code rather than a designation of fund balance.
Resource: 0000 - Unrestricted Object: 1110 - Substitute Salaries	Reduce SUBS cost based on historical data.
Resource: 0000 - Unrestricted Object: 1996 - Recapture Savings	Recapture - Savings from PC 10/9/07 - 11/13/07 Update.
Resource: 0000 - Unrestricted Object: 1999 - Move Director Tech/Assess to RES 0000	1.0 FTE Director of Technology & Assessment from Resource 1100.
Resource: 0000 - Unrestricted Object: 2211 - Class. Support PT/Subs	Increased Subs to historical and current spending levels.
Resource: 0000 - Unrestricted Object: 2212 - Class. Support OT	Increased OT based on history and current spending levels.
Resource: 0000 - Unrestricted Object: 2412 - Clerical OT	Increased to reflect prior year history and current spending levels.
Resource: 0000 - Unrestricted Object: 2911 - Other Class. PT/Subs	Increased Subs to historical and current spending levels.

Resource: 0000 - Unrestricted Object: 2997 - Recapture Savings	Recapture - Savings from PC 10/9/07 - 11/13/07 Update and an unfilled custodial in location 19.
Resource: 0000 - Unrestricted Object: 3996 - Recapture Savings	Recapture Benefit Savings from Salary Adjustments.
Resource: 0000 - Unrestricted Object: 5500 - Operation and Housekeeping Svcs	Utilities increased by 5% annually in the projection years.
Resource: 0000 - Unrestricted Object: 5999 - Athletics - Underbudget	Athletics budget adjustment for underbudget 2006/07 actuals vs 2007/08 Budget
Resource: 0000 - Unrestricted Object: 7438 - Debt Service—Interest	Long Term Debt Adjusted to reflect District schedules in the current and projection years.
Resource: 0000 - Unrestricted Object: 7619 - Other Authorized Interfund Transfers Out	Transfers out are adjusted to reflect only the transfer of the Property and Liability Insurance.
Resource: 0000 - Unrestricted Object: 8661 - Interest Adjustment	Increase based on prior year and current cash projected cash levels.
Resource: 0000 - Unrestricted Object: 8972 - Proceeds from Capital Leases	Adjusted base year for 1-time actual YTD activity.
Resource: 1100 - State Lottery Object: 1110 - Substitute Salaries	Increase SUB Cost based on historical data.
Resource: 1100 - State Lottery Object: 1999 - Move 1.0 FTE Director to resource 0000	Move Directo Tech/Assess to resource 0000.
Resource: 1100 - State Lottery Object: 3999 - Move Employee Benefits for Director 1.0 FTE	Move Employee Benefits for Director position.
Resource: 3010 - NCLB-Title I, Part A, Basic Grants Low Income and Neglected Object: 4200 - Books and Reference Mat'ls	This object was used for autobalancing (at 11/25/2007). Initial Value is: 18,233.00\$. For project years see applied Autobalanced Rule.
Resource: 3010 - NCLB-Title I, Part A, Basic Grants Low Income and Neglected Object: 4300 - Materials and Supplies	This object was used for autobalancing (at 11/25/2007). Initial Value is: 545,448.46\$. For project years see applied Autobalanced Rule.
Resource: 3010 - NCLB-Title I, Part A, Basic Grants Low Income and Neglected Object: 8290 - All Other Federal Revenue	Adjusted revenues to current level of funding + 06/07 carryover. Future years were adjusted to the 07/08 funding level.
Resource: 3010 - NCLB-Title I, Part A, Basic Grants Low Income and Neglected Object: 8291 - Carryover Revenue	06/07 Carryover Revenue.
Resource: 3710 - NCLB: Title IV, Part A, Drug Free Schools Object: 8290 - All Other Federal Revenue	Adjusted to current year funding level.
Resource: 3710 - NCLB: Title IV, Part A, Drug Free Schools Object: 8291 - Deferred Revenue - Carryover	2006/07 Deferred Revenue.
Resource: 4035 - NCLB: Title II, Part A, Teacher Quality Object: 4300 - Materials and Supplies	This object was used for autobalancing (at 11/17/2007). Initial Value is: 72,780.71\$. For project years see applied Autobalanced Rule. This object was used for autobalancing (at 10/23/2007). Initial Value is: 72,780.71\$. For project years see applied Autobalanced Rule.
Resource: 4035 - NCLB: Title II, Part A, Teacher Quality Object: 8291 - Projected Change in Funding	Projected Deficit SSC
Resource: 4045 - NCLB: Title II, Part D, Enhancing Education Through Technology, Formula Grants Object: 4400 - Noncapitalized Equipment	spend down carryover.
Resource: 4045 - NCLB: Title II, Part D, Enhancing Education Through Technology, Formula Grants Object: 8291 - Carryover Revenue	06/07 Carryover Revenue.
Resource: 4046 - NCLB: Title II, Part D, Enhancing Education Through Technology, Competitive Gran Object: 2212 - Classified Support	Added OT based on historical data.
Resource: 4046 - NCLB: Title II, Part D, Enhancing Education Through Technology, Competitive Gran Object: 8100 - Adjust to CY award + C/O	Adjust Revenue to current year award of \$215
Resource: 4110 - NCLB: Title V, Part A: Innovative Education Strategies Object: 2412 - Classified OT	Added OT based on historical data.
Resource: 4110 - NCLB: Title V, Part A: Innovative Education Strategies Object: 8290 - All Other Federal Revenue	Reduced by 1.73% SSC Projection.
Resource: 4124 - NCLB: Title IV, Part B, 21st Century Community Learning Centers Program Object: 2911 - Othr Classified - SUBS	Added SUBS based on historical data.
Resource: 4124 - NCLB: Title IV, Part B, 21st Century Community Learning Centers Program Object: 4300 - Materials and Supplies	This object was used for autobalancing (at 11/17/2007). Initial Value is: 1,708,290.49\$. For project years see applied Autobalanced Rule.
Resource: 4124 - NCLB: Title IV, Part B, 21st Century Community Learning Centers Program Object: 8291 - Adjust to 1st Interim	Adjust revenues to 1st Interim Budget Report.
Resource: 4203 - NCLB: Title III, Limited English Proficiency (LEP) Student Program Object: 8291 - Carryover Revenue	Add 06/07 Carryover.
Resource: 5630 - NCLB: Title X, Mckinney-Vento Homeless Assistance Grants Object: 1999 - Reduce .15 FTE Psychologist	Reduce .15 FTE Psychologist PC adjustment on 11/13/07.
Resource: 5630 - NCLB: Title X, Mckinney-Vento Homeless Assistance Grants Object: 2997 - PC Salary Adjustments	Adjustment on 11/13/07 PC.
Resource: 5630 - NCLB: Title X, Mckinney-Vento Homeless Assistance Grants Object: 3999 - Reduce Employee Benefits for .15 Psychologist	Recapture savings for PC Salary adjustments.
Resource: 5630 - NCLB: Title X, Mckinney-Vento Homeless Assistance Grants Object: 8291 - Adjust to CY Award	Adjust Budget to current year award funding.
Resource: 5640 - Medi-Cal Billing Option Object: 8290 - All Other Federal Revenue	Reduce to projected current year funding.
Resource: 5810 - Other Federal Object: 4301 - Spend Down Carryover	Spend Down Carryover.
Resource: 5810 - Other Federal Object: 8291 - Carryover Revenues	2006/07 Deferred Revenues.
Resource: 6010 - After-School Learning & Safe Neighborhood Partnerships Object: 2392 - Custom Object	Increase Classified SUBS based on historical data.

Resource: 6010 - After-School Learning & Safe Neighborhood Partnerships Object: 4300 - Materials and Supplies	This object was used for autobalancing (at 11/25/2007). Initial Value is: 276,710.23\$. For project years see applied Autobalanced Rule.
Resource: 6092 - Cal-SAFE Child Care & Development Services Object: 2392 - Classified SUBS	Increased SUBS based on historical data.
Resource: 6285 - Community Based Tutoring Program Object: 4301 - Spend Down Carryover	Spend Down Carryover.
Resource: 6285 - Community Based Tutoring Program Object: 8591 - Deferred Revenue - Carryover	2006/07 Deferred Revenue.
Resource: 6350 - ROC/P Apportionment Object: 2911 - Other Class. PT/Subs	Increased Classified SUBS based on historical data.
Resource: 6500 - Special Education Object: 1999 - Recapture Savings.	Net savings effect of restructuring the dept. structure.
Resource: 6500 - Special Education Object: 2998 - PC Adjustments	Recapture savings from updated PC 11/13/07.
Resource: 6500 - Special Education Object: 3999 - Recapture savings	Recapture savings from salary adjustments.
Resource: 6510 - Special Ed: Early Ed Individuals with Exceptional Needs (Infant Program) Object: 1998 - PC Adjustment	Recapture Savings on 11/13/07 updated position control.
Resource: 6510 - Special Ed: Early Ed Individuals with Exceptional Needs (Infant Program) Object: 3997 - Recapture Savings	Recapture Savings from updated PC 11/13/07.
Resource: 6660 - Tobacco-Use Prevention Education: Elementary Grades 4-8 Object: 8591 - Deferred Revenue - Carryover	2006/07 Deferred Revenue.
Resource: 6670 - Tobacco-Use Prevention Education: High School Competitive Grants Object: 8590 - All Other State Revenue	Reduced to current year funding.
Resource: 6670 - Tobacco-Use Prevention Education: High School Competitive Grants Object: 8591 - 2006/07 Carryover	2006/07 Carryover Revenues.
Resource: 6760 - Arts/Music Block Grant Object: 8590 - All Other State Revenue	Reduced to current year funding level.
Resource: 7090 - Economic Impact Aid (EIA) Object: 8311 - Other State Apportionments—Current Year	Revenues cleared and posted to the current LEP active resource of 7091.
Resource: 7091 - Economic Impact Aid: Limited English Proficiency (LEP) Object: 1110 - Substitute Salaries	Increased SUBS based on historical data.
Resource: 7091 - Economic Impact Aid: Limited English Proficiency (LEP) Object: 2111 - Aides PT/Subs	Increased SUBS based on historical data.
Resource: 7091 - Economic Impact Aid: Limited English Proficiency (LEP) Object: 8311 - Other State Apportionments—Current Year	Increased revenues to the current state funding level.
Resource: 7140 - Gifted & Talented Education (GATE) Object: 8699 - All Other Local Revenue	Local Revenue cleared based on prior history.
Resource: 7220 - Partnership Academies Program Object: 4300 - Materials and Supplies	This object was used for autobalancing (at 11/25/2007). Initial Value is: 142,023.85\$. For project years see applied Autobalanced Rule.
Resource: 7220 - Partnership Academies Program Object: 8590 - All Other State Revenue	Reduce to current funding level.
Resource: 7220 - Partnership Academies Program Object: 8591 - Deferred Revenue - Carryover	2006/07 Deferred Revenue.
Resource: 7230 - Transportation: Home to School Object: 2212 - Class. Support OT	Increased OT based on historical data.
Resource: 7230 - Transportation: Home to School Object: 2988 - Adjustment from updated PC	Adjustment from updated 11/13/07 position control.
Resource: 7230 - Transportation: Home to School Object: 3997 - Adjustment from updated PC	Adjustment from updated 11/13/07 position control.
Resource: 7230 - Transportation: Home to School Object: 7439 - Other Debt Service—Principal	Long Term Debt adjusted to reflect the District Schedule for the current and projection years.
Resource: 7240 - Transportation: Special Education (SH/OH) Education Code sections 41850-41851.2 Object: 2212 - Class Support OT	Increased OT based on historical data.
Resource: 7240 - Transportation: Special Education (SH/OH) Education Code sections 41850-41851.2 Object: 2900 - Adjustment for updated PC	Adjustment due to 11/13/07 updated position control.
Resource: 7240 - Transportation: Special Education (SH/OH) Education Code sections 41850-41851.2 Object: 3997 - Adjustment for updated PC	Adjustment for 11/13/07 updated position control.
Resource: 7240 - Transportation: Special Education (SH/OH) Education Code sections 41850-41851.2 Object: 4300 - Materials and Supplies	This object was used for autobalancing (at 11/17/2007). Initial Value is: 146,167.00\$. For project years see applied Autobalanced Rule.
Resource: 7256 - II/USP: SAIT Corrective Action Grant Object: 8590 - All Other State Revenue	Revenues adjusted to current year funding.
Resource: 7256 - II/USP: SAIT Corrective Action Grant Object: 8591 - Deferred Revenue - Carryover	2006/07 Deferred Revenue.
Resource: 7271 - California Peer Assistance & Review Program for Teachers (CPARP) Object: 4300 - Materials and Supplies	This object was used for autobalancing (at 11/25/2007). Initial Value is: 59,292.04\$. For project years see applied Autobalanced Rule.
Resource: 7271 - California Peer Assistance & Review Program for Teachers (CPARP) Object: 8590 - All Other State Revenue	Reduced to current year funding level.
Resource: 7393 - Professional Development Block Grant Object: 8590 - All Other State Revenue	Increase to current year funding level.
Resource: 8150 - Ongoing & Major Maintenance Account (RMA: Education Code Section 17070.75) Object: 2212 - Classified Support - OT	Increase OT based on historical data.
Resource: 8150 - Ongoing & Major Maintenance Account (RMA: Education Code Section 17070.75) Object: 2412 - Clerical - OT	Increase OT based on historical data.
Resource: 8150 - Ongoing & Major Maintenance Account (RMA: Education Code Section 17070.75)	Adjusted Deferred Maintenance contribution to agree with CDE 2007/08 posting.

Object: 7615 - From General, Special Reserve, and Building Funds to Deferred Maintenance Fund	
Resource: 3310 - Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611 (formerly P) Object: 8980-8999 - Contributions	Federal Spec/ED Resource projected to encroach in 2007/08.
Resource: 4045 - NCLB: Title II, Part D, Enhancing Education Through Technology, Formula Grants Object: 8100-8299 - Federal Revenues	2007/08 grant budget includes current year funding of \$20,220 + carryover of \$14,398. Cleared in the projection years.
Resource: 7271 - California Peer Assistance & Review Program for Teachers (CPARP) Object: 8300-8599 - Other State Revenues	Current Year funding level is \$69,542. The District has adjusted expenditures to match expected revenues + 2006/07 carryover.

**General Fund/County School Service Fund
Unrestricted Resources Only
Revenues, Expenditures, and Changes in the Fund Balance**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Year 1 2008 - 09	Year 2 2009 - 10
Revenues					
Revenue Limit Sources	8010 - 8099	\$59,403,566.40	\$59,600,190.08	\$57,930,325.00	\$59,325,836.37
Federal Revenues	8100 - 8299	\$1,533,842.61	\$1,381,030.27	\$1,381,030.27	\$1,381,030.27
Other State Revenues	8300 - 8599	\$6,572,317.17	\$6,382,770.92	\$6,089,631.52	\$6,168,683.98
Other Local Revenues	8600 - 8799	\$1,692,694.25	\$1,506,807.81	\$1,523,257.81	\$1,540,847.41
Total Revenues		\$69,202,420.43	\$68,870,799.08	\$66,924,244.60	\$68,416,398.03
Expenditures					
Certificated Salaries	1000 - 1999	\$30,254,998.96	\$31,789,488.31	\$32,250,380.98	\$33,787,199.12
Classified Salaries	2000 - 2999	\$6,480,831.18	\$6,787,054.34	\$6,881,694.58	\$6,977,754.42
Employee Benefits	3000 - 3999	\$13,036,135.33	\$13,850,770.30	\$14,053,136.07	\$14,244,427.14
Books and Supplies	4000 - 4999	\$683,767.03	\$740,468.30	\$759,624.44	\$778,381.46
Services and Other Operating Expenditures	5000 - 5999	\$4,683,423.52	\$4,646,356.72	\$4,816,551.22	\$4,989,886.58
Capital Outlay	6000 - 6900	\$647,814.96	\$124,971.29	\$124,971.29	\$124,971.29
Other Outgo	7000 - 7299	\$1,771,456.83	\$75,462.00	\$79,189.82	\$81,565.51
Direct Support/Indirect Cost	7300 - 7399	(\$1,145,282.40)	(\$1,116,332.89)	(\$1,116,332.89)	(\$1,116,332.89)
Debt Service	7430 - 7439	\$250,568.85	\$97,730.00	\$85,413.00	\$72,696.00
Total Expenditures		\$56,663,714.26	\$56,995,968.37	\$57,934,628.51	\$59,940,548.63
Excess (Deficiency) of Revenues Over Expenditures		\$12,538,706.17	\$11,874,830.71	\$8,989,616.09	\$8,475,849.40
Other Financing Sources/Uses					
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00	\$0.00	\$0.00
Interfund Transfers Out	7600 - 7629	\$1,272,907.46	\$799,446.00	\$924,898.00	\$949,894.00
All Other Financing Sources	8930 - 8979	\$489,192.02	\$65,653.00	\$0.00	\$0.00
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00	\$0.00	\$0.00
Contributions	8980 - 8999	(\$9,724,663.51)	(\$11,516,534.30)	(\$12,048,938.64)	(\$12,380,755.05)
Total Other Financing Sources/Uses		(\$10,508,378.95)	(\$12,250,327.30)	(\$12,973,836.64)	(\$13,330,649.05)
Net Increase (Decrease) in Fund Balance		\$2,030,327.22	(\$375,496.59)	(\$3,984,220.55)	(\$4,854,799.65)
Fund Balance					
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$3,035,313.66	\$5,078,541.95	\$4,703,045.36	\$718,824.81
Audit Adjustments	9793	\$0.00	\$0.00	\$0.00	\$0.00
Other Restatements	9795	\$13,824.07	\$0.00	\$0.00	\$0.00
Adjusted Beginning Fund Balance		\$3,049,137.73	\$5,078,541.95	\$4,703,045.36	\$718,824.81
Ending Fund Balance		\$5,079,464.95	\$4,703,045.36	\$718,824.81	(\$4,135,974.84)
Components of Ending Fund Balance					
Reserved Balances	9700	\$0.00	\$0.00	\$0.00	\$0.00
Revolving Cash	9711	\$21,055.74	\$21,055.74	\$21,055.74	\$21,055.74
Stores	9712	\$0.00	\$0.00	\$0.00	\$0.00
Prepaid Expenditures	9713	\$0.00	\$0.00	\$0.00	\$0.00
Other Prepay	9719	\$0.00	\$0.00	\$0.00	\$0.00
General Reserve	9730	\$0.00	\$0.00	\$0.00	\$0.00
Legally Restricted Balance	9740 - 9759	\$0.00	\$0.00	\$0.00	\$0.00
Economic Uncertainties Percentage		3.00%	3.00%	3.00%	3.00%
Designated for Economic Uncertainties	9770	\$2,840,216.09	\$2,892,873.26	\$2,927,120.41	\$3,006,486.51
Designated for the Unrealized Gains of Investments and Cash in County Treasury	9775	\$0.00	\$0.00	\$0.00	\$0.00
Other Designated	9780	\$1,166,084.00	\$1,339,084.00	\$0.00	\$0.00
Undesignated/Unappropriated	9790	\$1,052,109.12	\$450,032.36	\$0.00	\$0.00
Negative Shortfall	9790	\$0.00	\$0.00	(\$2,229,351.34)	(\$7,163,517.09)

Source	Note
Resource: 0000 - Unrestricted Object: 1101 - Cert. Compensation	Stipulated agreement amounts for each have been put in this object code rather than a designation of fund balance.
Resource: 0000 - Unrestricted Object: 1110 - Substitute Salaries	Reduce SUBS cost based on historical data.
Resource: 0000 - Unrestricted Object: 1996 - Recapture Savings	Recapture - Savings from PC 10/9/07 - 11/13/07 Update.
Resource: 0000 - Unrestricted Object: 1999 - Move Director Tech/Assess to RES 0000	1.0 FTE Director of Technology & Assessment from Resource 1100.
Resource: 0000 - Unrestricted Object: 2211 - Class. Support PT/Subs	Increased Subs to historical and current spending levels.
Resource: 0000 - Unrestricted Object: 2212 - Class. Support OT	Increased OT based on history and current spending levels.
Resource: 0000 - Unrestricted Object: 2412 - Clerical OT	Increased to reflect prior year history and current spending levels.
Resource: 0000 - Unrestricted Object: 2911 - Other Class. PT/Subs	Increased Subs to historical and current spending levels.

Resource: 0000 - Unrestricted Object: 2997 - Recapture Savings	Recapture - Savings from PC 10/9/07 - 11/13/07 Update and an unfilled custodial in location 19.
Resource: 0000 - Unrestricted Object: 3996 - Recapture Savings	Recapture Benefit Savings from Salary Adjustments.
Resource: 0000 - Unrestricted Object: 5500 - Operation and Housekeeping Svcs	Utilities increased by 5% annually in the projection years.
Resource: 0000 - Unrestricted Object: 5999 - Athletics - Underbudget	Athletics budget adjustment for underbudget 2006/07 actuals vs 2007/08 Budget
Resource: 0000 - Unrestricted Object: 7438 - Debt Service—Interest	Long Term Debt Adjusted to reflect District schedules in the current and projection years.
Resource: 0000 - Unrestricted Object: 7619 - Other Authorized Interfund Transfers Out	Transfers out are adjusted to reflect only the transfer of the Property and Liability Insurance.
Resource: 0000 - Unrestricted Object: 8661 - Interest Adjustment	Increase based on prior year and current cash projected cash levels.
Resource: 0000 - Unrestricted Object: 8972 - Proceeds from Capital Leases	Adjusted base year for 1-time actual YTD activity.
Resource: 1100 - State Lottery Object: 1110 - Substitute Salaries	Increase SUB Cost based on historical data.
Resource: 1100 - State Lottery Object: 1999 - Move 1.0 FTE Director to resource 0000	Move Directo Tech/Assess to resource 0000.
Resource: 1100 - State Lottery Object: 3999 - Move Employee Benefits for Director 1.0 FTE	Move Employee Benefits for Director position.

**General Fund/County School Service Fund
Restricted Resources Only
Revenues, Expenditures, and Changes in the Fund Balance**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Year 1 2008 - 09	Year 2 2009 - 10
Revenues					
Revenue Limit Sources	8010 - 8099	\$1,653,036.15	\$1,723,007.12	\$1,812,132.00	\$1,873,145.96
Federal Revenues	8100 - 8299	\$7,231,953.10	\$8,490,833.75	\$7,990,534.00	\$7,922,534.00
Other State Revenues	8300 - 8599	\$13,856,650.00	\$11,334,450.04	\$10,400,081.29	\$10,711,626.05
Other Local Revenues	8600 - 8799	\$6,796,130.08	\$5,564,128.71	\$5,564,128.71	\$5,564,128.71
Total Revenues		\$29,537,769.33	\$27,112,419.62	\$25,766,876.00	\$26,071,434.72
Expenditures					
Certificated Salaries	1000 - 1999	\$9,692,997.83	\$10,071,999.67	\$10,214,605.47	\$10,359,350.36
Classified Salaries	2000 - 2999	\$6,517,289.13	\$7,336,355.90	\$7,428,695.25	\$7,529,311.93
Employee Benefits	3000 - 3999	\$5,170,220.27	\$6,139,777.82	\$6,184,296.52	\$6,230,481.78
Books and Supplies	4000 - 4999	\$4,191,749.32	\$6,341,080.75	\$5,895,035.83	\$6,034,644.15
Services and Other Operating Expenditures	5000 - 5999	\$4,186,782.70	\$1,573,002.89	\$1,610,421.78	\$1,624,532.48
Capital Outlay	6000 - 6900	\$650,270.94	\$118,936.32	\$118,936.32	\$118,936.32
Other Outgo	7000 - 7299	\$5,070,845.79	\$5,712,601.47	\$6,000,300.69	\$6,151,783.42
Direct Support/Indirect Cost	7300 - 7399	\$691,448.60	\$697,010.04	\$696,182.04	\$696,182.04
Debt Service	7430 - 7439	\$38,699.24	\$115,636.42	\$87,168.00	\$87,168.00
Total Expenditures		\$36,210,303.82	\$38,106,401.28	\$38,235,641.90	\$38,832,390.48
Excess (Deficiency) of Revenues Over Expenditures		(\$6,672,534.49)	(\$10,993,981.66)	(\$12,468,765.90)	(\$12,760,955.76)
Other Financing Sources/Uses					
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00	\$0.00	\$0.00
Interfund Transfers Out	7600 - 7629	\$526,944.00	\$527,293.00	\$475,512.00	\$493,384.00
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00	\$0.00	\$0.00
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00	\$0.00	\$0.00
Contributions	8980 - 8999	\$9,724,663.51	\$11,516,534.30	\$12,048,938.64	\$12,380,755.05
Total Other Financing Sources/Uses		\$9,197,719.51	\$10,989,241.30	\$11,573,426.64	\$11,887,371.05
Net Increase (Decrease) in Fund Balance		\$2,525,185.02	(\$4,740.36)	(\$895,339.26)	(\$873,584.71)
Fund Balance					
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$5,283,854.32	\$7,795,215.27	\$7,790,474.91	\$6,895,135.65
Audit Adjustments	9793	\$0.00	\$0.00	\$0.00	\$0.00
Other Restatements	9795	(\$13,824.07)	\$0.00	\$0.00	\$0.00
Adjusted Beginning Fund Balance		\$5,270,030.25	\$7,795,215.27	\$7,790,474.91	\$6,895,135.65
Ending Fund Balance		\$7,795,215.27	\$7,790,474.91	\$6,895,135.65	\$6,021,550.94
Components of Ending Fund Balance					
Reserved Balances	9700	\$0.00	\$0.00	\$0.00	\$0.00
Revolving Cash	9711	\$0.00	\$0.00	\$0.00	\$0.00
Stores	9712	\$0.00	\$0.00	\$0.00	\$0.00
Prepaid Expenditures	9713	\$0.00	\$0.00	\$0.00	\$0.00
Other Prepay	9719	\$0.00	\$0.00	\$0.00	\$0.00
General Reserve	9730	\$0.00	\$0.00	\$0.00	\$0.00
Legally Restricted Balance	9740 - 9759	\$7,795,215.27	\$7,790,474.91	\$6,895,135.65	\$6,021,550.94
Designated for Economic Uncertainties	9770	\$0.00	\$0.00	\$0.00	\$0.00
Designated for the Unrealized Gains of Investments and Cash in County Treasury	9775	\$0.00	\$0.00	\$0.00	\$0.00
Other Designated	9780	\$0.00	\$0.00	\$0.00	\$0.00
Undesignated/Unappropriated	9790	\$0.00	\$0.00	\$0.00	\$0.00
Negative Shortfall	9790	\$0.00	\$0.00	\$0.00	\$0.00

Source	Note
Resource: 3010 - NCLB-Title I, Part A, Basic Grants Low Income and Neglected Object: 4200 - Books and Reference Mat's	This object was used for autobalancing (at 11/25/2007). Initial Value is: 18,233.00\$. For project years see applied Autobalanced Rule.
Resource: 3010 - NCLB-Title I, Part A, Basic Grants Low Income and Neglected Object: 4300 - Materials and Supplies	This object was used for autobalancing (at 11/25/2007). Initial Value is: 545,448.46\$. For project years see applied Autobalanced Rule.
Resource: 3010 - NCLB-Title I, Part A, Basic Grants Low Income and Neglected Object: 8290 - All Other Federal Revenue	Adjusted revenues to current level of funding + 06/07 carryover. Future years were adjusted to the 07/08 funding level.
Resource: 3010 - NCLB-Title I, Part A, Basic Grants Low Income and Neglected Object: 8291 - Carryover Revenue	06/07 Carryover Revenue.
Resource: 3710 - NCLB: Title IV, Part A, Drug Free Schools Object: 8290 - All Other Federal Revenue	Adjusted to current year funding level.
Resource: 3710 - NCLB: Title IV, Part A, Drug Free Schools Object: 8291 - Deferred Revenue - Carryover	2006/07 Deferred Revenue.
Resource: 4035 - NCLB: Title II, Part A, Teacher Quality Object: 4300 - Materials and Supplies	This object was used for autobalancing (at 11/17/2007). Initial Value is: 72,780.71\$. For project years see applied Autobalanced Rule. This object was used for autobalancing (at 10/23/2007). Initial Value is: 72,780.71\$. For project years see applied Autobalanced Rule.
Resource: 4035 - NCLB: Title II, Part A, Teacher Quality Object: 8291 - Projected Change in Funding	Projected Deficit SSC

Resource: 4045 - NCLB: Title II, Part D, Enhancing Education Through Technology, Formula Grants Object: 4400 - Noncapitalized Equipment	spend down carryover.
Resource: 4045 - NCLB: Title II, Part D, Enhancing Education Through Technology, Formula Grants Object: 8291 - Carryover Revenue	06/07 Carryover Revenue.
Resource: 4046 - NCLB: Title II, Part D, Enhancing Education Through Technology, Competitive Grant Object: 2212 - Classified Support	Added OT based on historical data.
Resource: 4046 - NCLB: Title II, Part D, Enhancing Education Through Technology, Competitive Grant Object: 8100 - Adjust to CY award + C/O	Adjust Revenue to current year award of \$215
Resource: 4110 - NCLB: Title V, Part A: Innovative Education Strategies Object: 2412 - Classified OT	Added OT based on historical data.
Resource: 4110 - NCLB: Title V, Part A: Innovative Education Strategies Object: 8290 - All Other Federal Revenue	Reduced by 1.73% SSC Projection.
Resource: 4124 - NCLB: Title IV, Part B, 21st Century Community Learning Centers Program Object: 2911 - Othr Classified - SUBS	Added SUBS based on historical data.
Resource: 4124 - NCLB: Title IV, Part B, 21st Century Community Learning Centers Program Object: 4300 - Materials and Supplies	This object was used for autobalancing (at 11/17/2007). Initial Value is: 1,708,290.49\$. For project years see applied Autobalanced Rule.
Resource: 4124 - NCLB: Title IV, Part B, 21st Century Community Learning Centers Program Object: 8291 - Adjust to 1st Interim	Adjust revenues to 1st Interim Budget Report.
Resource: 4203 - NCLB: Title III, Limited English Proficiency (LEP) Student Program Object: 8291 - Carryover Revenue	Add 06/07 Carryover.
Resource: 5630 - NCLB: Title X, McKinney-Vento Homeless Assistance Grants Object: 1999 - Reduce .15 FTE Psychologist	Reduce .15 FTE Psychologist PC adjustment on 11/13/07.
Resource: 5630 - NCLB: Title X, McKinney-Vento Homeless Assistance Grants Object: 2997 - PC Salary Adjustments	Adjustment on 11/13/07 PC.
Resource: 5630 - NCLB: Title X, McKinney-Vento Homeless Assistance Grants Object: 3999 - Reduce Employee Benefits for .15 Psychologist	Recapture savings for PC Salary adjustments.
Resource: 5630 - NCLB: Title X, McKinney-Vento Homeless Assistance Grants Object: 8291 - Adjust to CY Award	Adjust Budget to current year award funding.
Resource: 5640 - Medi-Cal Billing Option Object: 8290 - All Other Federal Revenue	Reduce to projected current year funding.
Resource: 5810 - Other Federal Object: 4301 - Spend Down Carryover	Spend Down Carryover.
Resource: 5810 - Other Federal Object: 8291 - Carryover Revenues	2006/07 Deferred Revenues.
Resource: 6010 - After-School Learning & Safe Neighborhood Partnerships Object: 2392 - Custom Object	Increase Classified SUBS based on historical data.
Resource: 6010 - After-School Learning & Safe Neighborhood Partnerships Object: 4300 - Materials and Supplies	This object was used for autobalancing (at 11/25/2007). Initial Value is: 276,710.23\$. For project years see applied Autobalanced Rule.
Resource: 6092 - Cal-SAFE Child Care & Development Services Object: 2392 - Classified SUBS	Increased SUBS based on historical data.
Resource: 6285 - Community Based Tutoring Program Object: 4301 - Spend Down Carryover	Spend Down Carryover.
Resource: 6285 - Community Based Tutoring Program Object: 8591 - Deferred Revenue - Carryover	2006/07 Deferred Revenue.
Resource: 6350 - ROC/P Apportionment Object: 2911 - Other Class. PT/Subs	Increased Classified SUBS based on historical data.
Resource: 6500 - Special Education Object: 1999 - Recapture Savings.	Net savings effect of restructuring the dept. structure.
Resource: 6500 - Special Education Object: 2998 - PC Adjustments	Recapture savings from updated PC 11/13/07.
Resource: 6500 - Special Education Object: 3999 - Recapture savings	Recapture savings from salary adjustments.
Resource: 6510 - Special Ed: Early Ed Individuals with Exceptional Needs (Infant Program) Object: 1998 - PC Adjustment	Recapture Savings on 11/13/07 updated position control.
Resource: 6510 - Special Ed: Early Ed Individuals with Exceptional Needs (Infant Program) Object: 3997 - Recapture Savings	Recapture Savings from updated PC 11/13/07.
Resource: 6660 - Tobacco-Use Prevention Education: Elementary Grades 4-8 Object: 8591 - Deferred Revenue - Carryover	2006/07 Deferred Revenue.
Resource: 6670 - Tobacco-Use Prevention Education: High School Competitive Grants Object: 8590 - All Other State Revenue	Reduced to current year funding.
Resource: 6670 - Tobacco-Use Prevention Education: High School Competitive Grants Object: 8591 - 2006/07 Carryover	2006/07 Carryover Revenues.
Resource: 6760 - Arts/Music Block Grant Object: 8590 - All Other State Revenue	Reduced to current year funding level.
Resource: 7090 - Economic Impact Aid (EIA) Object: 8311 - Other State Apportionments—Current Year	Revenues cleared and posted to the current LEP active resource of 7091.
Resource: 7091 - Economic Impact Aid: Limited English Proficiency (LEP) Object: 1110 - Substitute Salaries	Increased SUBS based on historical data.
Resource: 7091 - Economic Impact Aid: Limited English Proficiency (LEP) Object: 2111 - Aides PT/Subs	Increased SUBS based on historical data.
Resource: 7091 - Economic Impact Aid: Limited English Proficiency (LEP) Object: 8311 - Other State Apportionments—Current Year	Increased revenues to the current state funding level.
Resource: 7140 - Gifted & Talented Education (GATE) Object: 8699 - All Other Local Revenue	Local Revenue cleared based on prior history.

Resource: 7220 - Partnership Academies Program Object: 4300 - Materials and Supplies	This object was used for autobalancing (at 11/25/2007). Initial Value is: 142,023.85\$. For project years see applied Autobalanced Rule.
Resource: 7220 - Partnership Academies Program Object: 8590 - All Other State Revenue	Reduce to current funding level.
Resource: 7220 - Partnership Academies Program Object: 8591 - Deferred Revenue - Carryover	2006/07 Deferred Revenue.
Resource: 7230 - Transportation: Home to School Object: 2212 - Class. Support OT	Increased OT based on historical data.
Resource: 7230 - Transportation: Home to School Object: 2988 - Adjustment from updated PC	Adjustment from updated 11/13/07 position control.
Resource: 7230 - Transportation: Home to School Object: 3997 - Adjustment from updated PC	Adjustment from updated 11/13/07 position control.
Resource: 7230 - Transportation: Home to School Object: 7439 - Other Debt Service—Principal	Long Term Debt adjusted to reflect the District Schedule for the current and projection years.
Resource: 7240 - Transportation: Special Education (SH/OH) Education Code sections 41850-41851.2 Object: 2212 - Class Support OT	Increased OT based on historical data.
Resource: 7240 - Transportation: Special Education (SH/OH) Education Code sections 41850-41851.2 Object: 2900 - Adjustment for updated PC	Adjustment due to 11/13/07 updated position control.
Resource: 7240 - Transportation: Special Education (SH/OH) Education Code sections 41850-41851.2 Object: 3997 - Adjustment for updated PC	Adjustment for 11/13/07 updated position control.
Resource: 7240 - Transportation: Special Education (SH/OH) Education Code sections 41850-41851.2 Object: 4300 - Materials and Supplies	This object was used for autobalancing (at 11/17/2007). Initial Value is: 146,167.00\$. For project years see applied Autobalanced Rule.
Resource: 7256 - II/USP: SAIT Corrective Action Grant Object: 8590 - All Other State Revenue	Revenues adjusted to current year funding.
Resource: 7256 - II/USP: SAIT Corrective Action Grant Object: 8591 - Deferred Revenue - Carryover	2006/07 Deferred Revenue.
Resource: 7271 - California Peer Assistance & Review Program for Teachers (CPARP) Object: 4300 - Materials and Supplies	This object was used for autobalancing (at 11/25/2007). Initial Value is: 59,292.04\$. For project years see applied Autobalanced Rule.
Resource: 7271 - California Peer Assistance & Review Program for Teachers (CPARP) Object: 8590 - All Other State Revenue	Reduced to current year funding level.
Resource: 7393 - Professional Development Block Grant Object: 8590 - All Other State Revenue	Increase to current year funding level.
Resource: 8150 - Ongoing & Major Maintenance Account (RMA: Education Code Section 17070.75) Object: 2212 - Classified Support - OT	Increase OT based on historical data.
Resource: 8150 - Ongoing & Major Maintenance Account (RMA: Education Code Section 17070.75) Object: 2412 - Clerical - OT	Increase OT based on historical data.
Resource: 8150 - Ongoing & Major Maintenance Account (RMA: Education Code Section 17070.75) Object: 7615 - From General, Special Reserve, and Building Funds to Deferred Maintenance Fund	Adjusted Deferred Maintenance contribution to agree with CDE 2007/08 posting.
Resource: 3310 - Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611 (formerly P) Object: 8980-8999 - Contributions	Federal Spec/ED Resource projected to encroach in 2007/08.
Resource: 4045 - NCLB: Title II, Part D, Enhancing Education Through Technology, Formula Grants Object: 8100-8299 - Federal Revenues	2007/08 grant budget includes current year funding of \$20,220 + carryover of \$14,398. Cleared in the projection years.
Resource: 7271 - California Peer Assistance & Review Program for Teachers (CPARP) Object: 8300-8599 - Other State Revenues	Current Year funding level is \$69,542. The District has adjusted expenditures to match expected revenues + 2006/07 carryover.

**General Fund/County School Service Fund
Unrestricted Resources Only
Resource: 0000 - Unrestricted**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$59,403,566.40	\$59,600,190.08		\$57,930,325.00	\$59,325,836.37	
Federal Revenues	8100 - 8299	\$1,533,842.61	\$1,381,030.27		\$1,381,030.27	\$1,381,030.27	
Other State Revenues	8300 - 8599	\$981,012.34	\$419,718.92		\$392,558.06	\$404,452.10	
Other Local Revenues	8600 - 8799	\$1,620,430.49	\$1,456,807.81		\$1,470,907.81	\$1,485,984.61	(1)
Total Revenues		\$63,538,851.84	\$62,857,747.08		\$61,174,821.14	\$62,597,303.35	
Expenditures							
Certificated Salaries	1000 - 1999	\$26,943,512.58	\$28,320,581.39		\$28,728,683.60	\$30,211,919.41	(2)
Classified Salaries	2000 - 2999	\$6,242,024.75	\$6,561,358.73		\$6,652,976.76	\$6,745,969.05	(3)
Employee Benefits	3000 - 3999	\$11,865,892.48	\$12,697,609.51		\$12,890,664.01	\$13,072,504.11	(4)
Books and Supplies	4000 - 4999	\$390,220.54	\$398,689.32		\$409,003.53	\$419,102.85	
Services and Other Operating Expenditures	5000 - 5999	\$4,310,324.42	\$4,191,545.21		\$4,350,716.34	\$4,513,464.02	(5)
Capital Outlay	6000 - 6900	\$638,405.92	\$118,471.29		\$118,471.29	\$118,471.29	
Other Outgo	7000 - 7299	\$1,771,456.83	\$75,462.00		\$79,189.82	\$81,565.51	
Direct Support/Indirect Cost	7300 - 7399	(\$1,145,282.40)	(\$1,116,332.89)		(\$1,116,332.89)	(\$1,116,332.89)	
Debt Service	7430 - 7439	\$244,786.18	\$97,730.00		\$85,413.00	\$72,696.00	(6)
Total Expenditures		\$51,261,341.30	\$51,345,114.56		\$52,198,785.46	\$54,119,359.35	
Excess (Deficiency) of Revenues Over Expenditures		\$12,277,510.54	\$11,512,632.52		\$8,976,035.68	\$8,477,944.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$1,272,907.46	\$799,446.00		\$924,898.00	\$949,894.00	(7)
All Other Financing Sources	8930 - 8979	\$489,192.02	\$65,653.00		\$0.00	\$0.00	(8)
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	(\$9,724,663.51)	(\$11,516,534.30)		(\$12,048,938.64)	(\$12,380,755.05)	
Total Other Financing Sources/Uses		(\$10,508,378.95)	(\$12,250,327.30)		(\$12,973,836.64)	(\$13,330,649.05)	
Net Increase (Decrease) in Fund Balance		\$1,769,131.59	(\$737,694.78)		(\$3,997,800.96)	(\$4,852,705.05)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$1,430,986.32	\$3,213,018.98		\$2,475,324.20	(\$1,522,476.76)	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$13,824.07	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$1,444,810.39	\$3,213,018.98		\$2,475,324.20	(\$1,522,476.76)	
Ending Fund Balance		\$3,213,941.98	\$2,475,324.20		(\$1,522,476.76)	(\$6,375,181.81)	

Notes:

- (1)
- (1.1) Object 8661: Increase based on prior year and current cash projected cash levels.
- (2)
- (2.1) Object 1101: Stipulated agreement amounts for each have been put in this object code rather than a designation of fund balance.
- (2.2) Object 1110: Reduce SUBS cost based on historical data.
- (2.3) Object 1996: Recapture - Savings from PC 10/9/07 - 11/13/07 Update.
- (2.4) Object 1999: 1.0 FTE Director of Technology & Assessment from Resource 1100.
- (3)
- (3.1) Object 2211: Increased Subs to historical and current spending levels.
- (3.2) Object 2212: Increased OT based on history and current spending levels.
- (3.3) Object 2412: Increased to reflect prior year history and current spending levels.
- (3.4) Object 2911: Increased Subs to historical and current spending levels.
- (3.5) Object 2997: Recapture - Savings from PC 10/9/07 - 11/13/07 Update and an unfilled custodial in location 19.
- (4)
- (4.1) Object 3996: Recapture Benefit Savings from Salary Adjustments.
- (5)
- (5.1) Object 5500: Utilities increased by 5% annually in the projection years.
- (5.2) Object 5999: Athletics budget adjustment for underbudget 2006/07 actuals vs 2007/08 Budget
- (6)
- (6.1) Object 7438: Long Term Debt Adjusted to reflect District schedules in the current and projection years.
- (7)
- (7.1) Object 7619: Transfers out are adjusted to reflect only the transfer of the Property and Liability Insurance.
- (8)
- (8.1) Object 8972: Adjusted base year for 1-time actual YTD activity.

**General Fund/County School Service Fund
Unrestricted Resources Only
Resource: 1100 - State Lottery**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$1,523,920.83	\$1,597,375.00		\$1,595,738.75	\$1,595,381.00	
Other Local Revenues	8600 - 8799	\$72,263.76	\$50,000.00		\$52,350.00	\$54,862.80	
Total Revenues		\$1,596,184.59	\$1,647,375.00		\$1,648,088.75	\$1,650,243.80	
Expenditures							
Certificated Salaries	1000 - 1999	\$249,007.23	\$141,840.92		\$144,725.40	\$147,653.15	(1)
Classified Salaries	2000 - 2999	\$238,806.43	\$225,695.61		\$228,717.82	\$231,785.37	
Employee Benefits	3000 - 3999	\$165,338.00	\$114,549.79		\$116,000.91	\$117,473.82	(2)
Books and Supplies	4000 - 4999	\$293,546.49	\$341,778.98		\$350,620.91	\$359,278.61	
Services and Other Operating Expenditures	5000 - 5999	\$373,099.10	\$454,811.51		\$465,834.88	\$476,422.56	
Capital Outlay	6000 - 6900	\$9,409.04	\$6,500.00		\$6,500.00	\$6,500.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$5,782.67	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$1,334,988.96	\$1,285,176.81		\$1,312,399.92	\$1,339,113.51	
Excess (Deficiency) of Revenues Over Expenditures		\$261,195.63	\$362,198.19		\$335,688.83	\$311,130.29	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$261,195.63	\$362,198.19		\$335,688.83	\$311,130.29	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$1,604,327.34	\$1,865,522.97		\$2,227,721.16	\$2,563,409.99	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$1,604,327.34	\$1,865,522.97		\$2,227,721.16	\$2,563,409.99	
Ending Fund Balance		\$1,865,522.97	\$2,227,721.16		\$2,563,409.99	\$2,874,540.28	

Notes:

(1)

(1.1) Object 1110: Increase SUB Cost based on historical data.

(1.2) Object 1999: Move Directo Tech/Assess to resource 0000.

(2)

(2.1) Object 3999: Move Employee Benefits for Director position.

**General Fund/County School Service Fund
Unrestricted Resources Only
Resource: 1200 - Class Size Reduction, Grades 9**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$256,056.00	\$251,109.00		\$236,011.29	\$240,001.75	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$256,056.00	\$251,109.00		\$236,011.29	\$240,001.75	
Expenditures							
Certificated Salaries	1000 - 1999	\$191,245.40	\$188,259.00		\$191,082.88	\$193,949.12	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$64,810.60	\$62,850.00		\$63,294.74	\$63,746.16	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$256,056.00	\$251,109.00		\$254,377.62	\$257,695.28	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		(\$18,366.33)	(\$17,693.53)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		(\$18,366.33)	(\$17,693.53)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	(\$18,366.33)	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	(\$18,366.33)	
Ending Fund Balance		\$0.00	\$0.00		(\$18,366.33)	(\$36,059.86)	

General Fund/County School Service Fund
Unrestricted Resources Only
Resource: 1300 - Class Size Reduction Operations, Grades K-3

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$3,811,328.00	\$4,114,568.00		\$3,865,323.42	\$3,928,849.13	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$3,811,328.00	\$4,114,568.00		\$3,865,323.42	\$3,928,849.13	
Expenditures							
Certificated Salaries	1000 - 1999	\$2,871,233.75	\$3,138,807.00		\$3,185,889.10	\$3,233,677.44	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$940,094.25	\$975,761.00		\$983,176.41	\$990,703.05	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$3,811,328.00	\$4,114,568.00		\$4,169,065.51	\$4,224,380.49	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		(\$303,742.09)	(\$295,531.36)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		(\$303,742.09)	(\$295,531.36)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	(\$303,742.09)	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	(\$303,742.09)	
Ending Fund Balance		\$0.00	\$0.00		(\$303,742.09)	(\$599,273.45)	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 2430 - Community Day Schools**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$145,130.15	\$215,101.12		\$230,136.69	\$246,223.24	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$71,269.00		\$66,757.39	\$68,877.41	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$145,130.15	\$286,370.12		\$296,894.08	\$315,100.65	
Expenditures							
Certificated Salaries	1000 - 1999	\$66,018.62	\$192,004.15		\$194,884.21	\$197,807.47	
Classified Salaries	2000 - 2999	\$7,866.06	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$28,553.95	\$58,460.74		\$58,914.34	\$59,374.76	
Books and Supplies	4000 - 4999	\$3,702.42	\$35,905.23		\$36,417.67	\$34,348.47	
Services and Other Operating Expenditures	5000 - 5999	\$24,476.09	\$0.00		\$13,851.33	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$130,617.14	\$286,370.12		\$304,067.55	\$291,530.70	
Excess (Deficiency) of Revenues Over Expenditures		\$14,513.01	\$0.00		(\$7,173.47)	\$23,569.95	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$14,513.01	\$0.00		(\$7,173.47)	\$23,569.95	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$14,513.01		\$14,513.01	\$7,339.54	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$14,513.01		\$14,513.01	\$7,339.54	
Ending Fund Balance		\$14,513.01	\$14,513.01		\$7,339.54	\$30,909.49	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 3010 - NCLB-Title I, Part A, Basic Grants Low Income and Neglected

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$2,155,797.18	\$2,066,597.00		\$1,710,061.00	\$1,642,061.00	(1)
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$2,155,797.18	\$2,066,597.00		\$1,710,061.00	\$1,642,061.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$790,222.80	\$733,739.24		\$743,612.67	\$753,634.19	
Classified Salaries	2000 - 2999	\$337,702.10	\$309,859.08		\$314,506.97	\$319,224.58	
Employee Benefits	3000 - 3999	\$332,102.46	\$345,753.22		\$348,237.51	\$350,759.11	
Books and Supplies	4000 - 4999	\$197,390.40	\$544,657.46		\$169,701.39	\$88,957.36	(2)
Services and Other Operating Expenditures	5000 - 5999	\$403,967.96	\$55,607.00		\$57,021.46	\$52,504.76	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$94,411.46	\$76,981.00		\$76,981.00	\$76,981.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$2,155,797.18	\$2,066,597.00		\$1,710,061.00	\$1,642,061.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

Notes:

(1)

(1.1) Object 8290: Adjusted revenues to current level of funding + 06/07 carryover. Future years were adjusted to the 07/08 funding level.

(1.2) Object 8291: 06/07 Carryover Revenue.

(2)

(2.1) Object 4200: This object was used for autobalancing (at 11/25/2007). Initial Value is: 18,233.00\$. For project years see applied Autobalanced Rule.

(2.2) Object 4300: This object was used for autobalancing (at 11/25/2007). Initial Value is: 545,448.46\$. For project years see applied Autobalanced Rule.

General Fund/County School Service Fund
Restricted Resources Only
Resource: 3105 - NCLB: Title I Even Start Family Literacy

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$36,225.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$36,225.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$36,225.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$36,225.00	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 3170 - NCLB: Title I, Part F, Comprehensive School Reform (CSR)

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$133,980.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$133,980.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$81,209.69	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$8,135.74	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$27,120.36	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$11,646.21	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$5,868.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$133,980.00	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 3175 - NCLB: Title I, Part A, Program Improvement District Intervention

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$83,352.10	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$83,352.10	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$7,080.48	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$1,157.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$4,651.99	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$66,812.29	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$3,650.34	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$83,352.10	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 3310 - Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611 (formerly P**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$2,127,285.00	\$2,402,244.00		\$2,402,244.00	\$2,402,244.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$2,127,285.00	\$2,402,244.00		\$2,402,244.00	\$2,402,244.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$1,112,736.03	\$1,191,085.96		\$1,207,709.87	\$1,224,583.14	
Employee Benefits	3000 - 3999	\$506,270.78	\$703,079.74		\$706,752.91	\$710,481.20	
Books and Supplies	4000 - 4999	\$0.00	\$6,697.30		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$252.96	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$414,862.23	\$457,223.00		\$457,223.00	\$457,223.00	
Direct Support/Indirect Cost	7300 - 7399	\$93,163.00	\$91,283.00		\$91,283.00	\$91,283.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$2,127,285.00	\$2,449,369.00		\$2,462,968.78	\$2,483,570.34	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	(\$47,125.00)		(\$60,724.78)	(\$81,326.34)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$47,125.00		\$60,724.78	\$81,326.34	(1)
Total Other Financing Sources/Uses		\$0.00	\$47,125.00		\$60,724.78	\$81,326.34	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

Notes:

(1) Federal Spec/ED Resource projected to encroach in 2007/08.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 3405 - Special Ed: Workability I**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$135,358.70	\$123,854.00		\$115,803.49	\$119,277.59	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$135,358.70	\$123,854.00		\$115,803.49	\$119,277.59	
Expenditures							
Certificated Salaries	1000 - 1999	\$39,288.61	\$33,662.99		\$33,834.93	\$34,009.45	
Classified Salaries	2000 - 2999	\$39,582.18	\$56,964.00		\$57,818.46	\$58,685.74	
Employee Benefits	3000 - 3999	\$7,978.33	\$28,146.29		\$28,335.53	\$28,527.56	
Books and Supplies	4000 - 4999	\$6,558.83	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$36,022.91	\$374.72		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$5,927.84	\$4,706.00		\$4,706.00	\$4,706.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$135,358.70	\$123,854.00		\$124,694.92	\$125,928.75	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		(\$8,891.43)	(\$6,651.16)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$8,891.43	\$10,761.24	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$8,891.43	\$10,761.24	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$4,110.08	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$4,110.08	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 3550 - Vocational Programs: Voc & Appl Tech Secondary II C, Sec 131 (Carl Perkins Act)

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$91,661.00	\$89,729.00		\$89,729.00	\$89,729.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$91,661.00	\$89,729.00		\$89,729.00	\$89,729.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$21,864.89	\$23,153.99		\$23,501.30	\$23,853.82	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$6,331.93	\$6,966.77		\$7,021.47	\$7,077.00	
Books and Supplies	4000 - 4999	\$59,449.95	\$54,699.24		\$54,256.73	\$53,810.17	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$1,500.00		\$1,540.50	\$1,579.01	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$4,014.23	\$3,409.00		\$3,409.00	\$3,409.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$91,661.00	\$89,729.00		\$89,729.00	\$89,729.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 3710 - NCLB: Title IV, Part A, Drug Free Schools

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$3,395.43	\$93,000.00		\$50,841.00	\$50,841.00	(1)
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$3,395.43	\$93,000.00		\$50,841.00	\$50,841.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$15,809.59		\$16,046.73	\$16,287.43	
Classified Salaries	2000 - 2999	\$1,556.67	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$602.67	\$4,150.02		\$4,187.37	\$4,225.28	
Books and Supplies	4000 - 4999	\$1,087.39	\$52,531.39		\$9,692.45	\$8,947.32	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$16,975.00		\$17,380.39	\$17,846.59	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$148.70	\$3,534.00		\$3,534.00	\$3,534.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$3,395.43	\$93,000.00		\$50,840.94	\$50,840.62	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.06	\$0.38	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.06	\$0.38	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.06	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.06	
Ending Fund Balance		\$0.00	\$0.00		\$0.06	\$0.44	

Notes:

(1)

(1.1) Object 8290: Adjusted to current year funding level.

(1.2) Object 8291: 2006/07 Deferred Revenue.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 4035 - NCLB: Title II, Part A, Teacher Quality**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$605,668.00	\$621,793.00		\$621,793.00	\$621,793.00	(1)
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$605,668.00	\$621,793.00		\$621,793.00	\$621,793.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$432,915.61	\$421,830.29		\$428,157.74	\$434,580.11	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$137,575.46	\$108,769.00		\$109,765.58	\$110,777.11	
Books and Supplies	4000 - 4999	\$4,655.68	\$65,301.71		\$57,924.22	\$50,439.49	(2)
Services and Other Operating Expenditures	5000 - 5999	\$3,996.14	\$1,980.00		\$2,033.46	\$2,084.29	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$26,525.11	\$23,912.00		\$23,912.00	\$23,912.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$605,668.00	\$621,793.00		\$621,793.00	\$621,793.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

Notes:

(1)

(1.1) Object 8291: Projected Deficit SSC

(2)

(2.1) Object 4300: This object was used for autobalancing (at 11/17/2007). Initial Value is: 72,780.71\$. For project years see applied Autobalanced Rule. This object was used for autobalancing (at 10/23/2007). Initial Value is: 72,780.71\$. For project years see applied Autobalanced Rule.

General Fund/County School Service Fund
Restricted Resources Only
Resource: 4045 - NCLB: Title II, Part D, Enhancing Education Through Technology, Formula Grants

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$59,459.67	\$36,198.00		\$0.00	\$0.00	(1)
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$59,459.67	\$36,198.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$18,000.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$7,308.96	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$4,041.41	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$27,342.57	\$20,772.00		\$14,398.00	\$0.00	(2)
Services and Other Operating Expenditures	5000 - 5999	\$162.74	\$200.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$2,603.99	\$828.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$59,459.67	\$21,800.00		\$14,398.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$14,398.00		(\$14,398.00)	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.60	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.60	
Net Increase (Decrease) in Fund Balance		\$0.00	\$14,398.00		(\$14,398.00)	\$0.60	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$14,398.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$14,398.00	\$0.00	
Ending Fund Balance		\$0.00	\$14,398.00		\$0.00	\$0.60	

Notes:

- (1) 2007/08 grant budget includes current year funding of \$20,220 + carryover of \$14,398. Cleared in the projection years.
- (1.1) Object 8291: 06/07 Carryover Revenue.
- (2)
- (2.1) Object 4400: spend down carryover.

General Fund/County School Service Fund
Restricted Resources Only
Resource: 4046 - NCLB: Title II, Part D, Enhancing Education Through Technology, Competitive Grant

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$239,991.67	\$223,998.75		\$215,914.00	\$215,914.00	(1)
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$239,991.67	\$223,998.75		\$215,914.00	\$215,914.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$107,790.45	\$72,900.96		\$73,994.47	\$75,104.39	
Classified Salaries	2000 - 2999	\$26,378.15	\$42,624.00		\$43,226.82	\$43,838.68	(2)
Employee Benefits	3000 - 3999	\$35,456.88	\$37,327.65		\$37,638.57	\$37,954.14	
Books and Supplies	4000 - 4999	\$33,071.61	\$62,646.00		\$52,554.00	\$50,516.65	
Services and Other Operating Expenditures	5000 - 5999	\$26,784.33	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$10,510.25	\$8,500.14		\$8,500.14	\$8,500.14	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$239,991.67	\$223,998.75		\$215,914.00	\$215,914.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

Notes:

(1)

(1.1) Object 8100: Adjust Revenue to current year award of \$215

(2)

(2.1) Object 2212: Added OT based on historical data.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 4050 - NCLB: Title II, Part B, CA Mathematics and Science Partnerships**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$585,973.34	\$258,519.00		\$258,519.00	\$258,519.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$585,973.34	\$258,519.00		\$258,519.00	\$258,519.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$366,635.82	\$154,982.86		\$157,307.60	\$159,667.21	
Classified Salaries	2000 - 2999	\$14,130.84	\$31,344.00		\$31,814.16	\$32,291.37	
Employee Benefits	3000 - 3999	\$85,105.46	\$63,160.98		\$63,635.29	\$64,116.70	
Books and Supplies	4000 - 4999	\$916.13	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$93,522.84	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$25,662.25	\$9,031.16		\$9,031.16	\$9,031.16	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$585,973.34	\$258,519.00		\$261,788.21	\$265,106.44	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		(\$3,269.21)	(\$6,587.44)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$3,269.21	\$6,587.44	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$3,269.21	\$6,587.44	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 4110 - NCLB: Title V, Part A: Innovative Education Strategies

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$16,656.00	\$16,656.00		\$16,656.00	\$16,656.00	(1)
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$16,656.00	\$16,656.00		\$16,656.00	\$16,656.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$87.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$6,355.77	\$9,875.00		\$9,875.00	\$9,875.00	(2)
Employee Benefits	3000 - 3999	\$1,031.49	\$535.94		\$535.94	\$535.94	
Books and Supplies	4000 - 4999	\$439.30	\$5,612.06		\$5,612.06	\$5,612.06	
Services and Other Operating Expenditures	5000 - 5999	\$8,013.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$729.44	\$633.00		\$633.00	\$633.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$16,656.00	\$16,656.00		\$16,656.00	\$16,656.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

Notes:

(1)

(1.1) Object 8290: Reduced by 1.73% SSC Projection.

(2)

(2.1) Object 2412: Added OT based on historical data.

General Fund/County School Service Fund
Restricted Resources Only
Resource: 4123 - NCLB: Title IV, 21st Century Community Learning Centers Technical Assistance

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$15,000.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$15,000.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$8,443.25	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$1,703.52	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$3,894.40	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$301.83	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$657.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$15,000.00	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 4124 - NCLB: Title IV, Part B, 21st Century Community Learning Centers Program

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$311,906.67	\$2,094,687.00		\$2,094,687.00	\$2,094,687.00	(1)
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$120.87	\$241.79	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$311,906.67	\$2,094,687.00		\$2,094,807.87	\$2,094,928.79	
Expenditures							
Certificated Salaries	1000 - 1999	\$29,221.58	\$36,841.53		\$37,326.65	\$37,819.05	
Classified Salaries	2000 - 2999	\$156,133.25	\$362,955.90		\$367,940.18	\$372,999.23	(2)
Employee Benefits	3000 - 3999	\$46,908.42	\$140,464.63		\$141,677.49	\$142,908.55	
Books and Supplies	4000 - 4999	\$38,175.88	\$1,466,671.49		\$1,460,108.89	\$1,453,443.98	(3)
Services and Other Operating Expenditures	5000 - 5999	\$27,807.83	\$8.00		\$8.22	\$8.43	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$13,659.71	\$87,745.45		\$87,745.45	\$87,745.45	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$311,906.67	\$2,094,687.00		\$2,094,806.88	\$2,094,924.69	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.99	\$4.10	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.99	\$4.10	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.99	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.99	
Ending Fund Balance		\$0.00	\$0.00		\$0.99	\$5.09	

Notes:

- (1)
- (1.1) Object 8291: Adjust revenues to 1st Interim Budget Report.
- (2)
- (2.1) Object 2911: Added SUBS based on historical data.
- (3)
- (3.1) Object 4300: This object was used for autobalancing (at 11/17/2007). Initial Value is: 1,708,290.49\$. For project years see applied Autobalanced Rule.

General Fund/County School Service Fund
Restricted Resources Only
Resource: 4201 - NCLB: Title III, Immigrant Education Program

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$84,426.50	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$84,426.50	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$41,208.11	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$7,687.82	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$26,182.13	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$5,651.04	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$3,697.40	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$84,426.50	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 4203 - NCLB: Title III, Limited English Proficiency (LEP) Student Program**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$269,255.70	\$292,323.00		\$245,532.00	\$245,532.00	(1)
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$120.87	\$241.79	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$269,255.70	\$292,323.00		\$245,652.87	\$245,773.79	
Expenditures							
Certificated Salaries	1000 - 1999	\$78,055.35	\$93,919.16		\$94,990.45	\$96,077.81	
Classified Salaries	2000 - 2999	\$44,789.23	\$58,123.60		\$58,652.00	\$59,188.33	
Employee Benefits	3000 - 3999	\$50,611.55	\$49,647.99		\$49,914.92	\$50,185.86	
Books and Supplies	4000 - 4999	\$71,708.42	\$26,101.25		\$70,929.69	\$22,158.81	
Services and Other Operating Expenditures	5000 - 5999	\$12,299.31	\$8,410.00		\$8,626.81	\$8,832.98	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$11,791.84	\$9,330.00		\$9,330.00	\$9,330.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$269,255.70	\$245,532.00		\$292,443.87	\$245,773.79	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$46,791.00		(\$46,791.00)	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$46,791.00		(\$46,791.00)	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$46,791.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$46,791.00	\$0.00	
Ending Fund Balance		\$0.00	\$46,791.00		\$0.00	\$0.00	

Notes:

(1)

(1.1) Object 8291: Add 06/07 Carryover.

General Fund/County School Service Fund
Restricted Resources Only
Resource: 5630 - NCLB: Title X, McKinney-Vento Homeless Assistance Grants

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$65,000.00	\$57,740.00		\$57,740.00	\$57,740.00	(1)
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$65,000.00	\$57,740.00		\$57,740.00	\$57,740.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$17,168.00	\$12,270.24		\$12,615.64	\$12,966.22	(2)
Classified Salaries	2000 - 2999	\$14,322.10	\$51,159.60		\$51,898.87	\$52,649.23	(3)
Employee Benefits	3000 - 3999	\$9,820.86	\$32,377.03		\$32,649.19	\$32,925.43	(4)
Books and Supplies	4000 - 4999	\$12,264.29	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$8,578.75	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$2,846.00	\$2,846.13		\$2,846.13	\$2,846.13	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$65,000.00	\$98,653.00		\$100,009.83	\$101,387.01	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	(\$40,913.00)		(\$42,269.83)	(\$43,647.01)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$40,913.00		\$42,269.83	\$43,647.01	
Total Other Financing Sources/Uses		\$0.00	\$40,913.00		\$42,269.83	\$43,647.01	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

Notes:

- (1)
- (1.1) Object 8291: Adjust Budget to current year award funding.
- (2)
- (2.1) Object 1999: Reduce .15 FTE Psychologist PC adjustment on 11/13/07.
- (3)
- (3.1) Object 2997: Adjustment on 11/13/07 PC.
- (4)
- (4.1) Object 3999: Recapture savings for PC Salary adjustments.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 5640 - Medi-Cal Billing Option**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$56,218.63	\$4,223.00		\$4,223.00	\$4,223.00	(1)
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$56,218.63	\$4,223.00		\$4,223.00	\$4,223.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$34,338.66	\$7,760.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$22,860.89	\$21,100.00		\$11,866.36	\$3,083.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$2,619.74	\$1,140.00		\$1,140.00	\$1,140.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$59,819.29	\$30,000.00		\$13,006.36	\$4,223.00	
Excess (Deficiency) of Revenues Over Expenditures		(\$3,600.66)	(\$25,777.00)		(\$8,783.36)	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		(\$3,600.66)	(\$25,777.00)		(\$8,783.36)	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$38,161.02	\$34,560.36		\$8,783.36	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$38,161.02	\$34,560.36		\$8,783.36	\$0.00	
Ending Fund Balance		\$34,560.36	\$8,783.36		\$0.00	\$0.00	

Notes:

(1)

(1.1) Object 8290: Reduce to projected current year funding.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 5810 - Other Federal**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$290,701.21	\$233,126.00		\$222,595.00	\$222,595.00	(1)
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$120.87	\$241.79	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$290,701.21	\$233,126.00		\$222,715.87	\$222,836.79	
Expenditures							
Certificated Salaries	1000 - 1999	\$52,187.34	\$28,573.60		\$29,002.20	\$29,437.23	
Classified Salaries	2000 - 2999	\$690.00	\$5,030.40		\$5,105.86	\$5,182.45	
Employee Benefits	3000 - 3999	\$12,360.96	\$10,056.66		\$10,141.52	\$10,227.66	
Books and Supplies	4000 - 4999	\$28,453.32	\$23,253.34		\$19,319.27	\$14,959.80	(2)
Services and Other Operating Expenditures	5000 - 5999	\$184,278.84	\$147,222.00		\$151,196.99	\$154,976.91	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$12,730.75	\$8,459.00		\$8,459.00	\$8,459.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$290,701.21	\$222,595.00		\$223,224.84	\$223,243.05	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$10,531.00		(\$508.97)	(\$406.26)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$10,531.00		(\$508.97)	(\$406.26)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$10,531.00	\$10,022.03	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$10,531.00	\$10,022.03	
Ending Fund Balance		\$0.00	\$10,531.00		\$10,022.03	\$9,615.77	

Notes:

(1)

(1.1) Object 8291: 2006/07 Deferred Revenues.

(2)

(2.1) Object 4301: Spend Down Carryover.

General Fund/County School Service Fund
Restricted Resources Only
Resource: 6010 - After-School Learning & Safe Neighborhood Partnerships

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$937,186.39	\$822,000.00		\$768,570.00	\$791,627.10	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$937,186.39	\$822,000.00		\$768,570.00	\$791,627.10	
Expenditures							
Certificated Salaries	1000 - 1999	\$77,832.56	\$15,401.32		\$15,572.34	\$15,745.93	
Classified Salaries	2000 - 2999	\$264,791.74	\$534,396.48		\$539,529.08	\$544,738.67	(1)
Employee Benefits	3000 - 3999	\$66,290.13	\$107,460.97		\$108,319.35	\$109,190.60	
Books and Supplies	4000 - 4999	\$263,270.34	\$119,787.23		\$59,787.23	\$75,787.23	(2)
Services and Other Operating Expenditures	5000 - 5999	\$223,958.26	\$13,720.00		\$14,090.44	\$14,442.71	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$41,043.36	\$31,234.00		\$31,234.00	\$31,234.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$937,186.39	\$822,000.00		\$768,532.44	\$791,139.14	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$37.56	\$487.96	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$37.56	\$487.96	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$37.56	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$37.56	
Ending Fund Balance		\$0.00	\$0.00		\$37.56	\$525.52	

Notes:

(1)

(1.1) Object 2392: Increase Classified SUBS based on historical data.

(2)

(2.1) Object 4300: This object was used for autobalancing (at 11/25/2007). Initial Value is: 276,710.23\$. For project years see applied Autobalanced Rule.

General Fund/County School Service Fund
Restricted Resources Only
Resource: 6091 - Cal-SAFE Academic and Supportive Services

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$45,072.00	\$40,000.00		\$37,400.00	\$38,522.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$45,072.00	\$40,000.00		\$37,400.00	\$38,522.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$6,152.15	\$10,309.13		\$10,463.77	\$10,620.73	
Employee Benefits	3000 - 3999	\$4,019.13	\$6,904.61		\$6,945.93	\$6,987.88	
Books and Supplies	4000 - 4999	\$1,735.78	\$21,266.26		\$21,816.42	\$22,355.12	
Services and Other Operating Expenditures	5000 - 5999	\$11,126.78	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$1,054.95	\$1,520.00		\$1,520.00	\$1,520.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$24,088.79	\$40,000.00		\$40,746.12	\$41,483.73	
Excess (Deficiency) of Revenues Over Expenditures		\$20,983.21	\$0.00		(\$3,346.12)	(\$2,961.73)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$20,983.21	\$0.00		(\$3,346.12)	(\$2,961.73)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$20,983.21		\$20,983.21	\$17,637.09	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$20,983.21		\$20,983.21	\$17,637.09	
Ending Fund Balance		\$20,983.21	\$20,983.21		\$17,637.09	\$14,675.36	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 6092 - Cal-SAFE Child Care & Development Services**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$68,624.49	\$53,507.04		\$50,029.08	\$51,529.95	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$68,624.49	\$53,507.04		\$50,029.08	\$51,529.95	
Expenditures							
Certificated Salaries	1000 - 1999	\$18,528.02	\$19,250.99		\$19,539.75	\$19,832.85	
Classified Salaries	2000 - 2999	\$13,832.23	\$19,009.97		\$13,085.18	\$13,963.75	(1)
Employee Benefits	3000 - 3999	\$20,654.53	\$18,236.67		\$17,423.64	\$17,597.10	
Books and Supplies	4000 - 4999	\$553.68	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$3,953.20	\$3,826.94		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$2,634.49	\$1,883.32		\$1,883.32	\$1,883.32	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$60,156.15	\$62,207.89		\$51,931.89	\$53,277.02	
Excess (Deficiency) of Revenues Over Expenditures		\$8,468.34	(\$8,700.85)		(\$1,902.81)	(\$1,747.07)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$1,902.81	\$1,747.07	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$1,902.81	\$1,747.07	
Net Increase (Decrease) in Fund Balance		\$8,468.34	(\$8,700.85)		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$232.51	\$8,700.85		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$232.51	\$8,700.85		\$0.00	\$0.00	
Ending Fund Balance		\$8,700.85	\$0.00		\$0.00	\$0.00	

Notes:

(1)

(1.1) Object 2392: Increased SUBS based on historical data.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 6226 - School Facilities Needs Assessment Grant Program - Williams Case**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$0.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$24,622.18	\$24,622.18		\$24,622.18	\$24,622.18	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$24,622.18	\$24,622.18		\$24,622.18	\$24,622.18	
Ending Fund Balance		\$24,622.18	\$24,622.18		\$24,622.18	\$24,622.18	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 6240 - Healthy Start: Planning Grants and Operational Grants

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$91,812.15	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$91,812.15	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$25,427.43	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$27,557.78	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$23,307.47	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$4,975.54	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$6,523.08	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$4,020.85	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$91,812.15	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 6250 - Early Mental Health Initiative (EMHI) (Department of Mental Health)

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$51,437.25	\$82,037.00		\$76,704.60	\$79,005.74	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$51,437.25	\$82,037.00		\$76,704.60	\$79,005.74	
Expenditures							
Certificated Salaries	1000 - 1999	\$18,409.86	\$8,191.40		\$8,314.27	\$8,438.98	
Classified Salaries	2000 - 2999	\$19,117.37	\$26,896.20		\$27,299.64	\$27,709.13	
Employee Benefits	3000 - 3999	\$6,988.72	\$13,712.67		\$13,811.28	\$13,911.40	
Books and Supplies	4000 - 4999	\$1,191.62	\$25,069.73		\$18,969.73	\$20,469.73	
Services and Other Operating Expenditures	5000 - 5999	\$3,477.03	\$5,050.00		\$5,186.35	\$5,316.01	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$2,252.65	\$3,117.00		\$3,117.00	\$3,117.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$51,437.25	\$82,037.00		\$76,698.27	\$78,962.25	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$6.33	\$43.49	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$6.33	\$43.49	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$6.33	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$6.33	
Ending Fund Balance		\$0.00	\$0.00		\$6.33	\$49.82	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 6268 - Certificated Staff Performance Incentive Bonus**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$0.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$16,271.83	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$1,375.10	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$17,646.93	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		(\$17,646.93)	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		(\$17,646.93)	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$17,646.93	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$17,646.93	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 6285 - Community Based Tutoring Program**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$76,360.57	\$116,303.00		\$86,778.28	\$89,381.63	(1)
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$76,360.57	\$116,303.00		\$86,778.28	\$89,381.63	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$61,124.03	\$50,000.00		\$50,000.00	\$50,000.00	
Employee Benefits	3000 - 3999	\$11,892.39	\$13,360.00		\$13,360.00	\$13,360.00	
Books and Supplies	4000 - 4999	\$0.00	\$25,924.00		\$29,986.54	\$32,671.79	(2)
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$3,344.15	\$3,527.00		\$3,527.00	\$3,527.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$76,360.57	\$92,811.00		\$96,873.54	\$99,558.79	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$23,492.00		(\$10,095.26)	(\$10,177.16)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$23,492.00		(\$10,095.26)	(\$10,177.16)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$23,492.00	\$13,396.74	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$23,492.00	\$13,396.74	
Ending Fund Balance		\$0.00	\$23,492.00		\$13,396.74	\$3,219.58	

Notes:

(1)

(1.1) Object 8591: 2006/07 Deferred Revenue.

(2)

(2.1) Object 4301: Spend Down Carryover.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 6286 - English Language Acquisition Program, Teacher Training & Student Assistance**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$113,100.00	\$118,223.00		\$110,538.50	\$113,854.66	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$113,100.00	\$118,223.00		\$110,538.50	\$113,854.66	
Expenditures							
Certificated Salaries	1000 - 1999	\$17,236.94	\$49,853.55		\$50,601.36	\$51,360.38	
Classified Salaries	2000 - 2999	\$1,282.48	\$2,444.61		\$2,481.28	\$2,518.50	
Employee Benefits	3000 - 3999	\$2,121.68	\$14,987.62		\$15,115.19	\$15,244.68	
Books and Supplies	4000 - 4999	\$36,449.24	\$64,279.30		\$65,942.22	\$67,570.50	
Services and Other Operating Expenditures	5000 - 5999	\$1,321.02	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$2,675.24	\$4,028.00		\$4,028.00	\$4,028.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$61,086.60	\$135,593.08		\$138,168.05	\$140,722.06	
Excess (Deficiency) of Revenues Over Expenditures		\$52,013.40	(\$17,370.08)		(\$27,629.55)	(\$26,867.40)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$52,013.40	(\$17,370.08)		(\$27,629.55)	(\$26,867.40)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$63,933.68	\$115,947.08		\$98,577.00	\$70,947.45	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$63,933.68	\$115,947.08		\$98,577.00	\$70,947.45	
Ending Fund Balance		\$115,947.08	\$98,577.00		\$70,947.45	\$44,080.05	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 6296 - Calif. Public School Library Act of 1998

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$0.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 6300 - Lottery: Instructional Materials**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$289,666.89	\$50,000.00		\$50,065.87	\$50,171.81	
Other Local Revenues	8600 - 8799	\$50,728.63	\$0.00		\$0.00	\$0.00	
Total Revenues		\$340,395.52	\$50,000.00		\$50,065.87	\$50,171.81	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$149,940.55	\$350,000.00		\$359,054.60	\$367,920.56	
Services and Other Operating Expenditures	5000 - 5999	\$407.15	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$150,347.70	\$350,000.00		\$359,054.60	\$367,920.56	
Excess (Deficiency) of Revenues Over Expenditures		\$190,047.82	(\$300,000.00)		(\$308,988.73)	(\$317,748.75)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$190,047.82	(\$300,000.00)		(\$308,988.73)	(\$317,748.75)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$963,007.37	\$1,153,055.19		\$853,055.19	\$544,066.46	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$963,007.37	\$1,153,055.19		\$853,055.19	\$544,066.46	
Ending Fund Balance		\$1,153,055.19	\$853,055.19		\$544,066.46	\$226,317.71	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 6350 - ROC/P Apportionment**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$2,400,943.05	\$2,447,613.00		\$2,288,518.16	\$2,357,173.70	
Other Local Revenues	8600 - 8799	\$1,000.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$2,401,943.05	\$2,447,613.00		\$2,288,518.16	\$2,357,173.70	
Expenditures							
Certificated Salaries	1000 - 1999	\$1,169,341.25	\$1,162,180.08		\$1,179,531.57	\$1,197,143.33	
Classified Salaries	2000 - 2999	\$183,091.52	\$212,808.74		\$215,741.82	\$218,718.90	(1)
Employee Benefits	3000 - 3999	\$427,376.22	\$448,885.28		\$452,368.43	\$455,903.81	
Books and Supplies	4000 - 4999	\$123,871.90	\$303,983.58		\$311,847.73	\$319,548.03	
Services and Other Operating Expenditures	5000 - 5999	\$362,879.06	\$151,847.00		\$154,055.28	\$156,179.30	
Capital Outlay	6000 - 6900	\$0.00	\$82,171.32		\$82,171.32	\$82,171.32	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$103,808.45	\$93,007.00		\$93,007.00	\$93,007.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$2,370,368.40	\$2,454,883.00		\$2,488,723.15	\$2,522,671.69	
Excess (Deficiency) of Revenues Over Expenditures		\$31,574.65	(\$7,270.00)		(\$200,204.99)	(\$165,497.99)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$31,574.65	(\$7,270.00)		(\$200,204.99)	(\$165,497.99)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$433,723.35	\$465,298.00		\$458,028.00	\$257,823.01	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$433,723.35	\$465,298.00		\$458,028.00	\$257,823.01	
Ending Fund Balance		\$465,298.00	\$458,028.00		\$257,823.01	\$92,325.02	

Notes:

(1)

(1.1) Object 2911: Increased Classified SUBS based on historical data.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 6377 - Career Technical Education Equipment**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$79,522.07	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$79,522.07	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$79,522.07	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$79,522.07	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$79,522.07		\$79,522.07	\$79,522.07	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$79,522.07		\$79,522.07	\$79,522.07	
Ending Fund Balance		\$79,522.07	\$79,522.07		\$79,522.07	\$79,522.07	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 6405 - School Safety & Violence Prevention, Grades 8-12

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$145,917.00	\$145,957.00		\$136,469.80	\$140,563.89	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$145,917.00	\$145,957.00		\$136,469.80	\$140,563.89	
Expenditures							
Certificated Salaries	1000 - 1999	\$1,050.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$10,282.45	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$1,477.05	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$1,163.65	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$207,539.28	\$140,411.00		\$144,202.10	\$147,807.16	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$10,145.27	\$5,546.00		\$5,546.00	\$5,546.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$231,657.70	\$145,957.00		\$149,748.10	\$153,353.16	
Excess (Deficiency) of Revenues Over Expenditures		(\$85,740.70)	\$0.00		(\$13,278.30)	(\$12,789.27)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		(\$85,740.70)	\$0.00		(\$13,278.30)	(\$12,789.27)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$191,611.52	\$105,870.82		\$105,870.82	\$92,592.52	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$191,611.52	\$105,870.82		\$105,870.82	\$92,592.52	
Ending Fund Balance		\$105,870.82	\$105,870.82		\$92,592.52	\$79,803.25	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 6500 - Special Education**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$1,507,906.00	\$1,507,906.00		\$1,581,995.31	\$1,626,922.72	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$3,782,487.65	\$3,412,112.00		\$3,412,112.00	\$3,412,112.00	
Total Revenues		\$5,290,393.65	\$4,920,018.00		\$4,994,107.31	\$5,039,034.72	
Expenditures							
Certificated Salaries	1000 - 1999	\$4,157,045.80	\$4,357,227.35		\$4,422,499.29	\$4,488,750.31	(1)
Classified Salaries	2000 - 2999	\$232,806.35	\$228,225.80		\$231,693.11	\$235,212.42	(2)
Employee Benefits	3000 - 3999	\$1,274,417.37	\$1,390,511.60		\$1,401,947.55	\$1,413,555.04	(3)
Books and Supplies	4000 - 4999	\$83,204.57	\$48,518.25		\$49,773.43	\$51,002.46	
Services and Other Operating Expenditures	5000 - 5999	\$842,154.72	\$789,062.00		\$809,429.49	\$829,664.50	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$4,286,999.02	\$4,811,725.00		\$5,099,424.22	\$5,250,906.95	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$10,876,627.83	\$11,625,270.00		\$12,014,767.09	\$12,269,091.68	
Excess (Deficiency) of Revenues Over Expenditures		(\$5,586,234.18)	(\$6,705,252.00)		(\$7,020,659.78)	(\$7,230,056.96)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$5,586,234.18	\$6,705,252.00		\$7,020,659.78	\$7,230,056.96	
Total Other Financing Sources/Uses		\$5,586,234.18	\$6,705,252.00		\$7,020,659.78	\$7,230,056.96	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

Notes:

- (1)
- (1.1) Object 1999: Net savings effect of restructuring the dept. structure.
- (2)
- (2.1) Object 2998: Recapture savings from updated PC 11/13/07.
- (3)
- (3.1) Object 3999: Recapture savings from salary adjustments.

General Fund/County School Service Fund
Restricted Resources Only
Resource: 6510 - Special Ed: Early Ed Individuals with Exceptional Needs (Infant Program)

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$339,837.00	\$354,816.00		\$331,873.83	\$341,947.34	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$339,837.00	\$354,816.00		\$331,873.83	\$341,947.34	
Expenditures							
Certificated Salaries	1000 - 1999	\$221,797.37	\$149,201.99		\$151,808.01	\$154,453.12	(1)
Classified Salaries	2000 - 2999	\$81,327.38	\$84,838.78		\$86,111.36	\$87,403.03	
Employee Benefits	3000 - 3999	\$85,577.18	\$82,273.36		\$83,023.84	\$83,785.60	(2)
Books and Supplies	4000 - 4999	\$28,296.18	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$263,736.21	\$4,718.87		\$4,846.28	\$4,967.44	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$9,337.85	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$690,072.17	\$321,033.00		\$325,789.49	\$330,609.19	
Excess (Deficiency) of Revenues Over Expenditures		(\$350,235.17)	\$33,783.00		\$6,084.34	\$11,338.15	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		(\$350,235.17)	\$33,783.00		\$6,084.34	\$11,338.15	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$360,555.40	\$10,320.23		\$44,103.23	\$50,187.57	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$360,555.40	\$10,320.23		\$44,103.23	\$50,187.57	
Ending Fund Balance		\$10,320.23	\$44,103.23		\$50,187.57	\$61,525.72	

Notes:

(1)

(1.1) Object 1998: Recapture Savings on 11/13/07 updated position control.

(2)

(2.1) Object 3997: Recapture Savings from updated PC 11/13/07.

General Fund/County School Service Fund
Restricted Resources Only
Resource: 6660 - Tobacco-Use Prevention Education: Elementary Grades 4-8

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$2,068.77	\$11,027.00		\$6,122.38	\$6,306.05	(1)
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$2,068.77	\$11,027.00		\$6,122.38	\$6,306.05	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$1,417.14	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$561.03	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00	\$6,300.00		\$6,462.98	\$6,622.57	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$90.60	\$248.00		\$248.00	\$248.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$2,068.77	\$6,548.00		\$6,710.98	\$6,870.57	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$4,479.00		(\$588.60)	(\$564.52)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$4,479.00		(\$588.60)	(\$564.52)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$4,479.00	\$3,890.40	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$4,479.00	\$3,890.40	
Ending Fund Balance		\$0.00	\$4,479.00		\$3,890.40	\$3,325.88	

Notes:

(1)

(1.1) Object 8591: 2006/07 Deferred Revenue.

General Fund/County School Service Fund
Restricted Resources Only
Resource: 6670 - Tobacco-Use Prevention Education: High School Competitive Grants

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$59,667.35	\$108,927.00		\$50,490.00	\$52,004.70	(1)
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$59,667.35	\$108,927.00		\$50,490.00	\$52,004.70	
Expenditures							
Certificated Salaries	1000 - 1999	\$31,325.47	\$63,737.24		\$64,693.30	\$65,663.70	
Classified Salaries	2000 - 2999	\$9,993.76	\$20,610.60		\$20,919.76	\$21,233.56	
Employee Benefits	3000 - 3999	\$15,715.07	\$32,560.84		\$32,794.02	\$33,030.71	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$19.96	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$2,613.09	\$4,617.32		\$4,617.32	\$4,617.32	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$59,667.35	\$121,526.00		\$123,024.40	\$124,545.29	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	(\$12,599.00)		(\$72,534.40)	(\$72,540.59)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$12,599.00		\$72,534.40	\$72,540.59	
Total Other Financing Sources/Uses		\$0.00	\$12,599.00		\$72,534.40	\$72,540.59	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

Notes:

(1)

(1.1) Object 8590: Reduced to current year funding.

(1.2) Object 8591: 2006/07 Carryover Revenues.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 6760 - Arts/Music Block Grant**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$174,184.00	\$185,607.00		\$173,542.54	\$178,748.82	(1)
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$174,184.00	\$185,607.00		\$173,542.54	\$178,748.82	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$217,481.99		\$220,744.22	\$224,055.38	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$66,955.53		\$67,469.32	\$67,990.83	
Books and Supplies	4000 - 4999	\$3,887.69	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$178.06	\$5,110.85		\$5,110.85	\$5,110.85	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$4,065.75	\$289,548.37		\$293,324.39	\$297,157.06	
Excess (Deficiency) of Revenues Over Expenditures		\$170,118.25	(\$103,941.37)		(\$119,781.85)	(\$118,408.24)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$53,604.97	\$118,408.24	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$53,604.97	\$118,408.24	
Net Increase (Decrease) in Fund Balance		\$170,118.25	(\$103,941.37)		(\$66,176.88)	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$170,118.25		\$66,176.88	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$170,118.25		\$66,176.88	\$0.00	
Ending Fund Balance		\$170,118.25	\$66,176.88		\$0.00	\$0.00	

Notes:

(1)

(1.1) Object 8590: Reduced to current year funding level.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 6761 - Arts/Music/Physical Education Supplies & Equip**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$891,450.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$891,450.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$15,662.03	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$2,452.17	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$10,087.28	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$145.00	\$19,200.00		\$19,718.40	\$20,211.36	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$1,298.27	\$758.00		\$758.00	\$758.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$29,644.75	\$19,958.00		\$20,476.40	\$20,969.36	
Excess (Deficiency) of Revenues Over Expenditures		\$861,805.25	(\$19,958.00)		(\$20,476.40)	(\$20,969.36)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$861,805.25	(\$19,958.00)		(\$20,476.40)	(\$20,969.36)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$861,805.25		\$841,847.25	\$821,370.85	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$861,805.25		\$841,847.25	\$821,370.85	
Ending Fund Balance		\$861,805.25	\$841,847.25		\$821,370.85	\$800,401.49	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7055 - CA High School Exit Exam**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$135,847.84	\$27,170.00		\$25,403.95	\$26,166.07	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$135,847.84	\$27,170.00		\$25,403.95	\$26,166.07	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00	\$26,138.00		\$26,814.20	\$27,476.31	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$1,032.00		\$1,032.00	\$1,032.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$0.00	\$27,170.00		\$27,846.20	\$28,508.31	
Excess (Deficiency) of Revenues Over Expenditures		\$135,847.84	\$0.00		(\$2,442.25)	(\$2,342.24)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$135,847.84	\$0.00		(\$2,442.25)	(\$2,342.24)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$135,847.84		\$135,847.84	\$133,405.59	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$135,847.84		\$135,847.84	\$133,405.59	
Ending Fund Balance		\$135,847.84	\$135,847.84		\$133,405.59	\$131,063.35	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 7056 - CAHSEE Individual Intervention Mtrls

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$10,298.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$10,298.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$10,298.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$10,298.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$10,298.00		\$10,298.00	\$10,298.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$10,298.00		\$10,298.00	\$10,298.00	
Ending Fund Balance		\$10,298.00	\$10,298.00		\$10,298.00	\$10,298.00	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7080 - Supplemental School Counseling (7 - 12)**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$333,747.00	\$295,971.00		\$276,732.88	\$285,034.87	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$333,747.00	\$295,971.00		\$276,732.88	\$285,034.87	
Expenditures							
Certificated Salaries	1000 - 1999	\$11,170.00	\$215,507.18		\$218,586.79	\$221,712.60	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$780.13	\$69,217.61		\$69,702.65	\$70,194.97	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$1,890.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$633.88	\$11,246.21		\$11,246.21	\$11,246.21	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$14,474.01	\$295,971.00		\$299,535.65	\$303,153.78	
Excess (Deficiency) of Revenues Over Expenditures		\$319,272.99	\$0.00		(\$22,802.77)	(\$18,118.91)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$319,272.99	\$0.00		(\$22,802.77)	(\$18,118.91)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$319,272.99		\$319,272.99	\$296,470.22	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$319,272.99		\$319,272.99	\$296,470.22	
Ending Fund Balance		\$319,272.99	\$319,272.99		\$296,470.22	\$278,351.31	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7090 - Economic Impact Aid (EIA)**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$467,202.00	\$0.00		\$0.00	\$0.00	(1)
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$467,202.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$74,441.05		\$75,557.66	\$76,691.03	
Classified Salaries	2000 - 2999	\$0.00	\$19,094.04		\$19,380.45	\$19,671.16	
Employee Benefits	3000 - 3999	\$0.00	\$31,392.95		\$31,645.34	\$31,901.53	
Books and Supplies	4000 - 4999	\$0.00	\$11,791.60		\$12,096.65	\$12,395.35	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$5,400.36		\$5,400.36	\$5,400.36	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$0.00	\$142,120.00		\$144,080.46	\$146,059.43	
Excess (Deficiency) of Revenues Over Expenditures		\$467,202.00	(\$142,120.00)		(\$144,080.46)	(\$146,059.43)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$467,202.00	(\$142,120.00)		(\$144,080.46)	(\$146,059.43)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$467,202.00		\$325,082.00	\$181,001.54	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$467,202.00		\$325,082.00	\$181,001.54	
Ending Fund Balance		\$467,202.00	\$325,082.00		\$181,001.54	\$34,942.11	

Notes:

(1)

(1.1) Object 8311: Revenues cleared and posted to the current LEP active resource of 7091.

General Fund/County School Service Fund
Restricted Resources Only
Resource: 7091 - Economic Impact Aid: Limited English Proficiency (LEP)

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$1,146,479.18	\$1,697,741.00		\$1,587,387.84	\$1,635,009.48	(1)
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$1,146,479.18	\$1,697,741.00		\$1,587,387.84	\$1,635,009.48	
Expenditures							
Certificated Salaries	1000 - 1999	\$300,992.92	\$394,027.80		\$398,238.48	\$402,512.31	(2)
Classified Salaries	2000 - 2999	\$315,163.09	\$298,859.18		\$303,109.67	\$307,423.90	(3)
Employee Benefits	3000 - 3999	\$195,087.21	\$255,121.84		\$256,761.46	\$258,425.66	
Books and Supplies	4000 - 4999	\$129,174.77	\$266,667.71		\$273,566.48	\$280,321.52	
Services and Other Operating Expenditures	5000 - 5999	\$83,434.17	\$612.00		\$628.52	\$644.23	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$30,715.56	\$33,393.00		\$33,393.00	\$33,393.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$1,054,567.72	\$1,248,681.53		\$1,265,697.61	\$1,282,720.62	
Excess (Deficiency) of Revenues Over Expenditures		\$91,911.46	\$449,059.47		\$321,690.23	\$352,288.86	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$91,911.46	\$449,059.47		\$321,690.23	\$352,288.86	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$401,738.49	\$493,649.95		\$942,709.42	\$1,264,399.65	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$401,738.49	\$493,649.95		\$942,709.42	\$1,264,399.65	
Ending Fund Balance		\$493,649.95	\$942,709.42		\$1,264,399.65	\$1,616,688.51	

Notes:

(1)

(1.1) Object 8311: Increased revenues to the current state funding level.

(2)

(2.1) Object 1110: Increased SUBS based on historical data.

(3)

(3.1) Object 2111: Increased SUBS based on historical data.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7140 - Gifted & Talented Education (GATE)**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$94,677.00	\$96,488.00		\$90,216.28	\$92,922.77	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	(1)
Total Revenues		\$94,677.00	\$96,488.00		\$90,216.28	\$92,922.77	
Expenditures							
Certificated Salaries	1000 - 1999	\$71,910.10	\$109,795.95		\$111,442.89	\$113,114.53	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$18,950.01	\$33,892.96		\$34,152.35	\$34,415.63	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$22,154.71	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$3,390.44	\$3,666.00		\$3,666.00	\$3,666.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$116,405.26	\$147,354.91		\$149,261.24	\$151,196.16	
Excess (Deficiency) of Revenues Over Expenditures		(\$21,728.26)	(\$50,866.91)		(\$59,044.96)	(\$58,273.39)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$22,117.48	\$50,477.69		\$59,044.96	\$58,273.39	
Total Other Financing Sources/Uses		\$22,117.48	\$50,477.69		\$59,044.96	\$58,273.39	
Net Increase (Decrease) in Fund Balance		\$389.22	(\$389.22)		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$389.22		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$389.22		\$0.00	\$0.00	
Ending Fund Balance		\$389.22	\$0.00		\$0.00	\$0.00	

Notes:

(1)

(1.1) Object 8699: Local Revenue cleared based on prior history.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7156 - Instructional Materials Realignment, IMFRP (AB 1781)**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$720,258.00	\$720,258.00		\$673,441.23	\$693,644.47	
Other Local Revenues	8600 - 8799	\$53,845.19	\$0.00		\$0.00	\$0.00	
Total Revenues		\$774,103.19	\$720,258.00		\$673,441.23	\$693,644.47	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$1,293,579.46	\$720,258.00		\$888,891.29	\$907,136.36	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$1,293,579.46	\$720,258.00		\$888,891.29	\$907,136.36	
Excess (Deficiency) of Revenues Over Expenditures		(\$519,476.27)	\$0.00		(\$215,450.06)	(\$213,491.89)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		(\$519,476.27)	\$0.00		(\$215,450.06)	(\$213,491.89)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$970,169.48	\$450,693.21		\$450,693.21	\$235,243.15	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$970,169.48	\$450,693.21		\$450,693.21	\$235,243.15	
Ending Fund Balance		\$450,693.21	\$450,693.21		\$235,243.15	\$21,751.26	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7158 - Instructional Materials - Williams Case**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$10,759.26	\$0.00		\$0.00	\$0.00	
Total Revenues		\$10,759.26	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$2,834.22	\$0.00		\$0.00	\$175,000.00	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$2,834.22	\$0.00		\$0.00	\$175,000.00	
Excess (Deficiency) of Revenues Over Expenditures		\$7,925.04	\$0.00		\$0.00	(\$175,000.00)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$7,925.04	\$0.00		\$0.00	(\$175,000.00)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$185,271.87	\$193,196.91		\$193,196.91	\$193,196.91	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$185,271.87	\$193,196.91		\$193,196.91	\$193,196.91	
Ending Fund Balance		\$193,196.91	\$193,196.91		\$193,196.91	\$18,196.91	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7220 - Partnership Academies Program**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$239,024.91	\$178,367.00		\$132,188.43	\$136,154.08	(1)
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$239,024.91	\$178,367.00		\$132,188.43	\$136,154.08	
Expenditures							
Certificated Salaries	1000 - 1999	\$81,102.41	\$45,388.75		\$46,069.58	\$46,760.62	
Classified Salaries	2000 - 2999	\$14,759.72	\$22,680.40		\$23,020.61	\$23,365.92	
Employee Benefits	3000 - 3999	\$26,484.82	\$28,099.20		\$28,297.34	\$28,498.43	
Books and Supplies	4000 - 4999	\$57,025.75	\$26,390.85		\$76.38	\$8,414.87	(2)
Services and Other Operating Expenditures	5000 - 5999	\$49,184.31	\$44,635.80		\$23,520.33	\$17,420.52	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$10,467.90	\$11,172.00		\$11,172.00	\$11,172.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$239,024.91	\$178,367.00		\$132,156.24	\$135,632.36	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$32.19	\$521.72	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$32.19	\$521.72	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$32.19	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$32.19	
Ending Fund Balance		\$0.00	\$0.00		\$32.19	\$553.91	

Notes:

(1)

(1.1) Object 8590: Reduce to current funding level.

(1.2) Object 8591: 2006/07 Deferred Revenue.

(2)

(2.1) Object 4300: This object was used for autobalancing (at 11/25/2007). Initial Value is: 142,023.85\$. For project years see applied Autobalanced Rule.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7230 - Transportation: Home to School**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$969,487.00	\$951,514.00		\$889,786.46	\$916,597.35	
Other Local Revenues	8600 - 8799	\$196,850.43	\$250,000.00		\$250,000.00	\$250,000.00	
Total Revenues		\$1,166,337.43	\$1,201,514.00		\$1,139,786.46	\$1,166,597.35	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$1,056,370.34	\$1,079,239.48		\$1,092,316.42	\$1,105,589.53	(1)
Employee Benefits	3000 - 3999	\$487,043.47	\$463,250.70		\$466,278.04	\$469,350.80	(2)
Books and Supplies	4000 - 4999	\$278,097.56	\$315,909.52		\$218,321.83	\$224,622.84	
Services and Other Operating Expenditures	5000 - 5999	(\$270,035.45)	(\$106,759.80)		(\$106,772.23)	(\$106,775.62)	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$24,465.03	\$87,168.00		\$87,168.00	\$87,168.00	(3)
Total Expenditures		\$1,575,940.95	\$1,838,807.90		\$1,757,312.06	\$1,779,955.55	
Excess (Deficiency) of Revenues Over Expenditures		(\$409,603.52)	(\$637,293.90)		(\$617,525.60)	(\$613,358.20)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$409,603.52	\$637,293.90		\$617,528.56	\$613,956.90	
Total Other Financing Sources/Uses		\$409,603.52	\$637,293.90		\$617,528.56	\$613,956.90	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$2.96	\$598.70	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$2.96	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$2.96	
Ending Fund Balance		\$0.00	\$0.00		\$2.96	\$601.66	

Notes:

(1)

(1.1) Object 2212: Increased OT based on historical data.

(1.2) Object 2988: Adjustment from updated 11/13/07 position control.

(2)

(2.1) Object 3997: Adjustment from updated 11/13/07 position control.

(3)

(3.1) Object 7439: Long Term Debt adjusted to reflect the District Schedule for the current and projection years.

General Fund/County School Service Fund
Restricted Resources Only
Resource: 7240 - Transportation: Special Education (SH/OH) Education Code sections 41850-41851.2

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$74,452.00	\$73,072.00		\$68,443.19	\$70,613.78	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$74,452.00	\$73,072.00		\$68,443.19	\$70,613.78	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$452,465.75	\$499,636.38		\$506,040.95	\$512,541.59	(1)
Employee Benefits	3000 - 3999	\$218,586.83	\$240,108.15		\$241,573.50	\$243,060.82	(2)
Books and Supplies	4000 - 4999	\$112,430.20	\$146,167.00		\$124,546.15	\$142,335.24	(3)
Services and Other Operating Expenditures	5000 - 5999	\$7,872.89	\$20,500.00		\$20,483.50	\$20,479.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$359,646.69	\$443,653.47		\$443,653.47	\$443,653.47	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$1,151,002.36	\$1,350,065.00		\$1,336,297.57	\$1,362,070.12	
Excess (Deficiency) of Revenues Over Expenditures		(\$1,076,550.36)	(\$1,276,993.00)		(\$1,267,854.38)	(\$1,291,456.34)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$1,076,550.36	\$1,276,993.00		\$1,283,583.15	\$1,289,467.59	
Total Other Financing Sources/Uses		\$1,076,550.36	\$1,276,993.00		\$1,283,583.15	\$1,289,467.59	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$15,728.77	(\$1,988.75)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$15,728.77	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$15,728.77	
Ending Fund Balance		\$0.00	\$0.00		\$15,728.77	\$13,740.02	

Notes:

- (1)
- (1.1) Object 2212: Increased OT based on historical data.
- (1.2) Object 2900: Adjustment due to 11/13/07 updated position control.
- (2)
- (2.1) Object 3997: Adjustment for 11/13/07 updated position control.
- (3)
- (3.1) Object 4300: This object was used for autobalancing (at 11/17/2007). Initial Value is: 146,167.00\$. For project years see applied Autobalanced Rule.

General Fund/County School Service Fund
Restricted Resources Only
Resource: 7255 - Immediate Intervention/Underperforming Schools Program

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$14,819.75	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$14,819.75	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$3,827.25	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$1,042.67	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$4,675.72	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$4,625.09	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$649.02	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$14,819.75	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 7256 - II/USP: SAIT Corrective Action Grant

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$55,011.33	\$257,769.00		\$151,196.04	\$155,731.92	(1)
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$55,011.33	\$257,769.00		\$151,196.04	\$155,731.92	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$144,562.00		\$146,730.43	\$148,931.39	
Classified Salaries	2000 - 2999	\$0.00	\$17,097.35		\$17,353.81	\$17,614.11	
Employee Benefits	3000 - 3999	\$0.00	\$53,977.89		\$54,382.93	\$54,794.04	
Books and Supplies	4000 - 4999	\$4,602.15	\$32,338.64		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$48,000.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$2,409.18	\$9,793.12		\$9,793.12	\$9,793.12	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$55,011.33	\$257,769.00		\$228,260.29	\$231,132.66	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		(\$77,064.25)	(\$75,400.74)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$77,064.25	\$75,400.74	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$77,064.25	\$75,400.74	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

Notes:

(1)

(1.1) Object 8590: Revenues adjusted to current year funding.

(1.2) Object 8591: 2006/07 Deferred Revenue.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7258 - High Priority Schools Grants Program**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$227,235.31	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$227,235.31	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$41,624.52	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$1,867.34	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$5,191.71	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$142,018.63	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$18,186.50	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$8,779.51	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$9,567.10	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$227,235.31	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7260 - School Improvement Program (SIP)**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$0.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 7271 - California Peer Assistance & Review Program for Teachers (CPARP)

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$56,676.00	\$56,676.00		\$52,992.06	\$54,581.82	(1)
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$56,676.00	\$56,676.00		\$52,992.06	\$54,581.82	
Expenditures							
Certificated Salaries	1000 - 1999	\$63,351.15	\$20,673.18		\$20,983.28	\$21,298.03	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$15,412.34	\$6,576.05		\$6,624.90	\$6,674.46	
Books and Supplies	4000 - 4999	\$2,693.32	\$38,874.37		\$21,874.37	\$22,874.37	(2)
Services and Other Operating Expenditures	5000 - 5999	\$1,197.43	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$3,785.56	\$3,418.73		\$3,418.73	\$3,418.73	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$86,439.80	\$69,542.33		\$52,901.28	\$54,265.59	
Excess (Deficiency) of Revenues Over Expenditures		(\$29,763.80)	(\$12,866.33)		\$90.78	\$316.23	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		(\$29,763.80)	(\$12,866.33)		\$90.78	\$316.23	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$42,630.13	\$12,866.33		\$0.00	\$90.78	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$42,630.13	\$12,866.33		\$0.00	\$90.78	
Ending Fund Balance		\$12,866.33	\$0.00		\$90.78	\$407.01	

Notes:

- (1) Current Year funding level is \$69,542. The District has adjusted expenditures to match expected revenues + 2006/07 carryover.
- (1.1) Object 8590: Reduced to current year funding level.
- (2)
- (2.1) Object 4300: This object was used for autobalancing (at 11/25/2007). Initial Value is: 59,292.04\$. For project years see applied Autobalanced Rule.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7275 - Staff Development: Bilingual Teacher Training (BTTP)**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$0.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7276 - Certificated Staff Mentoring Program**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$119,700.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$119,700.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$99,079.49	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$15,378.34	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$5,242.17	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$119,700.00	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7294 - Staff Development: Mathematics & Reading (AB 466)**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$68,500.00	\$68,500.00		\$64,047.50	\$65,968.92	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$68,500.00	\$68,500.00		\$64,047.50	\$65,968.92	
Expenditures							
Certificated Salaries	1000 - 1999	\$38,482.06	\$1,200.00		\$1,200.00	\$1,200.00	
Classified Salaries	2000 - 2999	\$3,662.84	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$6,479.83	\$189.00		\$189.00	\$189.00	
Books and Supplies	4000 - 4999	\$1,192.99	\$64,508.00		\$64,108.00	\$62,058.00	
Services and Other Operating Expenditures	5000 - 5999	\$105,893.01	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$7,131.55	\$2,603.00		\$2,603.00	\$2,603.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$162,842.28	\$68,500.00		\$68,100.00	\$66,050.00	
Excess (Deficiency) of Revenues Over Expenditures		(\$94,342.28)	\$0.00		(\$4,052.50)	(\$81.08)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		(\$94,342.28)	\$0.00		(\$4,052.50)	(\$81.08)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$98,480.47	\$4,138.19		\$4,138.19	\$85.69	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$98,480.47	\$4,138.19		\$4,138.19	\$85.69	
Ending Fund Balance		\$4,138.19	\$4,138.19		\$85.69	\$4.61	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7375 - Tenth Grade Counseling**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$0.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7390 - Pupil Retention Block Grant**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$36,714.00	\$29,000.00		\$27,115.00	\$27,928.45	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$36,714.00	\$29,000.00		\$27,115.00	\$27,928.45	
Expenditures							
Certificated Salaries	1000 - 1999	\$5,866.48	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$3,619.57	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$1,899.95	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00	\$27,898.00		\$29,468.57	\$30,551.04	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$521.48	\$1,102.00		\$1,102.00	\$1,102.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$11,907.48	\$29,000.00		\$30,570.57	\$31,653.04	
Excess (Deficiency) of Revenues Over Expenditures		\$24,806.52	\$0.00		(\$3,455.57)	(\$3,724.59)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$24,806.52	\$0.00		(\$3,455.57)	(\$3,724.59)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$1,597.74	\$26,404.26		\$26,404.26	\$22,948.69	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$1,597.74	\$26,404.26		\$26,404.26	\$22,948.69	
Ending Fund Balance		\$26,404.26	\$26,404.26		\$22,948.69	\$19,224.10	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7393 - Professional Development Block Grant**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$574,366.00	\$597,503.00		\$558,665.30	\$575,425.26	(1)
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$574,366.00	\$597,503.00		\$558,665.30	\$575,425.26	
Expenditures							
Certificated Salaries	1000 - 1999	\$289,076.62	\$339,029.29		\$340,634.72	\$342,264.24	
Classified Salaries	2000 - 2999	\$13,777.84	\$37,369.00		\$37,910.04	\$38,459.19	
Employee Benefits	3000 - 3999	\$43,143.20	\$82,804.19		\$83,201.61	\$83,605.00	
Books and Supplies	4000 - 4999	\$5,391.00	\$22,078.52		\$22,649.69	\$23,208.97	
Services and Other Operating Expenditures	5000 - 5999	\$51,478.54	\$6,080.00		\$25,260.41	\$35,718.84	
Capital Outlay	6000 - 6900	\$0.00	\$5,299.00		\$5,299.00	\$5,299.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$18,451.32	\$19,460.00		\$19,460.00	\$19,460.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$421,318.52	\$512,120.00		\$534,415.47	\$548,015.24	
Excess (Deficiency) of Revenues Over Expenditures		\$153,047.48	\$85,383.00		\$24,249.83	\$27,410.02	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$153,047.48	\$85,383.00		\$24,249.83	\$27,410.02	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$230,021.07	\$383,068.55		\$468,451.55	\$492,701.38	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$230,021.07	\$383,068.55		\$468,451.55	\$492,701.38	
Ending Fund Balance		\$383,068.55	\$468,451.55		\$492,701.38	\$520,111.40	

Notes:

(1)

(1.1) Object 8590: Increase to current year funding level.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7394 - Targeted Instructional Improvement Block Grant**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$465,339.00	\$465,339.00		\$435,091.96	\$448,144.72	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$465,339.00	\$465,339.00		\$435,091.96	\$448,144.72	
Expenditures							
Certificated Salaries	1000 - 1999	\$21,551.08	\$20,671.96		\$20,982.04	\$21,296.77	
Classified Salaries	2000 - 2999	\$17,710.82	\$17,000.00		\$17,000.00	\$17,000.00	
Employee Benefits	3000 - 3999	\$5,697.94	\$8,904.62		\$8,953.46	\$9,003.03	
Books and Supplies	4000 - 4999	\$0.00	\$401,080.42		\$411,456.49	\$421,616.38	
Services and Other Operating Expenditures	5000 - 5999	\$0.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$2,059.16	\$17,682.00		\$17,682.00	\$17,682.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$47,019.00	\$465,339.00		\$476,073.99	\$486,598.18	
Excess (Deficiency) of Revenues Over Expenditures		\$418,320.00	\$0.00		(\$40,982.03)	(\$38,453.46)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$418,320.00	\$0.00		(\$40,982.03)	(\$38,453.46)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$418,320.00		\$418,320.00	\$377,337.97	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$418,320.00		\$418,320.00	\$377,337.97	
Ending Fund Balance		\$418,320.00	\$418,320.00		\$377,337.97	\$338,884.51	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 7395 - School and Library Improvement Block Grant

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$1,045,814.00	\$1,087,942.00		\$1,017,225.77	\$1,047,742.54	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$1,045,814.00	\$1,087,942.00		\$1,017,225.77	\$1,047,742.54	
Expenditures							
Certificated Salaries	1000 - 1999	\$157,992.84	\$114,364.97		\$115,481.63	\$116,615.03	
Classified Salaries	2000 - 2999	\$223,525.89	\$325,462.33		\$330,344.26	\$335,299.42	
Employee Benefits	3000 - 3999	\$114,206.53	\$183,680.65		\$185,070.94	\$186,482.10	
Books and Supplies	4000 - 4999	\$181,193.10	\$166,178.57		\$170,477.66	\$174,687.18	
Services and Other Operating Expenditures	5000 - 5999	\$95,193.25	\$9,759.00		\$9,911.06	\$10,055.66	
Capital Outlay	6000 - 6900	\$19,586.49	\$8,044.00		\$8,044.00	\$8,044.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$35,362.71	\$29,148.00		\$29,148.00	\$29,148.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$827,060.81	\$836,637.52		\$848,477.55	\$860,331.39	
Excess (Deficiency) of Revenues Over Expenditures		\$218,753.19	\$251,304.48		\$168,748.22	\$187,411.15	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	(\$156,872.10)	(\$135,366.00)		(\$135,366.00)	(\$135,366.00)	
Total Other Financing Sources/Uses		(\$156,872.10)	(\$135,366.00)		(\$135,366.00)	(\$135,366.00)	
Net Increase (Decrease) in Fund Balance		\$61,881.09	\$115,938.48		\$33,382.22	\$52,045.15	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$143,741.68	\$205,622.77		\$321,561.25	\$354,943.47	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$143,741.68	\$205,622.77		\$321,561.25	\$354,943.47	
Ending Fund Balance		\$205,622.77	\$321,561.25		\$354,943.47	\$406,988.62	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7396 - Discretionary Block Grant - School Site**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$675,962.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$675,962.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$31,088.33	\$65,389.95		\$66,165.19	\$66,952.06	
Classified Salaries	2000 - 2999	\$1,478.88	\$20,145.90		\$20,448.09	\$20,754.81	
Employee Benefits	3000 - 3999	\$5,559.99	\$29,079.56		\$29,282.95	\$29,489.40	
Books and Supplies	4000 - 4999	\$130,858.86	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$31,400.62	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$9,177.71	\$3,968.05		\$3,968.05	\$3,968.05	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$209,564.39	\$118,583.46		\$119,864.28	\$121,164.32	
Excess (Deficiency) of Revenues Over Expenditures		\$466,397.61	(\$118,583.46)		(\$119,864.28)	(\$121,164.32)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$466,397.61	(\$118,583.46)		(\$119,864.28)	(\$121,164.32)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$466,397.61		\$347,814.15	\$227,949.87	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$466,397.61		\$347,814.15	\$227,949.87	
Ending Fund Balance		\$466,397.61	\$347,814.15		\$227,949.87	\$106,785.55	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7397 - Discretionary Block Grant - School District**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$245,432.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$245,432.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$29,500.84	\$21,628.00		\$21,920.02	\$22,216.42	
Employee Benefits	3000 - 3999	\$3,934.91	\$2,963.04		\$3,003.05	\$3,043.65	
Books and Supplies	4000 - 4999	\$2,233.14	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$12,087.87	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$2,187.26	\$970.96		\$970.96	\$970.96	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$49,944.02	\$25,562.00		\$25,894.03	\$26,231.03	
Excess (Deficiency) of Revenues Over Expenditures		\$195,487.98	(\$25,562.00)		(\$25,894.03)	(\$26,231.03)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$195,487.98	(\$25,562.00)		(\$25,894.03)	(\$26,231.03)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$195,487.98		\$169,925.98	\$144,031.95	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$195,487.98		\$169,925.98	\$144,031.95	
Ending Fund Balance		\$195,487.98	\$169,925.98		\$144,031.95	\$117,800.92	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7398 - Instructional Materials, Library & Education Technology**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$175,900.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$175,900.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$54,907.78	\$5,827.27		\$5,978.02	\$6,125.63	
Services and Other Operating Expenditures	5000 - 5999	\$62,658.18	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$5,384.52	\$229.73		\$229.73	\$229.73	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$122,950.48	\$6,057.00		\$6,207.75	\$6,355.36	
Excess (Deficiency) of Revenues Over Expenditures		\$52,949.52	(\$6,057.00)		(\$6,207.75)	(\$6,355.36)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	(\$26,000.00)	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		(\$26,000.00)	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$26,949.52	(\$6,057.00)		(\$6,207.75)	(\$6,355.36)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$26,949.52		\$20,892.52	\$14,684.77	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$26,949.52		\$20,892.52	\$14,684.77	
Ending Fund Balance		\$26,949.52	\$20,892.52		\$14,684.77	\$8,329.41	

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 7810 - Other State**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$1,500.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$1,500.00	\$0.00		\$0.00	\$0.00	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$0.00	\$0.00		\$0.00	\$0.00	
Employee Benefits	3000 - 3999	\$0.00	\$0.00		\$0.00	\$0.00	
Books and Supplies	4000 - 4999	\$0.00	\$0.00		\$0.00	\$0.00	
Services and Other Operating Expenditures	5000 - 5999	\$1,500.00	\$0.00		\$0.00	\$0.00	
Capital Outlay	6000 - 6900	\$0.00	\$0.00		\$0.00	\$0.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$1,500.00	\$0.00		\$0.00	\$0.00	
Excess (Deficiency) of Revenues Over Expenditures		\$0.00	\$0.00		\$0.00	\$0.00	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$0.00	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	
Ending Fund Balance		\$0.00	\$0.00		\$0.00	\$0.00	

General Fund/County School Service Fund
Restricted Resources Only
Resource: 8150 - Ongoing & Major Maintenance Account (RMA: Education Code Section 17070.75)

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$120.87	\$241.79	
Other Local Revenues	8600 - 8799	\$0.00	\$0.00		\$0.00	\$0.00	
Total Revenues		\$0.00	\$0.00		\$120.87	\$241.79	
Expenditures							
Certificated Salaries	1000 - 1999	\$0.00	\$0.00		\$0.00	\$0.00	
Classified Salaries	2000 - 2999	\$1,315,714.18	\$1,356,272.32		\$1,375,968.43	\$1,395,959.99	(1)
Employee Benefits	3000 - 3999	\$536,252.92	\$590,839.83		\$596,087.38	\$601,413.65	
Books and Supplies	4000 - 4999	\$223,043.93	\$283,171.64		\$290,497.38	\$297,670.48	
Services and Other Operating Expenditures	5000 - 5999	\$196,840.83	\$81,779.50		\$83,929.53	\$86,011.57	
Capital Outlay	6000 - 6900	\$0.00	\$13,422.00		\$13,422.00	\$13,422.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$0.00	\$0.00		\$0.00	\$0.00	
Debt Service	7430 - 7439	\$14,234.21	\$28,468.42		\$0.00	\$0.00	
Total Expenditures		\$2,286,086.07	\$2,353,953.71		\$2,359,904.72	\$2,394,477.69	
Excess (Deficiency) of Revenues Over Expenditures		(\$2,286,086.07)	(\$2,353,953.71)		(\$2,359,783.85)	(\$2,394,235.90)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$526,944.00	\$527,293.00		\$475,512.00	\$493,384.00	(2)
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$2,813,030.07	\$2,881,246.71		\$2,883,226.51	\$2,913,946.94	
Total Other Financing Sources/Uses		\$2,286,086.07	\$2,353,953.71		\$2,407,714.51	\$2,420,562.94	
Net Increase (Decrease) in Fund Balance		\$0.00	\$0.00		\$47,930.66	\$26,327.04	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$0.00	\$0.00		\$0.00	\$47,930.66	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	\$0.00	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$0.00	\$0.00		\$0.00	\$47,930.66	
Ending Fund Balance		\$0.00	\$0.00		\$47,930.66	\$74,257.70	

Notes:

(1)

(1.1) Object 2212: Increase OT based on historical data.

(1.2) Object 2412: Increase OT based on historical data.

(2)

(2.1) Object 7615: Adjusted Deferred Maintenance contribution to agree with CDE 2007/08 posting.

**General Fund/County School Service Fund
Restricted Resources Only
Resource: 9010 - Other Local**

Name	Object Code	Historical Year 2006 - 07	Base Year 2007 - 08	Rules	Year 1 2008 - 09	Year 2 2009 - 10	Note
Revenues							
Revenue Limit Sources	8010 - 8099	\$0.00	\$0.00		\$0.00	\$0.00	
Federal Revenues	8100 - 8299	\$0.00	\$0.00		\$0.00	\$0.00	
Other State Revenues	8300 - 8599	\$0.00	\$0.00		\$0.00	\$0.00	
Other Local Revenues	8600 - 8799	\$2,700,458.92	\$1,902,016.71		\$1,902,016.71	\$1,902,016.71	
Total Revenues		\$2,700,458.92	\$1,902,016.71		\$1,902,016.71	\$1,902,016.71	
Expenditures							
Certificated Salaries	1000 - 1999	\$560,826.92	\$664,733.08		\$673,954.08	\$683,313.39	
Classified Salaries	2000 - 2999	\$364,938.07	\$313,309.67		\$318,009.31	\$322,779.45	
Employee Benefits	3000 - 3999	\$222,440.92	\$274,933.77		\$277,103.44	\$279,305.66	
Books and Supplies	4000 - 4999	\$291,239.14	\$448,065.82		\$459,657.42	\$471,007.51	
Services and Other Operating Expenditures	5000 - 5999	\$773,965.25	\$135,183.86		\$138,406.80	\$141,473.83	
Capital Outlay	6000 - 6900	\$621,904.94	\$10,000.00		\$10,000.00	\$10,000.00	
Other Outgo	7000 - 7299	\$0.00	\$0.00		\$0.00	\$0.00	
Direct Support/Indirect Cost	7300 - 7399	\$47,935.60	\$55,790.51		\$55,790.51	\$55,790.51	
Debt Service	7430 - 7439	\$0.00	\$0.00		\$0.00	\$0.00	
Total Expenditures		\$2,883,250.84	\$1,902,016.71		\$1,932,921.56	\$1,963,670.35	
Excess (Deficiency) of Revenues Over Expenditures		(\$182,791.92)	\$0.00		(\$30,904.85)	(\$61,653.64)	
Other Financing Sources/Uses							
Interfund Transfers In	8910 - 8929	\$0.00	\$0.00		\$0.00	\$0.00	
Interfund Transfers Out	7600 - 7629	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Sources	8930 - 8979	\$0.00	\$0.00		\$0.00	\$0.00	
All Other Financing Uses	7630 - 7699	\$0.00	\$0.00		\$0.00	\$0.00	
Contributions	8980 - 8999	\$0.00	\$0.00		\$0.00	\$0.00	
Total Other Financing Sources/Uses		\$0.00	\$0.00		\$0.00	\$0.00	
Net Increase (Decrease) in Fund Balance		(\$182,791.92)	\$0.00		(\$30,904.85)	(\$61,653.64)	
Fund Balance							
Beginning Fund Balance (as of July 1 – Unaudited)	9791	\$1,116,709.43	\$920,093.44		\$920,093.44	\$889,188.59	
Audit Adjustments	9793	\$0.00	\$0.00		\$0.00	\$0.00	
Other Restatements	9795	(\$13,824.07)	\$0.00		\$0.00	\$0.00	
Adjusted Beginning Fund Balance		\$1,102,885.36	\$920,093.44		\$920,093.44	\$889,188.59	
Ending Fund Balance		\$920,093.44	\$920,093.44		\$889,188.59	\$827,534.95	



FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
STUDY AGREEMENT
August 10, 2007
Amended December 17, 2007

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the Monterey Peninsula Unified School District, hereinafter referred to as the District, mutually agree as follows:

1. BASIS OF AGREEMENT

The Team provides a variety of services to school districts and county offices of education upon request. The District has requested that the Team provide for the assignment of professionals to study specific aspects of the Monterey Peninsula Unified School District operations. These professionals may include staff of the Team, County Offices of Education, the California State Department of Education, school districts, or private contractors. All work shall be performed in accordance with the terms and conditions of this Agreement.

2. SCOPE OF THE WORK

A. Scope and Objectives of the Study

The scope and objectives of this study are to:

- 1) Prepare a multiyear financial projection using FCMAT's Budget Explorer software to identify the financial condition of the district's general fund in 2008-09 and 2009-10 using identified industry variables. The projection will be based on a review of the district's 2007-08 adoption budget and 2006-07 unaudited actuals report, as well as revenue and expenditure trends of recent years.
- 2) Prepare a fiscal health analysis using the 18 factors included in the FCMAT Fiscal Health Risk Analysis model, and identify the district's risk rating.
- 3) Conduct a review of the district's budget development, monitoring, and updating processes and procedures and provide recommendations that, if implemented, will help insure that all budgets reflect current revenue and expenditure expectations.

Amendment to the original agreement

The documentation provided to FCMAT by the district for the 2007-08 multiyear

financial projection has not provided an accurate picture of the districts financial position. Additional days have been required for the study team to validate revenue and expenditure information, adding to the original estimated cost of the study. This amendment increases the estimated cost of the review to \$23,000.

B. Services and Products to be Provided

- 1) Orientation Meeting - The Team will conduct an orientation session at the District to brief District management and supervisory personnel on the procedures of the Team and on the purpose and schedule of the study.
- 2) On-site Review - The Team will conduct an on-site review at the District office and at school sites if necessary.
- 3) Progress Reports - The Team will hold an exit meeting at the conclusion of the on-site review to inform the District of significant findings and recommendations to that point.
- 4) Exit Letter - The Team will issue an exit letter approximately 10 days after the exit meeting detailing significant findings and recommendations to date and memorializing the topics discussed in the exit meeting.
- 5) Draft Reports - Sufficient copies of a preliminary draft report will be delivered to the District administration for review and comment.
- 6) Final Report - Sufficient copies of the final study report will be delivered to the District following completion of the review.

3. PROJECT PERSONNEL

The study team will be supervised by Anthony L. Bridges, Deputy Executive Officer, Fiscal Crisis and Management Assistance Team, Kern County Superintendent of Schools Office. The study team may also include:

- A. Michele Plumbtree, FCMAT Fiscal Intervention Specialist
- B. Two FCMAT Fiscal Consultants

Other equally qualified consultants will be substituted in the event one of the above noted individuals is unable to participate in the study.

4. PROJECT COSTS

The cost for studies requested pursuant to E.C. 42127.8(d)(1) shall be:

- A. \$500.00 per day for each Team Member while on site, conducting fieldwork at other locations, preparing and presenting reports, or participating in meetings.

- B. All out-of-pocket expenses, including travel, meals, lodging, etc. Based on the elements noted in section 2 A the cost is estimated at \$15,000. The District will be invoiced 50% of the cost following the completion of the on-site review and the remaining amount due upon acceptance of the final report by the District
- C. Any change to the scope will affect the estimate of total cost.

Amended cost, December 17, 2007 – Additional days were needed for the FCMAT study team to validate both position control and budget information that changed after the initial site visits. This will allow for the MYP to reflect the updated information and be more useful to the district. In addition, FCMAT will be presenting the final report at a board meeting in January or February, and will spend a partial day at the district the morning after the board presentation in order to answer any questions from board or staff. These additional tasks will increase the total estimated cost of the review to \$23,000.

Payments for FCMAT services are payable to Kern County Superintendent of Schools-Administrative Agent.

5. RESPONSIBILITIES OF THE DISTRICT

- A. The District will provide office and conference room space while on-site reviews are in progress.
- B. The District will provide the following (if requested):
 - 1) A map of the local area
 - 2) Existing policies, regulations and prior reports addressing the study request
 - 3) Current organizational charts
 - 4) Current and four (4) prior year's audit reports
 - 5) Any documents requested on a supplemental listing
- C. The District Administration will review a preliminary draft copy of the study. Any comments regarding the accuracy of the data presented in the report or the practicability of the recommendations will be reviewed with the Team prior to completion of the final report.

Pursuant to EC 45125.1(c), representatives of FCMAT will have limited contact with District pupils. The District shall take appropriate steps to comply with EC 45125.1(c).

