

ALBANY UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION

The mission of Albany Unified School District is to provide excellent public education that empowers all to achieve their fullest potential as productive citizens. AUSD is committed to creating comprehensive learning opportunities in a safe, supportive, and collaborative environment, addressing the individual needs of each student.

REGULAR MEETING
ALBANY CITY HALL

1000 San Pablo
Albany, CA 94706

TUESDAY

January 23, 2018

Open Session: 6:30 p.m. - 9:05 p.m.

The public is encouraged to address the Board on any topic on the agenda. The President will also invite the public to speak during the section titled "Persons to Address the Board on Matters Not on the Agenda". To ensure accurate information is captured in the Board meeting minutes, please complete the "Speaker Slip" provided on the table and hand it to the clerk when speaking.

AGENDA

<p style="text-align: center;">Meeting Norms</p> <ol style="list-style-type: none"> 1. Maintain a focus on what is best for our students. 2. Show respect (never dismiss/devalue others). 3. Be willing to compromise. 4. Disagree (when necessary) agreeably. 5. Make a commitment to effective deliberation, each one listening with an open mind while others are allowed to express their points of view. 6. Participate by building on the thoughts of a fellow Board member. 7. Make a commitment to open communication and honesty; no surprises. 8. Commit the time necessary to govern effectively. 9. Be collaborative. 10. Maintain confidentiality (which leads to the building of trust). 11. Look upon history as lessons learned; focus on the present and the future. All meetings are videotaped. (To view the videos, visit www.ausdk12.org) 	<p style="text-align: right; background-color: yellow;">6:30 p.m.</p> <p>I. OPEN SESSION (10 mins.)</p> <ol style="list-style-type: none"> A) Convene to Open Session B) Roll Call C) Pledge of Allegiance D) Reading of the AUSD Mission & Vision E) Approval of Agenda F) Approval of Consent Calendar (The Consent Calendar includes routine items that may be handled with one action. Board Members may request any item be removed from the Consent Calendar without formal action.) <ol style="list-style-type: none"> 1. Board of Education <ol style="list-style-type: none"> a) Minutes of the December 12, 2017 Board of Education Meeting-(pg.5) 2. Human Resources <ol style="list-style-type: none"> a) Certificated Personnel Assignment Order & Classified Personnel Assignment Order------(pg.15) 3. Curriculum & Instruction <ol style="list-style-type: none"> a) Bi-Annual Field Trip Report------(pg.20) 4. Student Services <ol style="list-style-type: none"> a) Approve School Accountability Report Cards (Secondary)------(pg.22)
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5. Business Services

a) December 2017 Warrant Report------(pg.82)

b) December 2017 Donation Report------(pg.98)

G) BOARD AND SUPERINTENDENT REPORT 6:40 p.m.
(5 mins.)

H) STUDENT BOARD MEMBERS' REPORT 6:45 p.m.
(5 mins.)

I) PERSONS TO ADDRESS THE BOARD ON MATTERS NOT ON THE AGENDA 6:50 p.m.
(5 mins.)

Board practice limits each speaker to no more than three (3) minutes. The Brown Act limits Board ability to discuss or act on items which are not on the agenda; therefore, such items may be referred to staff for comment or for consideration on a future agenda.

J) STAFF REPORT 6:55 p.m.

1. Promoting Safe, Supportive, and Collaborative Environments for all Students and Staff------(pg.101)
(10 mins.)

K) REVIEW AND ACTION 7:05 p.m.

1. 2016-2017 Financial Audit Report------(pg.103)
(2.5 mins.)

2. 2016-2017 2008 Measure E Bond Financial and Performance Audit Report------(pg.200)
(2.5 mins.)

3. 2016-2017 2016 Measure B Bond Financial and Performance Audit Report------(pg.227)
(2.5 mins.)

4. 2016-2017 2016 Measure E Bond Financial and Performance Audit Report------(pg.254)
(2.5 mins.)

5. Independent Contractor Agreement with SVA for Furniture and Equipment Specifications------(pg.281)
of the Albany Middle School Annex
(5 mins.)

6. Amendment to Derivi Castellanos Architects Agreement to------(pg.294)
provide CHPS Commissioning Agent Services for the Albany Middle School (AMS) Annex Project
(5 mins.)

7. Amendment to Derivi Castellanos Architects Agreement to------(pg.302)

(5 mins.)

8. Amendment to Bridging Architectural Service Agreement with Gould Evans, Inc.------(pg.311)
for the Albany High School Classroom Addition Project

(5 mins.)

9.Resolution 2017-18-09: Authorizing Procurement for------(pg.315)
Wireless Access Points Through Public Contract Code Section 20118.2

(5 mins.)

10.Agreement with CDW-G for Procurement of Wireless Access Points------(pg.353)

(5 mins.)

11. Resolution 2017-18-10: Authorizing Procurement for------(pg.361)
Wide Area Network (WAN) Through Public Contract Code Section 20118.2

(5 mins.)

12. Agreement with Sunesys, LLC for Procurement of Wide Area Network (WAN) Services------(pg.397)

(5 mins.)

L) REVIEW AND DISCUSSION

7:55 p.m.

1. 2018-2019 Governor's Budget Proposal------(pg.423)

(25 mins.)

2. Budget Committee------(pg.436)

(10 mins.)

3. Special Education------(pg.438)

(30 mins.)

AGENDA ITEMS/MATTERS INTRODUCED BY THE BOARD

9:00 p.m.

(5 mins.)

II. ADJOURNMENT

9:05 p.m.

The Board believes that late night meetings deter public participation, can affect the Boards decision-making ability, and can be a burden to staff. Regular Board Meetings shall be adjourned at 9:30 p.m. unless extended to a specific time determined by a majority of the Board.

FUTURE BOARD MEETINGS

Date	Time	Location
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February 13, 2018	7:00 – 9:30 p.m.	Albany City Hall	4
February 27, 2018	7:00 – 9:30 p.m.	Albany City Hall	

The Board of Education meeting packet is available for public inspection at: Albany Unified School District, 1051 Monroe Street; and is available on the Albany Unified School District web site: www.ausdk12.org. If you provide your name and/or address when speaking before the Board of Education, it may become a part of the official public record and the official minutes will be published on the Internet. In compliance with the Americans with Disabilities Act (ADA), if you need special assistance to participate in this meeting, please contact the Superintendent's Office at 510-558-3766. Notification must be given forty-eight (48) hours prior to the meeting to make reasonable arrangements for accessibility (28 CFR 35.102.104 ADA Title II).

ALBANY UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION

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MINUTES FOR REGULAR MEETING
December 12, 2017

Albany City Hall
1000 San Pablo
Albany, CA 94706

I. OPENING BUSINESS

A) Call to Order

President Black called the meeting to order at 6:30 p.m.

B) Roll Call

PRESENT: President Black, Vice President Stapleton-Gray, Board Member Blanchard, Board Member Clark, and Board Member Trutane.

STAFF: Superintendent Valerie Williams and Chief Business Official, Allan Garde.

C) Identify Closed Session Pursuant to Section II Below

II. PUBLIC COMMENT PERIOD FOR CLOSED SESSION ITEMS

General public comment on any Closed Session item will be heard. The Board may limit comments to no more than three (3) minutes.

III. CLOSED SESSION

A) CONFERENCE WITH LEGAL COUNSEL - Existing Litigation (Gov. Code section 54956.9):

- Philip Shen, et al. v Albany Unified School District
- Doe, et al v Albany Unified School District
- John Doe v Albany Unified School District
- C.E. v Albany Unified School District et. al.
- Kaidong Chen v Albany Unified School District

B) CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION - Significant exposure to litigation pursuant to subdivision (b) of California Government Code Section 54956.9(a),(d)(2): Five (5) potential cases.

C) With respect to every item of business to be discussed in Closed Session pursuant to Government Code Section 54957.6: Conference with Labor Negotiator (Superintendent Valerie Williams, District Representative), Regarding Negotiations as pertains to:

- Service Employees' International Union Local 1021(SEIU)

IV. OPENING BUSINESS

A) Call to Order

President Black called the Regular Meeting of December 12, 2017 to order at 7:00 p.m.

B) Roll Call

PRESENT: President Black, Vice President Stapleton-Gray, Board Member Blanchard, Board Member Clark, Board Member Trutane, and Student Board Member Attanayake.

EXCUSED: Student Board Member Silwal.

STAFF: Superintendent Valerie Williams; Allan Garde, Chief Business Official; and Marie Williams, Director III, Curriculum, Instruction, and Assessment.

C) Pledge of Allegiance

The Board and members of the public who wished to recited the Pledge of Allegiance.

D) Reading of the AUSD Mission & Vision Statement

Student Board Member Attanayake read the AUSD Mission & Vision Statement.

E) Report of Action Taken in Closed Session

President Black reported that the Board took no action in Closed Session.

F) Approval of Agenda

President Black requested a motion to Approve: Albany Unified School District Board of Education Agenda for the December 12, 2017 Regular Meeting. Motion by Member Blanchard, seconded by Member Trutane. The Board was polled and passed unanimously.

G) Recognition of 2017 Board President Black & Vice President Stapleton-Gray

Superintendent Williams addressed the Board regarding the recognition Board President Black and Vice President Stapleton-Gray. Board President Black was presented with a engraved gavel, and Vice President Stapleton-Gray was presented with a plaque recognizing their service and extending the district's warmest regards and sincere appreciation.

H) Conduct Reorganization of the Board of Education

Superintendent Williams addressed the Board regarding conducting the reorganization of the Board of Education for December 2017 - December 2018. At the November 28, 2017 Board of Education meeting, the Board previously discussed whether each member would be willing to assume either the office of Board President or Vice President.

1) Election of President of the Albany Unified School District Board of Education

Member Blanchard nominated President Black for President, and he accepted the nomination (to view the discussion, visit the AUSD website at www.ausdk12.org).

Superintendent Williams requested a motion to elect President Black as the President of the Albany Unified School District Board of Education. Motion by Member Stapleton-Gray, seconded by Member Blanchard. The Board was polled and passed. President Black, Vice President Stapleton-Gray, Member Blanchard, and Member Trutane voted yes. Member Clark voted no.

2) Election of Vice President of the Albany Unified School District Board of Education

Vice President Stapleton-Gray nominated himself for Vice President (to view the discussion, visit www.ausdk12.org).

President Black requested a motion to elect Vice President Stapleton-Gray as the Vice President of the Albany Unified School District Board of Education. Motion by Vice President Stapleton-Gray, seconded by Member Blanchard. The Board was polled and passed unanimously.

I) Appoint Secretary to the Board of Education

Superintendent Williams addressed the Board and stated that the purpose of this item was for the Board to appoint the Superintendent as Secretary to the Board of Education for the 2018 calendar year, as called for in Board Bylaw No. 9100. The Superintendent serves as Secretary to the Board as called for in Board Bylaw No. 9122, Secretary. In order to comply with Board Policy, the Board shall annually appoint the Superintendent as Secretary (to view the discussion, visit www.ausdk12.org).

Board President Black requested a motion to Appoint the Superintendent as Secretary to the Board of Education for December 2017 - December 2018. Motion by Vice President Stapleton-Gray seconded by Member Blanchard. The Board was polled and passed unanimously.

J) Recognition of Albany Middle School Blue Ribbon Award by Assemblymember Thurmond

Superintendent Williams introduced Akiba Bradford, a staff member from Assemblymember Tony Thurmond's office. Ms. Bradford presented David Haupt, Vice Principal of Albany Middle School, with a commendation recognizing Albany Middle School for winning a 2017 National Blue Ribbon Award (to view the presentation, visit www.ausdk12.org).

K) Approval of Consent Calendar

(The Consent Calendar includes routine items that may be handled with one action. Board Members may request any item be removed from the Consent Calendar without formal action.)

1. Board of Education

a) Minutes of the November 14, 2017 Board of Education Meeting

The Board requested the following revisions:

I) STUDENT BOARD MEMBER REPORT

The Board discussed that a Student Forum on the AUSD Budget was hosted by Board Members Clark and ~~Trutane~~ Student Board Members Silwal and Attanayake at Albany High School after school on Thursday, November 2, 2017.

2. Human Resources

a) Certificated Personnel Assignment Order & Classified Personnel Assignment Order

3. Business Services

a) 2016-2017 Annual Accounting of Developer Fees

4. Curriculum & Instruction

a) Overnight Field Trip: Albany Middle School to Cazadero Music Camp

5. Special Education

a) Master Contract Alpha Vista Services, Inc.

b) Master Contract Maxim Healthcare Services, Inc.

6. Superintendent

a) Memorandum of Understanding with Alameda County Behavioral Health Care Services

President Black requested a motion to Approve Consent Calendar. Motion by Vice President Stapleton-Gray, seconded by Member Blanchard. The Board was polled and passed unanimously.

L) BOARD AND SUPERINTENDENT REPORT

Superintendent Williams, Member Trutane, Vice President Stapleton-Gray, Member Blanchard, and Member Clark addressed the Board and made comments about district related events they attended and district business (to view the comments, visit www.ausdk12.org).

M) STUDENT BOARD MEMBER REPORT

Student Board Member Attanayake provided the Board with the following Student Board Member Report:

AHS AND AMF PRESENTS THE FINAL MADRIGAL DELIGHTS: Come and celebrate with the AHS Choirs at our 10-year anniversary and final round of Madrigal Delights! Enjoy an epic four-course meal, 3-act play written by our own singers and students, and selections of Renaissance music from the vocal program!

BAKE SALE: The Pink Squad, a student organized 5th grade group from Marin, will be hosting a bake sale on Wednesday, December 13th, from 1:40-2:30. All of the money raised will support homeless shelters and fire relief. Look for their table by the office and enjoy delicious, nut-free treats for one dollar each.

On Wednesday, January 17th, from 7-8:30pm, there will be a Parent Education Night at Marin. Professor Dr. Rodolfo Mendoza-Denton discusses the question : "How we can come together to talk to our children about discrimination and inequality." This event is presented to you by the Oceanview, Cornell and Marin PTAs.

This Friday, December 15th is Cornell's wear your favorite color to school day! Students are asked to wear their favorite colors to school and show off their colors to their classmates.

Please come to the Cornell office and contribute money towards a holiday gift for their beloved crossing guards, Corinne and Ellen! Look for an envelope in the cubbies/bookshelf near the office door.

The Jungle Book will be presented on Thursday Night, December 7th at 6:30 pm, in the Ocean View Multi-Purpose Room. Please come and support the students as they have been working very hard on this production.

The OceanView Sing Along is on Friday, December 15th at 8:45 AM & 9:45 AM. Together in the Multipurpose Room, we will gather to sing some holiday songs. We will have two shifts of students and staff singing, clapping hands, and having a good time. Ocean View parents are invited to attend. Join in and sing along with us.

N) PERSONS TO ADDRESS THE BOARD ON MATTERS NOT ON THE AGENDA

Board practice limits each speaker to no more than three (3) minutes. The Brown Act limits Board ability to discuss or act on items which are not on the agenda; therefore, such items may be referred to staff for comment or for consideration on a future agenda.

Several speakers addressed the Board about the Special Education Staffing Staff Report at the November 28, 2017 Board of Education meeting. Some stated that they were frustrated that President Black did not permit all the speakers to address the Board regarding the item. President Black apologized. AUSD Special Education Teacher, Rich Ritchie, stated that he did not request hiring more administrators when he addressed the Board at the November 28, 2017 Board meeting under the topic of Special Education Staffing Staff Report. Rather, he suggested redistributing resources/positions. After a discussion, the Board directed staff to place the topic of Special Education Staffing on the agenda of the January 23, 2018 Board of Education meeting under Review & Discussion (to view the comments, visit www.ausdk12.org).

Max Weinthrob, an AUSD parent, addressed the Board and thanked staff for conducting water testing throughout the district and suggested following up with EBMUD (to view the comments, visit www.ausdk12.org).

O) STAFF REPORT

1. Promoting Safe, Supportive, and Collaborative Environments for All Students

Director Williams addressed the Board regarding the staff report on Promoting Safe, Supportive, and Collaborative Environments for All Students. The purpose of this staff report was to provide the Governing Board and community with information regarding the activities taking place throughout the District to promote a

safe, supportive, and collaborative environment for all students and staff. In response to issues of discrimination and inequity, the Governing Board, District staff, and members of the Albany community have been engaged in dialogue around strategies to ensure respect, inclusion, and empathy for all members of the learning community. District staff highlighted some of the proactive steps students, staff, and community members are initiating in order to improve the culture and climate of our school community.

Director Williams introduced AUSD Athletic Director, Ezekiel Lopez, who provided the Board with an update on the District's athletic program that included a program overview, communication processes, and student health and safety processes. The Board and staff discussed that participation in school athletics is an integral part of the overall educational experience for many students. Teamwork, communication, integrity, discipline, sportsmanship, and goal setting are some of the life-skills students learn through their involvement in organized sports programs. Almost half of all Albany High School and Albany Middle School students participate in the Albany athletics programs, there is a high parent participation rate, and SchoolCARE provides \$180,000.00 to support the Albany athletics programs. A postseason athletic survey, that is administered to Albany Middle School parents and Albany High School students to ensure satisfaction, was discussed. The idea of requesting that the City of Albany contribute a donation toward the Albany athletics programs was discussed. The importance of adhering to Title IX requirements was discussed. Albany High School will offer co-ed Badminton beginning in the Spring of 2018 and will offer water polo to girls at the beginning of the 2018-19 school year (to view the multi-media presentation and discussion, visit the AUSD website at www.ausdk12.org).

2. Albany High School Advanced Placement Course Enrollment and Examination Results

Director Williams addressed the Board regarding the Albany High School Advanced Placement Course Enrollment and Examination Results and stated that purpose of this staff report was to provide the Board and community with information regarding course enrollment and examination passage results. Director Williams introduced Alexia Ritchie, Albany High School Principal, who provided the Board with a multi-media presentation that covered the purpose of the Advanced Placement program. The program provides opportunities for students to take college-level coursework while enrolled in high school. Each Advanced Placement course is modeled upon a comparable college course, and each course concludes with a college-level exam developed and scored by college and university faculty members as well as experienced Advanced Placement teachers. Most two- and four-year colleges and universities recognize Advanced Placement in the admission process and accept successful exam scores for credit, advanced placement, or both. With the advent of California's new assessment and accountability system, Advanced Placement enrollment and examination rates are monitored as one of several indicators/metrics of high quality schools and districts. Advanced Placement examination rates are included in the College and Career Indicator as one measure of college readiness. The Board and staff discussed disaggregated data by grade level and student group. African American and Hispanic students being under enrolled in the Advanced Placement program was discussed. There was a discussion about how to increase outreach and encourage students to enroll, and how to effectively communicate that funding is available, through the College Readiness Block Grant, to cover the cost of high test fees (to view the multimedia presentation and discussion, visit the AUSD website at www.ausdk12.org).

3. Albany High School Discipline/Behavior Matrix

Director Williams addressed the Board regarding the Albany High School Discipline/Behavior Matrix and stated that the purpose of this staff report was to provide an update on the revision to the Albany High School behavior matrix. Albany Unified School District Administrative Regulation 5144 outlines a process for the development of site-level disciplinary rules. In developing the guidelines, the school must solicit the participation, views and advice of a representative group composed of parents/guardians, teachers, site

administration, school security personnel and students. Once developed, the final version of the rules shall be adopted by a panel comprised of the principal or designee and a representative selected by classroom teachers employed at the school. The Board may review, at an open meeting, the approved school discipline rules for consistency with Board policy and state law.

Director Williams introduced Albany High School Principal, Alexia Ritchie, and Albany High School Vice Principal, Larry Pratt. Ms. Ritchie stated that the title of the Discipline Matrix has been changed to the Behavior Matrix. Duties have been redistributed between the two Vice Principals, Larry Pratt and Elizabeth Reimiller. The Previous model had one Vice Principal conducting 100% of the discipline, and the new model is one of shared governance. Vice Principal Reimiller serves the 9th and 10th grade classes, and Vice Principal Pratt serves the 11th and 12th grade classes. Ms. Ritchie also stated that Albany High School site administration is in the process of revising the school behavior matrix, and stakeholder input continues to be gathered. The outdated document was removed from the student handbook, and the new one will be adapted and aligned with the processes used at Albany Middle School. Vice Principal Pratt stated that the new matrix moves from an emphasis on consequences to increased supports for student accountability, ownership, and includes social emotional and Social Justice competencies. Mr. Pratt also stated that not one out-of-school suspension has occurred during the 2017-18 school year, and less than 5 in-school suspensions have occurred. Instead of punishment, topic specific assignments are given to provide educational opportunities for students. For example, if an alcohol infraction occurs, an assignment covering the effects of alcohol on the adolescent brain is given (to view the presentation and discussion, visit the AUSD website at www.ausdk12.org).

P) REVIEW AND DISCUSSION

1. Review School Accountability Report Cards (Elementary)

Director Williams addressed the Board regarding the School Accountability Report Cards and stated that purpose of this item was to review and discuss the School Accountability Report Cards for Cornell Elementary School, Marin Elementary School, and Ocean View Elementary School. Director Williams stated that all public schools in California are required to prepare School Accountability Report Cards (SARCs) and disseminate them to the public on or before February 1 of each year. SARCs provide the public with important information about each public school, communicate the school's progress in achieving its goals, and provide parents with data and information to make meaningful comparisons between schools. Approximately 75% of the data required for inclusion in the SARC is provided by California Department of Education. The remaining data is gathered from site principals and District staff.

The Board, staff, and community members discussed the School Accountability Report Cards for Cornell Elementary School, Marin Elementary School, and Ocean View Elementary School. A discussion about average teacher salaries in AUSD took place. It was stated that the figures appear lower at Ocean View. In response, historical information was shared. Ocean View had a higher turnover rate than the other two elementary schools because the majority of temporary teachers were at Ocean View even though the other two sites had the majority of teachers on leave. That practice has changed over the past several years because of the emphasis in ensuring that the number of temporary teachers at each site equaled the number of teachers on leave. Ocean View now does not have the majority of temporary teachers. However, Ocean View's teachers on average, have fewer number of years within the district than the other two sites. This results in Ocean View teachers having lower salaries. A discussion about keeping class size low took place, and it was stated that the report shows success in holding the numbers down. A discussion about the achievement gap for African American and Hispanic students took place, and it appears that the gap has closed at Marin Elementary School. Although all three elementary schools offer comparable core, enrichment and intervention programs for English language

arts and mathematics, test results show higher scores at Marin Elementary School. A discussion took place about African American students that identify as mixed race and whether valuable data is lost because AUSD does not tease out the data about how mixed race students identify. The benefit of fully teasing out the data may provide important information on what students of African American heritage are actually participating in Advanced Placement testing and other areas on which the district is focusing (to view the discussion, visit the AUSD website at www.ausdk12.org).

Q) EXTEND TIME OF MEETING TO 10:00 P.M.

President Black noted that a vote was needed to extend the meeting time past 9:30 p.m.

President Black requested a motion to Approve: Extend Time of Board Meeting to 10:00 p.m. Motion by Member Trutane, seconded by Member Blanchard. The Board was polled and passed unanimously.

R) REVIEW AND ACTION

1. 2017-2018 1st Interim Financial Report

Chief Business Official, Allan Garde, addressed the Board regarding the 2017-2018 1st Interim Financial Report and stated that the purpose of this item was for the Board to review the current financial status of the District and approve the positive certification for the 2017-2018 1st Interim Report. The 1st Interim Report updates the current budget year based on: enrollment and staffing needs; step and column salary adjustments; health and welfare open enrollment and premium adjustments; and any revenue projections adjusted due to the State budget adoption occurring after the District budget adoption. Due to the timing of the Governor's Budget being released in January, the focus of the 1st Interim Report is to update the current year budget. The 2nd Interim Report will be presented in March and will officially incorporate any assumption changes from the Governor's Budget Proposal.

The Board and staff discussed that the 2017-2018 1st Interim Financial Report holds a temporary Positive Certification indicating that AUSD will be able to meet all of its financial obligations for the current and two subsequent years. Since adopting the budget in June, some changes have been made. The 2017-2018 1st Interim Financial Report now includes one time funding received from the State of over \$500,000.00 and Prop 39 Energy Efficiency Grant funds. The 2017-2018 1st Interim Financial Report does not incorporate the budget adjustments referenced at the December 5th Special Board Meeting. It also does not include the expenditure reductions, the Fund 17 transfer beginning in 2018/19, or the additional revenues anticipated from the Legislative Analyst's Office because the Governor will not release the State's Official Budget Proposal until January 10, 2018. The Board and staff discussed that the deficit spending criterion is no more than $\frac{1}{3}$ of reserves on hand which is important because currently we are within the range (less than \$1.37M which is 14% reserve). However, in the two subsequent years, the reserve is reduced. Therefore, deficit spending will need to be reduced (to view the discussion, visit the AUSD website at www.ausdk12.org).

President Black requested a motion to Approve: 2017-2018 1st Interim Financial Report. Motion by Member Blanchard, seconded by Vice President Black. The Board was polled and passed unanimously.

2. Board Committee Assignments: Albany High School Classroom Addition Project

Chief Business Official, Allan Garde, addressed the Board regarding the Board Committee Assignments for the Albany High School Classroom Addition Project and stated that the purpose of this item was for the Board to review and approve the Board Committee Assignments. Mr. Garde stated that the Albany High School Design

Team previously developed design principles for the project, worked through the short-term and long-term needs and challenges of the campus, and created a design that will work well for Albany High School, AUSD, and the community. The committee was then held in abeyance for the 2016/17 school year as the bond program started and the Albany Middle School Annex began. At the November 14, 2017 Regular Board Meeting, the Board approved re-engaging with the Albany High School Classroom Addition Committee and the Sustainability / Integrated Design Committee to finalize the design of the project. On December 6, 2017, Albany High School staff interested in participating in the design process met with Lauren Maass, Architect for Gould Evans and Bridging Architect for the project, to review the current design and what discussions, priorities, and tradeoffs occurred to lead to the design. The Board and staff discussed that as AUSD is currently in the process of selecting a contractor for the Albany High School Project, it will be important for all members of the committee to attend the following confidential meetings to interview contractors: 1) January 4, 2018, 2) January 18, 2018 and 3) February 1, 2018. After a discussion, President Black and Member Trutane agreed to serve on the Albany High School Classroom Addition Project Committee (to view the discussion, visit the AUSD website at www.ausdk12.org).

President Black requested a motion to Approve: President Black and Member Trutane as Board Committee Assignments for the Albany High School Classroom Addition Project. Motion by Member Trutane, seconded by Student Board Member Attanayake. The Board was polled and passed unanimously.

3. Amendment to License Agreement with the University of California Regents for 1051 Monroe Street, Albany

Chief Business Official, Allan Garde, addressed the Board regarding the Amendment to the License Agreement with the University of California Regents for 1051 Monroe Street, Albany and stated that the purpose of this item was for the Board to approve the agreement that extends the terms an additional seven months through July 31, 2018. The original agreement entered into on March 1, 2010 was extended several times and is set to expire December 31, 2017. The Board and staff discussed that this is the final extension as both AUSD and the University of California at Berkeley need certainty in the coming years to effectively plan for facilities. The Board and staff discussed that the criteria for a temporary or permanent location for the District Office is low cost, close proximity to the community, easy accessibility for residents, and minimal impact to students (to view the discussion, visit the AUSD website at www.ausdk12.org).

President Black requested a motion to Approve: Amendment to License Agreement with the University of California Regents for 1051 Monroe Street, Albany. Motion by Member Clark, seconded by Vice President Stapleton-Gray. The Board was polled and passed unanimously.

AGENDA ITEMS/MATTERS INTRODUCED BY THE BOARD

The Board requested that the following items be placed on the agenda of an upcoming regularly scheduled Board of Education meeting agenda under Review & Discussion:

1. Special Education

IV. ADJOURNMENT

The Board believes that late night meetings deter public participation, can affect the Board's decision-making ability, and can be a burden to staff. Regular Board Meetings shall be adjourned at 9:30 p.m. unless extended to a specific time determined by a majority of the Board.

The Board adjourned at 9:55 p.m.

FUTURE BOARD MEETINGS

Date	Time	Location
January 9, 2018	7:00 – 9:30 p.m.	Albany City Hall
January 23, 2018	7:00 – 9:30 p.m.	Albany City Hall

Personnel Assignment Order: Pending Approval

BOE Meeting 1/23/2018

Class Certificated

Category: Leave

<i>Position</i>	<i>Name</i>	<i>Reason</i>	<i>Site</i>	<i>FTE/Amt</i>	<i>Effec Date</i>	<i>End Date</i>	<i>Action</i>	<i>Funding</i>
Teacher	Bradley, MaryJo		AHS	.8 FTE	12/14/17	6/15/18	Approve	

Category: New Hire

<i>Position</i>	<i>Name</i>	<i>Reason</i>	<i>Site</i>	<i>FTE/Amt</i>	<i>Effec Date</i>	<i>End Date</i>	<i>Action</i>	<i>Funding</i>
Don Fun Supp Art	Fox-Reynolds, Karen		MA	\$36.83/hour	11/15/17	2/16/18	Approve	Donations
Don Fun Supp Art	Grycz, Monica		MA	\$36.83/hour	1/10/18	4/6/18	Approve	Donations
Substitute Teacher	Castrillon, Holly		DW	\$140.00/day	1/24/18		Approve	GF

Category: Separation of Service

<i>Position</i>	<i>Name</i>	<i>Reason</i>	<i>Site</i>	<i>FTE/Amt</i>	<i>Effec Date</i>	<i>End Date</i>	<i>Action</i>	<i>Funding</i>
Director III: Human Resources	Attiyeh, Cynthia		DO	1.0 FTE	6/30/18		Approve	

Class Classified

Category: New Hire

<i>Position</i>	<i>Name</i>	<i>Reason</i>	<i>Site</i>	<i>FTE/Amt</i>	<i>Effec Date</i>	<i>End Date</i>	<i>Action</i>	<i>Funding</i>
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Tuesday, January 16, 2018

Page 1 of 5

BOE Meeting **1/23/2018**

Coach, Basketball, Girls, 7th	Oliver, Rosemary	AMS	\$2,307.75	17/18 SY		Approve	GF
Coach, Basketball, Girls, 8th	Chandler, Eric	AMS	\$2,307.75	17/18 SY		Approve	GF
Don Fun Supp Art	Seevak, Alison	MA	\$36.83/hour	1/22/18	3/30/18	Approve	Donations
Don Fun Supp Art	Turin, Winoka	MA	\$36.83/hour	11/14/17	6/15/18	Approve	Donations
Para-educator: ACC	Baranyk, Marta	ACC	.4 FTE	1/2/18		Approve	ACC
Substitute Yard Aide	Azevedo, Amanda	CO	\$11.00/hour	1/2/18		Approve	GF
Substitute Yard Aide	Eichner, Danielle	CO	\$11.00/hour	1/2/18		Approve	GF
Substitute Yard Aide	Harper, Doug	OV	\$11.00/hour	1/2/18		Approve	GF
Substitute Yard Aide	Liu, Wenyan	OV	\$11.00/hour	1/2/18		Approve	GF
Substitute Yard Aide	Nishioka, Hanae	DW	\$11.00/hour	1/2/18		Approve	GF
Substitute Yard Aide	Said, Zahi	OV	\$11.00/hour	1/2/18		Approve	GF
Yard Aide	Adler, Mia	CO	.25 FTE	1/2/18		Approve	GF
Yard Aide	Charette, Brian	OV	.25 FTE	1/2/18		Approve	GF
Yard Aide	Chik, Tammy	OV	.29125	1/2/18		Approve	GF

BOE Meeting 1/23/2018

Yard Aide	Clark, Mitchelyn	CO	.25 FTE	1/2/18	Approve	GF
Yard Aide	Golden, Danielle	MA	.25 FTE	1/2/18	Approve	GF
Yard Aide	Haney, Ingrid	MA	.25 FTE	1/2/18	Approve	GF
Yard Aide	Kim, Bo Kyung	OV	.25 FTE	1/2/18	Approve	GF
Yard Aide	Krashna, Hari	MA	.25 FTE	1/2/18	Approve	GF
Yard Aide	Liu, WeiChun	OV	.225 FTE	1/2/18	Approve	GF
Yard Aide	Ming-Wong, Sui-Ling	CO	.25 FTE	1/2/18	Approve	GF
Yard Aide	Muratas, Ina	CO	.25 FTE	1/2/18	Approve	GF
Yard Aide	Muratas, Miranda	CO	.25 FTE	1/2/18	Approve	GF
Yard Aide	Solis, Olga	MA	.25 FTE	1/2/18	Approve	GF
Yard Aide	Tothne, Kate	OV	.125 FTE	1/2/18	Approve	GF
Yard Aide	Vargas, Frank	OV	.25 FTE	1/2/18	Approve	GF
Yard Aide	Waweru, Anne	OV	.25 FTE	1/8/18	Approve	GF
Yard Aide	Zamani, Ghazal	OV	.21875 FTE	1/2/18	Approve	GF

BOE Meeting 1/23/2018

Category: Separation of Service

<i>Position</i>	<i>Name</i>	<i>Reason</i>	<i>Site</i>	<i>FTE/Amt</i>	<i>Effec Date</i>	<i>End Date</i>	<i>Action</i>	<i>Funding</i>
Clerk I	Waweru, Ann		CK	.1333 FTE	1/4/18		Approve	

Category: Status Change

<i>Position</i>	<i>Name</i>	<i>Reason</i>	<i>Site</i>	<i>FTE/Amt</i>	<i>Effec Date</i>	<i>End Date</i>	<i>Action</i>	<i>Funding</i>
Café Asst. II	Porter, Wajanique	Inc 1 hour/day to 6 hours/day	CK	.125 FTE	1/2/18		Approve	

Class Uncompensated Service

Category: Student Teacher

<i>Position</i>	<i>Name</i>	<i>Reason</i>	<i>Site</i>	<i>FTE/Amt</i>	<i>Effec Date</i>	<i>End Date</i>	<i>Action</i>	<i>Funding</i>
	Castrillon, Holly				1/2/18		Approve	

Category: Volunteer

<i>Position</i>	<i>Name</i>	<i>Reason</i>	<i>Site</i>	<i>FTE/Amt</i>	<i>Effec Date</i>	<i>End Date</i>	<i>Action</i>	<i>Funding</i>
	Chen, Emily				1/24/18		Approve	
	Clark, Caroline				1/24/18		Approve	
	Isaacson, Carrie				1/24/18		Approve	
	Kellogg, Megan				1/24/18		Approve	

BOE Meeting 1/23/2018

Kimura, Yusuke	1/24/18	Approve
Legrand, Eric	1/24/18	Approve
Olsen, Erik	1/24/18	Approve
Williamson, Ann	1/24/18	Approve

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP**

Regular Meeting of January 23, 2018

ITEM: BI-ANNUAL FIELD TRIP REPORT: FALL 2017

**PREPARED BY: MARIE WILLIAMS, DIRECTOR III --
CURRICULUM, INSTRUCTION, AND ASSESSMENT**

TYPE OF ITEM: CONSENT

PURPOSE: To review and receive the District's Bi-Annual Field Trip Report.

BACKGROUND INFORMATION: In compliance with Board Policy and Administrative Regulation 6153 School-Sponsored Trips, a summary of field trips taken is prepared for review.

DETAILS: A total of 191 field trips were taken between August 28 and December 15, 2017.

School Type	School Name	Number of Trips
Elementary	ACC	0
	Cornell	27
	Marin	18
	Ocean View	36
	Combinations	0
	District Wide Total	81
Secondary	AMS	18
	AHS	83
	MAC	0
	Combinations	9
	District Wide Total	110
Total District Field Trips		191

KEY QUESTIONS & ANSWERS:

Q: What method does the District use to count field trips?

A: A single field trip is defined as one classroom or a single group of students attending a single day event. If, for example, five classrooms attend on a single day, that would count as five field trips. If, as another example, a single class attends multiple days, that would count as multiple field trips.

FINANCIAL INFORMATION:

A variety of funding sources, including donations, were used to fund field trips. No student was denied participation if unable to pay.

STRATEGIC GOALS ADDRESSED:

Objective #1: *Assess and Increase Academic Success. Goal: We will provide a comprehensive educational experience with expanded opportunities for engagement, assessment, and academic growth so that all students will achieve their fullest potential.*



Objective #2: *Support the Whole Child. Goal: We will foster the social and emotional growth of all students, implement an array of strategies to increase student engagement, identify individual socio-emotional and behavioral needs, and apply collaborative appropriate interventions.*

RECOMMENDATION: Receive the Bi-Annual Field Trip Report: Fall 2017.
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**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP**

Regular Meeting of January 23, 2018

ITEM: SECONDARY SCHOOL ACCOUNTABILITY REPORT CARDS

**PREPARED BY: MARIE WILLIAMS, DIRECTOR III--
CURRICULUM, INSTRUCTION AND ASSESSMENT**

TYPE OF ITEM: CONSENT

PURPOSE:

The purpose of this item is to approve the School Accountability Report Cards for Albany Middle School, Albany High School, and MacGregor High School

BACKGROUND INFORMATION:

All public schools in California are required to prepare School Accountability Report Cards (SARCs) and disseminate them to the public on or before February 1 of each year. SARCs provide the public with important information about each public school, communicate the school's progress in achieving its goals, and provide parents with data and information to make meaningful comparisons between schools.

DETAILS:

Approximately 75% of the data required for inclusion in the SARC is provided by California Department of Education. The remaining data is gathered from site principals and District staff.

STRATEGIC OBJECTIVES ADDRESSED:



Objective #1: *Assess and Increase Academic Success. Goal: We will provide a comprehensive educational experience with expanded opportunities for engagement, assessment, and academic growth so that all students will achieve their fullest potential.*



Objective #3: *Communicate and Lead Together. Goal: All stakeholders will collaborate and communicate about decisions that guide the sites and district.*

**RECOMMENDATION: APPROVE THE SCHOOL ACCOUNTABILITY REPORT CARDS FOR
ALBANY MIDDLE SCHOOL, ALBANY HIGH SCHOOL, AND MACGREGOR HIGH SCHOOL.**

Albany Middle

California Department of Education School Accountability Report Card Reported Using Data from the 2016-17 School Year

By February 1 of each year, every school in California is required by state law to publish a School Accountability Report Card (SARC). The SARC contains information about the condition and performance of each California public school. Under the Local Control Funding Formula (LCFF) all local educational agencies (LEAs) are required to prepare a Local Control and Accountability Plan (LCAP), which describes how they intend to meet annual school-specific goals for all pupils, with specific activities to address state and local priorities. Additionally, data reported in an LCAP is to be consistent with data reported in the SARC.

- For more information about SARC requirements, see the California Department of Education (CDE) SARC Web page at <http://www.cde.ca.gov/ta/ac/sa/>.
- For more information about the LCFF or LCAP, see the CDE LCFF Web page at <http://www.cde.ca.gov/fq/aa/lc/>.
- For additional information about the school, parents/guardians and community members should contact the school principal or the district office.


DataQuest

DataQuest is an online data tool located on the [CDE DataQuest Web page](#) that contains additional information about this school and comparisons of the school to the district and the county. Specifically, DataQuest is a dynamic system that provides reports for accountability (e.g., test data, enrollment, high school graduates, dropouts, course enrollments, staffing, and data regarding English learners).

Internet Access

Internet access is available at public libraries and other locations that are publicly accessible (e.g., the California State Library). Access to the Internet at libraries and public locations is generally provided on a first-come, first-served basis. Other use restrictions may include the hours of operation, the length of time that a workstation may be used (depending on availability), the types of software programs available on a workstation, and the ability to print documents.

Deborah Brill, Principal

 Principal, Albany Middle

About Our School

In a safe, engaging environment, each member of the AMS community strives toward excellence, acceptance of differences, exploration of ideas and responsibility to a larger world.

Contact

Albany Middle
1259 Brighton Ave.
Albany, CA 94706-1336

Phone: 510-558-3600
E-mail: dbrill@ausdk12.org

About This School

Contact Information (School Year 2017-18)

District Contact Information (School Year 2017-18)	
District Name	Albany City Unified
Phone Number	(510) 558-3750
Superintendent	Valerie Williams
E-mail Address	vwilliams@ausdk12.org
Web Site	http://www.ausdk12.org

School Contact Information (School Year 2017-18)	
School Name	Albany Middle
Street	1259 Brighton Ave.
City, State, Zip	Albany, Ca, 94706-1336
Phone Number	510-558-3600
Principal	Deborah Brill, Principal
E-mail Address	dbrill@ausdk12.org
County-District-School (CDS) Code	01611276090161

Last updated: 12/8/2017

School Description and Mission Statement (School Year 2017-18)

Albany Middle School (AMS), a National Blue Ribbon School, is a school community dedicated to learning. The mission of providing a rich and rigorous standards-based curriculum is guided by our vision statement: In a safe, engaging environment, each member of the AMS community strives toward excellence, acceptance of differences, exploration of ideas and responsibility to a larger world. At AMS, everyone teaches, everyone learns.

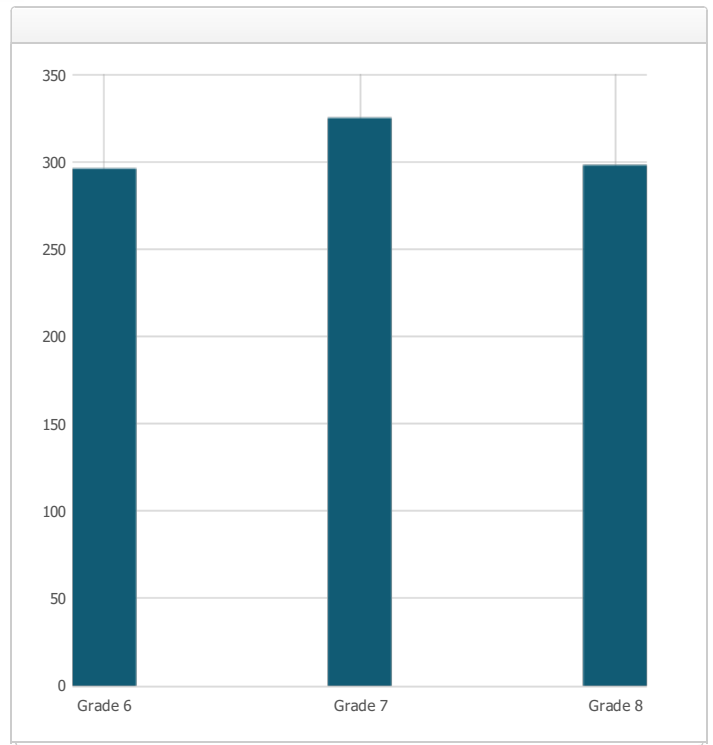
We are proud of our recent academic achievement as represented by our local assessments as well as the Smarter Balanced Assessment Consortium (SBAC) results. We continue to work on strengthening our use of essential standards and formative assessments toward the purpose of all students achieving at high levels. We are also continuing our work of integrating restorative practices and restorative justice into our behavior matrix and practices in an effort to impact behavior, increase feelings of belonging, and reduce suspensions.

Our school places a strong value on school climate, and we will continue to build on the strong school climate programs we already have, both setting foundational skills and responding to concerns as they arise.

Last updated: 12/22/2017

Student Enrollment by Grade Level (School Year 2016-17)

Grade Level	Number of Students
Grade 6	296
Grade 7	325
Grade 8	298
Total Enrollment	919



Last updated: 12/8/2017

Student Enrollment by Student Group (School Year 2016-17)

Student Group	Percent of Total Enrollment
Black or African American	2.7 %
American Indian or Alaska Native	0.1 %
Asian	26.8 %
Filipino	1.2 %
Hispanic or Latino	16.4 %
Native Hawaiian or Pacific Islander	0.3 %
White	39.3 %
Two or More Races	12.5 %
Other	0.7 %
Student Group (Other)	Percent of Total Enrollment
Socioeconomically Disadvantaged	16.1 %
English Learners	18.0 %
Students with Disabilities	8.4 %
Foster Youth	0.0 %

Last updated: 12/8/2017

A. Conditions of Learning

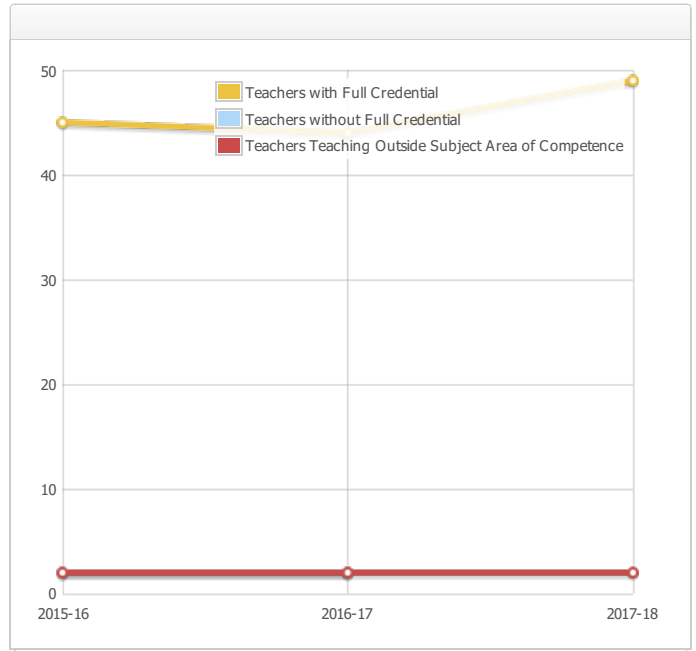
State Priority: Basic

The SARC provides the following information relevant to the State priority: Basic (Priority 1):

- Degree to which teachers are appropriately assigned and fully credentialed in the subject area and for the pupils they are teaching;
- Pupils have access to standards-aligned instructional materials; and
- School facilities are maintained in good repair

Teacher Credentials

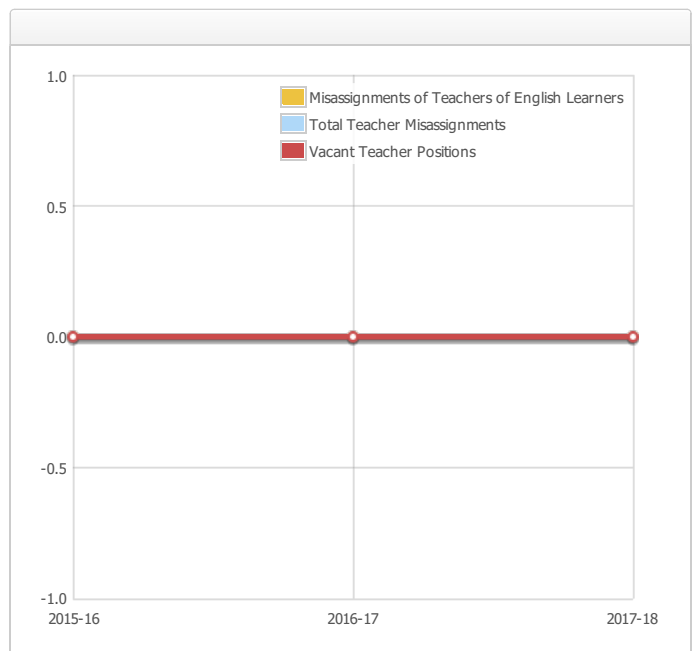
Teachers	School			District
	2015-16	2016-17	2017-18	2017-18
With Full Credential	45	44	49	213
Without Full Credential	2	2		2
Teachers Teaching Outside Subject Area of Competence (with full credential)	2	2	2	2



Last updated: 12/22/2017

Teacher Misassignments and Vacant Teacher Positions

Indicator	2015-16	2016-17	2017-18
Misassignments of Teachers of English Learners	0	0	0
Total Teacher Misassignments*	0	0	0
Vacant Teacher Positions	0	0	0



Note: "Misassignments" refers to the number of positions filled by teachers who lack legal authorization to teach that grade level, subject area, student group, etc.

* Total Teacher Misassignments includes the number of Misassignments of Teachers of English Learners.

Last updated: 12/11/2017

Quality, Currency, Availability of Textbooks and Instructional Materials (School Year 2017-18)

Year and month in which the data were collected: November 2017

Subject	Textbooks and Instructional Materials/year of Adoption	From Most Recent Adoption?	Percent Students Lacking Own Assigned Copy
Reading/Language Arts	California Literature (McDougal Litell) Inside Language, Literacy and Content (National Geographic)	No	0.0 %
Mathematics	Core Connection, Courses 1, 2 and 3 (CPM)	No	0.0 %
Science	California Science Explorer: Focus on Earth Science (Pearson Prentice Hall) California Science Explorer: Focus on Life Science (Pearson Prentice Hall) California Science Explorer: Focus on Physical Science (Pearson Prentice Hall) California Science: Earth, Life and Physical Science (Holt, Rinehart and Winston)	No	0.0 %
History-Social Science	History Alive (TCI)	No	0.0 %
Foreign Language			0.0 %
Health			0.0 %
Visual and Performing Arts			0.0 %
Science Lab Eqpmt (Grades 9-12)	N/A	N/A	0.0 %

Note: Cells with N/A values do not require data.

Last updated: 12/22/2017

School Facility Conditions and Planned Improvements

The current campus for Albany Middle School was completed 17 years ago. It was originally built for approximately 750 students. There are 20 general-education classrooms, five general-education portable classrooms, three science laboratories, one half-size special-day class classroom, one computer laboratory, one art classroom and one music room. There is a library, indoor atrium and outdoor covered lunch patio where we can fit about 300 students. Plans are in progress to utilize Bond Measures B & E approved by Albany voters in June 2016. An annex across the street is currently under construction and planned for an early 2019 opening. The main campus is in good overall condition.

The full-size gym is a wonderful resource to our school and community for athletic events, assemblies, band and choir performances, dances, and other events. The facility was awarded the Leroy F. Green Architectural Design Award.

The safety of students and staff is a high priority at Albany Middle School. The school site safety plan is updated annually. The key elements of the school site safety plan encompass student safety and evacuation procedures. Fire, earthquake and lockdown drills are conducted on a regular basis.

To ensure student safety, staff members supervise students at all times before and after school, during recess and lunch. Any visitors to the campus are required to check in at the school's office. Additionally, we have a campus security person who monitors students and visitors during the day.

There are three custodians working at AMS from morning to late night Monday through Friday. One daytime custodian works from morning to late afternoon, and two custodians work from afternoon to late night.

District maintenance staff ensures the work orders and repairs necessary to keep the school in good repair are completed in a timely manner. A work-order process is used to ensure efficient service and the highest priority to emergency repairs.

The principal works with custodial staff members to ensure the cleaning of the school is maintained to provide a clean and safe school.

Last updated: 12/8/2017

School Facility Good Repair Status

Year and month of the most recent FIT report: November 2017

System Inspected	Rating	Repair Needed and Action Taken or Planned
Systems: Gas Leaks, Mechanical/HVAC, Sewer	Good	
Interior: Interior Surfaces	Good	
Cleanliness: Overall Cleanliness, Pest/Vermin Infestation	Good	
Electrical: Electrical	Good	
Restrooms/Fountains: Restrooms, Sinks/Fountains	Good	
Safety: Fire Safety, Hazardous Materials	Good	
Structural: Structural Damage, Roofs	Good	
External: Playground/School Grounds, Windows/Doors/Gates/Fences	Good	

Overall Facility Rate

Year and month of the most recent FIT report: November 2017

Overall Rating	Good
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Last updated: 12/8/2017

B. Pupil Outcomes

State Priority: Pupil Achievement

The SARC provides the following information relevant to the State priority: Pupil Achievement (Priority 4):

- **Statewide assessments** (i.e., California Assessment of Student Performance and Progress [CAASPP] System, which includes the Smarter Balanced Summative Assessments for students in the general education population and the California Alternate Assessments [CAAs] for English language arts/literacy [ELA] and mathematics given in grades three through eight and grade eleven. Only eligible students may participate in the administration of the CAAs. CAAs items are aligned with alternate achievement standards, which are linked with the Common Core State Standards [CCSS] for students with the most significant cognitive disabilities); and
- The percentage of students who have successfully completed courses that satisfy the requirements for entrance to the University of California and the California State University, or career technical education sequences or programs of study.

CAASPP Test Results in ELA and Mathematics for All Students

Grades Three through Eight and Grade Eleven (School Year 2016-17)

Subject	Percentage of Students Meeting or Exceeding the State Standards					
	School		District		State	
	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17
English Language Arts / Literacy (grades 3-8 and 11)	76%	79%	77%	79%	48%	48%
Mathematics (grades 3-8 and 11)	73%	74%	73%	73%	36%	37%

Note: Percentages are not calculated when the number of students tested is ten or less, either because the number of students in this category is too small for statistical accuracy or to protect student privacy.

Last updated: 12/8/2017

CAASPP Test Results in ELA by Student Group**Grades Three through Eight and Grade Eleven (School Year 2016-17)**

Student Group	Total Enrollment	Number Tested	Percent Tested	Percent Met or Exceeded
All Students	925	888	96.00%	79.17%
Male	476	457	96.01%	74.18%
Female	449	431	95.99%	84.45%
Black or African American	24	24	100.00%	79.17%
American Indian or Alaska Native	--	--	--	
Asian	249	232	93.17%	84.05%
Filipino	--	--	--	
Hispanic or Latino	149	141	94.63%	66.67%
Native Hawaiian or Pacific Islander	--	--	--	
White	363	353	97.25%	83.00%
Two or More Races	117	117	100.00%	77.78%
Socioeconomically Disadvantaged	149	139	93.29%	65.47%
English Learners	243	225	92.59%	67.56%
Students with Disabilities	79	73	92.41%	35.62%
Students Receiving Migrant Education Services				
Foster Youth				

Note: ELA test results include the Smarter Balanced Summative Assessment and the CAA. The "Percent Met or Exceeded" is calculated by taking the total number of students who met or exceeded the standard on the Smarter Balanced Summative Assessment plus the total number of students who met the standard (i.e., achieved Level 3--Alternate) on the CAAs divided by the total number of students who participated in both assessments.

Note: Double dashes (--) appear in the table when the number of students is ten or less, either because the number of students in this category is too small for statistical accuracy or to protect student privacy.

Note: The number of students tested includes all students who participated in the test whether they received a score or not; however, the number of students tested is not the number that was used to calculate the achievement level percentages. The achievement level percentages are calculated using only students who received scores.

Last updated: 12/8/2017

CAASPP Test Results in Mathematics by Student Group**Grades Three through Eight and Grade Eleven (School Year 2016-17)**

Student Group	Total Enrollment	Number Tested	Percent Tested	Percent Met or Exceeded
All Students	925	897	96.97%	73.58%
Male	476	464	97.48%	70.47%
Female	449	433	96.44%	76.91%
Black or African American	24	24	100.00%	70.83%
American Indian or Alaska Native	--	--	--	
Asian	249	240	96.39%	82.50%
Filipino	--	--	--	
Hispanic or Latino	149	143	95.97%	56.64%
Native Hawaiian or Pacific Islander	--	--	--	
White	363	351	96.69%	78.63%
Two or More Races	117	117	100.00%	65.81%
Socioeconomically Disadvantaged	149	143	95.97%	60.14%
English Learners	243	236	97.12%	67.37%
Students with Disabilities	79	73	92.41%	30.14%
Students Receiving Migrant Education Services				
Foster Youth				

Note: Mathematics test results include the Smarter Balanced Summative Assessment and the CAA. The "Percent Met or Exceeded" is calculated by taking the total number of students who met or exceeded the standard on the Smarter Balanced Summative Assessment plus the total number of students who met the standard (i.e., achieved Level 3--Alternate) on the CAAs divided by the total number of students who participated in both assessments.

Note: Double dashes (--) appear in the table when the number of students is ten or less, either because the number of students in this category is too small for statistical accuracy or to protect student privacy.

Note: The number of students tested includes all students who participated in the test whether they received a score or not; however, the number of students tested is not the number that was used to calculate the achievement level percentages. The achievement level percentages are calculated using only students who received scores.

Last updated: 12/8/2017

CAASPP Test Results in Science for All Students**Grades Five, Eight and Ten**

Subject	Percentage of Students Scoring at Proficient or Advanced					
	School		District		State	
	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16
Science (grades 5, 8, and 10)	82.0%	77.0%	82.0%	82.0%	56%	54%

Note: Science test results include California Standards Tests (CSTs), California Modified Assessment (CMA), and California Alternate Performance Assessment (CAPA) in grades five, eight, and ten.

Note: Scores are not shown when the number of students tested is ten or less, either because the number of students in this category is too small for statistical accuracy or to protect student privacy.

Note: The 2016-17 data are not available. The California Department of Education is developing a new science assessment based on the Next Generation Science Standards for California Public Schools (CA NGSS). The new California Science Test (CAST) was piloted in spring 2017. The CST and CMA for Science will no longer be administered.

Last updated: 12/8/2017

State Priority: Other Pupil Outcomes

The SARC provides the following information relevant to the State priority: Other Pupil Outcomes (Priority 8):

- Pupil outcomes in the subject area of physical education

California Physical Fitness Test Results (School Year 2016-17)

Grade Level	Percentage of Students Meeting Fitness Standards		
	Four of Six Fitness Standards	Five of Six Fitness Standards	Six of Six Fitness Standards
7	22.1%	25.9%	18.9%

Note: Percentages are not calculated when the number of students tested is ten or less, either because the number of students in this category is too small for statistical accuracy or to protect student privacy.

Last updated: 12/8/2017

C. Engagement

State Priority: Parental Involvement

The SARC provides the following information relevant to the State priority: Parental Involvement (Priority 3):

- Efforts the school district makes to seek parent input in making decisions for the school district and each schoolsite

Opportunities for Parental Involvement (School Year 2017-18)

Opportunities for parental involvement include the School Site Council, Parent Teacher Association (PTA), Music Boosters, Albany Education Foundation, English Learner Advisory Committee, SchoolCARE, AMS Athletic boosters, the AMS fundraisers and classroom and field trip volunteers. Communication is accomplished through our daily Cobra Connection, a news feed that is emailed to families daily, a monthly schoolwide newsletter, The Cobra Monthly, Aeries, a web-based communication system, as well as classroom newsletters, phone calls, emails, report cards and conferences.

The PTA supports the school initiatives with parent education and fundraising to support supplemental and enriching programs. The PTA provides funding for clubs; field trips; assemblies; and additional resources, such as technology. The School Site Council monitors our Single Plan for Student Achievement. These organizations and other community resources have provided help to our classrooms.

For more information on how to become involved at the school, please contact Dorothe Piluso <dorothe@gmail.com>

State Priority: Pupil Engagement

Last updated: 12/8/2017

The SARC provides the following information relevant to the State priority: Pupil Engagement (Priority 5):

- High school dropout rates; and
- High school graduation rates

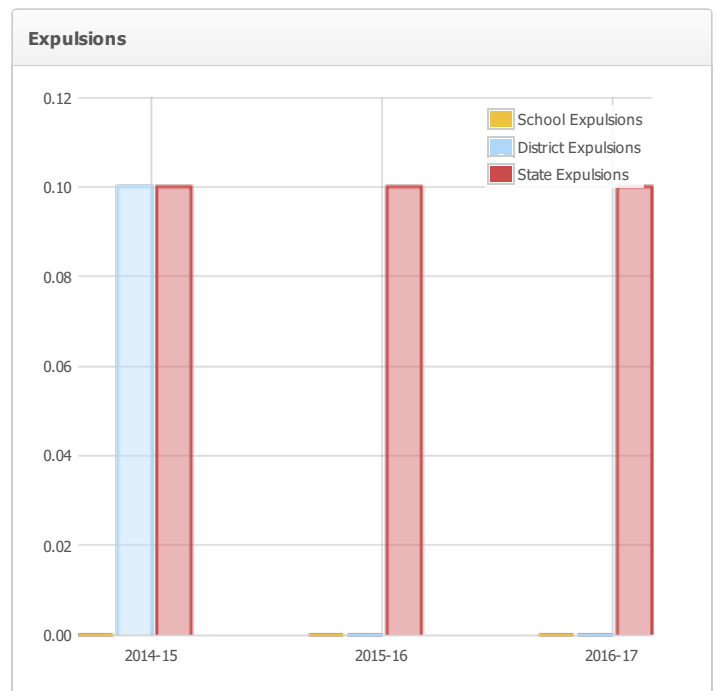
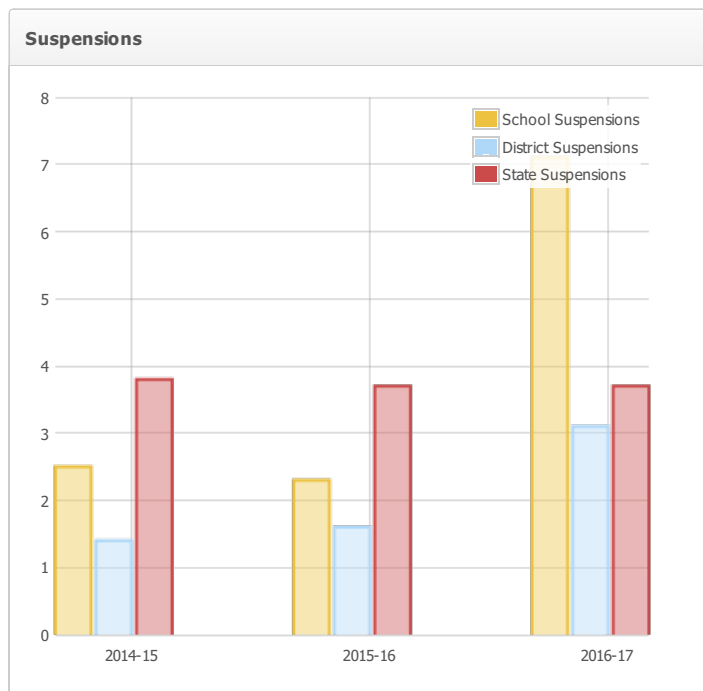
State Priority: School Climate

The SARC provides the following information relevant to the State priority: School Climate (Priority 6):

- Pupil suspension rates;
- Pupil expulsion rates; and
- Other local measures on the sense of safety

Suspensions and Expulsions

Rate	School			District			State		
	2014-15	2015-16	2016-17	2014-15	2015-16	2016-17	2014-15	2015-16	2016-17
Suspensions	2.5%	2.3%	7.1%	1.4%	1.6%	3.1%	3.8%	3.7%	3.7%
Expulsions	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%	0.1%	0.1%



Last updated: 12/8/2017

School Safety Plan (School Year 2017-18)

We maintain a comprehensive school safety plan that meets local and state guidelines. Practice drills for emergencies such as fire, earthquakes, lockdowns are held with the staff and students. Emergency kits are in classrooms, and additional emergency supplies are stored on-site.

The key elements of the school's annual safety plan are as follows:

Part I: Emergency Organization and Management Responsibilities of Albany Unified School District site personnel, instructional staff, site coordinator and ERT committee. Concept of Emergency Functions, including a summary of planned response, site ERT notification, communications, evacuation, damage survey, student release and site closure, shelter, crisis-incident stress debriefing, after-event critique, and after-action report.

Part II: Emergency Procedures

- Building evacuation
- Fire
- Chemical accident
- Earthquake
- Air pollution
- Explosion or aircraft crash
- Bomb threat
- Suspicious individuals
- Medical/first aid
- Terrorist situation

Part III: Emergency Forms/Checklists

Sample parent letter

Hazard-identification checklist

Recommended emergency supplies

Guidelines for preparing a buddy/teacher list

Sample emergency information sheet

Sample student district notice of first-aid care

Sample site status report

For further information regarding the school's safety plan, feel free to contact the principal or assistant principal.

The school safety plan was last reviewed, updated and discussed with the school faculty in August, 2017.

Last updated: 12/8/2017

D. Other SARC Information

The information in this section is required to be in the SARC but is not included in the state priorities for LCFF.

Federal Intervention Program (School Year 2017-18)

Indicator	School	District
Program Improvement Status	In PI	In PI
First Year of Program Improvement	2011-2012	2013-2014
Year in Program Improvement	Year 3	Year 1
Number of Schools Currently in Program Improvement	N/A	3
Percent of Schools Currently in Program Improvement	N/A	75.0%

Last updated: 12/8/2017

Average Class Size and Class Size Distribution (Elementary)

Grade Level	2014-15				2015-16				2016-17			
	Average Class Size	Number of Classes *			Average Class Size	Number of Classes *			Average Class Size	Number of Classes *		
		1-20	21-32	33+		1-20	21-32	33+		1-20	21-32	33+
K	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0
1	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0
2	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0
3	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0
4	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0
5	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0
6	28.0	7	50	9	27.0	9	55	10	28.0	6	52	10
Other	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0

* Number of classes indicates how many classes fall into each size category (a range of total students per class).

Last updated: 12/8/2017

Average Class Size and Class Size Distribution (Secondary)

Subject	2014-15				2015-16				2016-17			
	Average Class Size	Number of Classes *			Average Class Size	Number of Classes *			Average Class Size	Number of Classes *		
		1-22	23-32	33+		1-22	23-32	33+		1-22	23-32	33+
English	25.0	5	22	0	25.0	7	20	0	25.0	6	23	0
Mathematics	24.0	7	15	0	24.0	7	16	2	28.0	2	21	0
Science	27.0	4	17	0	29.0	1	19	0	27.0	2	21	0
Social Science	27.0	1	20	0	29.0	1	19	0	28.0	1	21	0

* Number of classes indicates how many classrooms fall into each size category (a range of total students per classroom). At the secondary school level, this information is reported by subject area rather than grade level.

Last updated: 12/8/2017

Academic Counselors and Other Support Staff (School Year 2016-17)

Title	Number of FTE* Assigned to School	Average Number of Students per Academic Counselor
Academic Counselor	3.0	
Counselor (Social/Behavioral or Career Development)	0.4	N/A
Library Media Teacher (Librarian)	1.0	N/A
Library Media Services Staff (Paraprofessional)	1.0	N/A
Psychologist	0.8	N/A
Social Worker		N/A
Nurse	0.1	N/A
Speech/Language/Hearing Specialist	0.8	N/A
Resource Specialist (non-teaching)	0.0	N/A
Other	1.6	N/A

Note: Cells with N/A values do not require data.

*One Full Time Equivalent (FTE) equals one staff member working full time; one FTE could also represent two staff members who each work 50 percent of full time.

Last updated: 1/4/2018

Expenditures Per Pupil and School Site Teacher Salaries (Fiscal Year 2015-16)

Level	Total Expenditures Per Pupil	Expenditures Per Pupil (Restricted)	Expenditures Per Pupil (Unrestricted)	Average Teacher Salary
School Site	\$7710.0	\$3016.0	\$4694.0	\$68412.0
District	N/A	N/A	\$7028.0	\$70558.0
Percent Difference – School Site and District	N/A	N/A	-39.8%	-3.1%
State	N/A	N/A	\$6574.0	\$69649.0
Percent Difference – School Site and State	N/A	N/A	-33.4%	-1.8%

Note: Cells with N/A values do not require data.

Last updated: 12/8/2017

Types of Services Funded (Fiscal Year 2016-17)

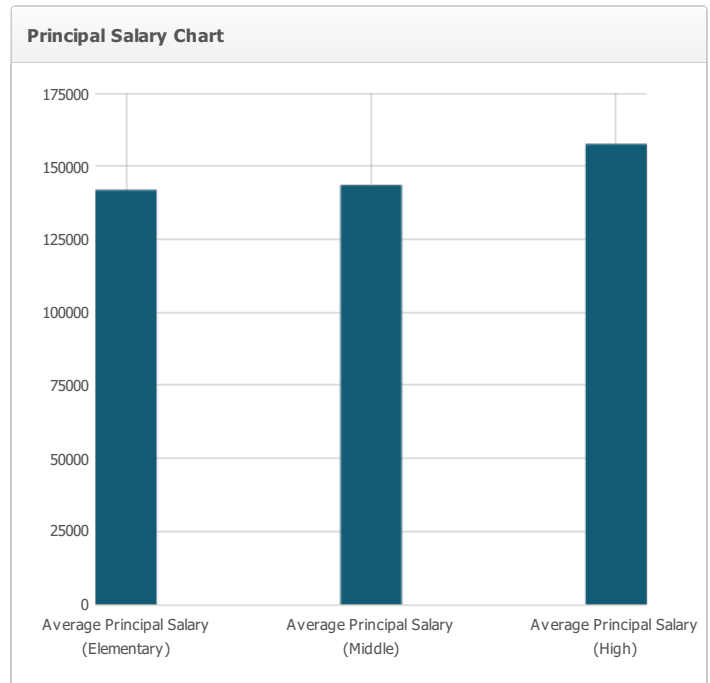
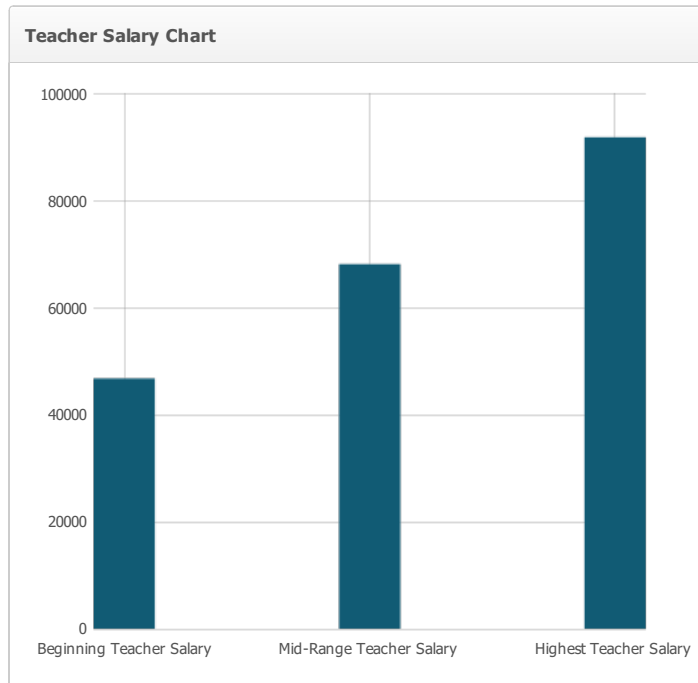
The AUSD General Fund and state and federal categorical funds provides for a seven-period day that includes core programs, world languages, art, computer science, drama, English language development (ELD), intervention classes and other electives. We have a full music program that includes band, orchestra and choir. Components of the program are funded in part by the Albany Music Fund. SchoolCARE, an Albany community fundraising organization, provides additional full-time equivalent (FTE) for counseling services and library paraprofessional services.

Last updated: 12/8/2017

Teacher and Administrative Salaries (Fiscal Year 2015-16)

Category	District Amount	State Average For Districts In Same Category
Beginning Teacher Salary	\$46,742	\$44,144
Mid-Range Teacher Salary	\$68,076	\$69,119
Highest Teacher Salary	\$91,763	\$86,005
Average Principal Salary (Elementary)	\$141,843	\$106,785
Average Principal Salary (Middle)	\$143,513	\$111,569
Average Principal Salary (High)	\$157,572	\$121,395
Superintendent Salary	\$211,638	\$178,104
Percent of Budget for Teacher Salaries	35.0%	34.0%
Percent of Budget for Administrative Salaries	7.0%	6.0%

For detailed information on salaries, see the CDE Certificated Salaries & Benefits Web page at <http://www.cde.ca.gov/ds/fd/cs/>.



Last updated: 12/8/2017

Professional Development

There are four districtwide staff development days along with Wednesday afternoon meetings. There has been an ongoing focus on teaching and learning that is standards-based and assessment driven.

We have several focal points for our professional development this year. We are continuing the work of Professional Learning Communities, refining our essential standards, developing formative assessments, discussing results in departments, and working as a school to coordinate our response when students aren't

mastering the essential standards.

We had an August staff development where half the day was focused on positive classroom management and the second half of the day was anti-bias training put on by the Anti-Defamation League (ADL).

This year we are continuing professional development with a focus on equity. We are approaching culturally responsive teaching by examining our own experiences and biases, learning from those of others, and making connections with our school community and how to provide an inclusive experience for all students where they feel both validated in their own sense of identity and where they learn more about and respect the identity of others.

We strive to build and maintain a safe and healthy school climate that teaches students to "Be Safe, Be Responsible, Be Respectful, and Be an Ally." We have implemented a school-climate program that emphasizes student involvement, celebration of diversity, positive recognition and explicit teaching of behavior. We balance that approach with clear parameters for behavior and immediate consequences. We also integrate restorative practices. We focus professional development on ensuring teachers feel equipped and informed in bringing consistent messages to the classrooms on everything from explicitly taught academic behaviors to digital citizenship to what to do if you witness mistreatment.

Teachers continue to value department-specific professional development, so this has been worked into the professional development plans and varies greatly from department to department.

Last updated: 12/22/2017

Albany High

California Department of Education School Accountability Report Card Reported Using Data from the 2016-17 School Year

By February 1 of each year, every school in California is required by state law to publish a School Accountability Report Card (SARC). The SARC contains information about the condition and performance of each California public school. Under the Local Control Funding Formula (LCFF) all local educational agencies (LEAs) are required to prepare a Local Control and Accountability Plan (LCAP), which describes how they intend to meet annual school-specific goals for all pupils, with specific activities to address state and local priorities. Additionally, data reported in an LCAP is to be consistent with data reported in the SARC.

- For more information about SARC requirements, see the California Department of Education (CDE) SARC Web page at <http://www.cde.ca.gov/ta/ac/sa/>.
- For more information about the LCFF or LCAP, see the CDE LCFF Web page at <http://www.cde.ca.gov/fq/aa/lc/>.
- For additional information about the school, parents/guardians and community members should contact the school principal or the district office.


DataQuest

DataQuest is an online data tool located on the [CDE DataQuest Web page](#) that contains additional information about this school and comparisons of the school to the district and the county. Specifically, DataQuest is a dynamic system that provides reports for accountability (e.g., test data, enrollment, high school graduates, dropouts, course enrollments, staffing, and data regarding English learners).

Internet Access

Internet access is available at public libraries and other locations that are publicly accessible (e.g., the California State Library). Access to the Internet at libraries and public locations is generally provided on a first-come, first-served basis. Other use restrictions may include the hours of operation, the length of time that a workstation may be used (depending on availability), the types of software programs available on a workstation, and the ability to print documents.

Alexia Ritchie, Principal

 Principal, Albany High

About Our School

Albany High School provides an environment challenging to our students and educates them to become happy, productive, and responsible citizens of a diverse society.

Contact

Albany High
603 Key Route Blvd.
Albany, CA 94706-1422

Phone: 510-558-2500
E-mail: aritchie@ausdk12.org

About This School

Contact Information (School Year 2017-18)

District Contact Information (School Year 2017-18)	
District Name	Albany City Unified
Phone Number	(510) 558-3750
Superintendent	Valerie Williams
E-mail Address	vwilliams@ausdk12.org
Web Site	http://www.ausdk12.org

School Contact Information (School Year 2017-18)	
School Name	Albany High
Street	603 Key Route Blvd.
City, State, Zip	Albany, Ca, 94706-1422
Phone Number	510-558-2500
Principal	Alexia Ritchie, Principal
E-mail Address	aritchie@ausdk12.org
County-District-School (CDS) Code	01611270130450

Last updated: 12/22/2017

School Description and Mission Statement (School Year 2017-18)

The 2016-17 school year was both rewarding and challenging for our students and staff. We continued to pursue our WASC (Western Association of Schools and Colleges) goals that have been incorporated into our Single Plan for Student Achievement (SPSA). Many of the statistical indicators of student achievement have improved, including the Early Assessment Program, PSAT (Pre-Scholastic Aptitude Test), ACT (Academic College Testing), attendance, and discipline rates. With regard to Smarter Balanced Assessment Consortium (SBAC) testing in English language arts/literacy, 84% of our 2017 11th graders met or exceeded standards. 12% nearly met standards. In SBAC mathematics, 75% of 11th grade students met or exceeded standards and 15% nearly met standards. We also saw our overall graduation rate increase by 2% with significant gains made by English Learners. We did however see a decline in graduation rates for a few groups including Hispanic/Latino and students with disabilities.

The two key factors in our success are the total commitment and dedication by our adults, including parents, teachers and staff, and the desire of our students to participate fully in their high school education experience. Our parents are supportive of this school through their contributions, both monetary and through supporting educational and elective opportunities for all students. They also provide rich experiences for their children outside of school. The teachers work with great intelligence and creativity to find ways for students to grasp the material in their curriculum. Our staff, including administration, counselors, secretaries, custodians, and instructional aides, are relentless in their efforts to provide a coherent instructional program, excellent facilities and extensive supports for student achievement. In addition, the district administration is helpful for finding the resources that enable the school to achieve its goals and by promoting strong initiatives in the areas of mathematics for equity and social-emotional/social justice competencies.

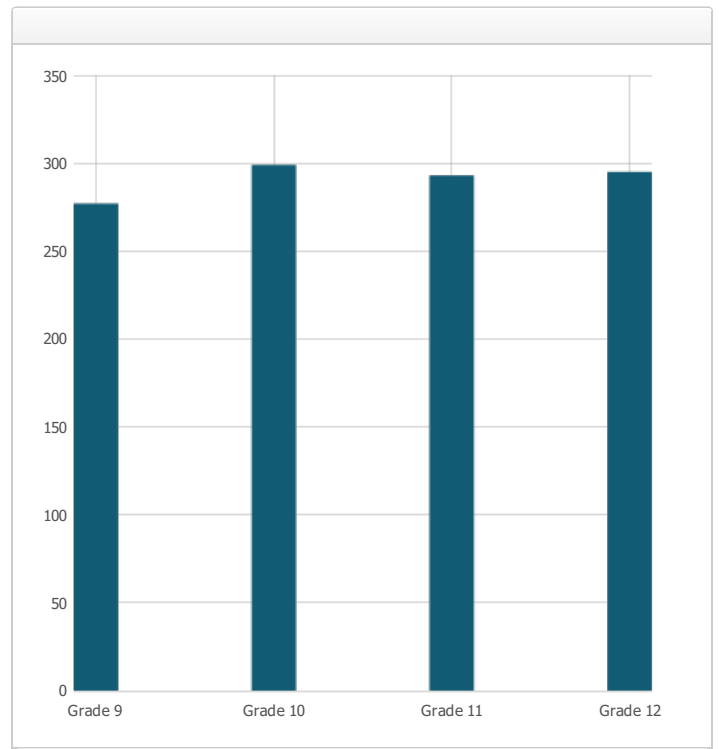
Our students are wonderful in their ability to take advantage of the diverse program and broad supports available to them. They get their work done; they ask questions; they take risks; they participate in sports, music, drama and clubs; and they quickly become very knowledgeable about what their paths are to future success in college and careers. The students take on many community, political and social awareness activities that positively contribute to our school culture and purpose.

Albany High School provides an environment challenging to our students and educates them to become happy, productive and responsible citizens of a diverse society. We expect our graduates to be complex thinkers with the skill to analyze and solve problems in a variety of contexts; effective communicators in a variety of formats and cultural contexts; self-directed learners with diverse experiences and perspectives that help guide them to healthy and productive lives; and individuals academically prepared for college and other postsecondary educational opportunities.

Last updated: 12/22/2017

Student Enrollment by Grade Level (School Year 2016-17)

Grade Level	Number of Students
Grade 9	277
Grade 10	299
Grade 11	293
Grade 12	295
Total Enrollment	1164



Last updated: 12/22/2017

Student Enrollment by Student Group (School Year 2016-17)

Student Group	Percent of Total Enrollment
Black or African American	4.3 %
American Indian or Alaska Native	0.3 %
Asian	28.8 %
Filipino	1.5 %
Hispanic or Latino	17.1 %
Native Hawaiian or Pacific Islander	0.3 %
White	36.7 %
Two or More Races	10.7 %
Other	0.3 %
Student Group (Other)	Percent of Total Enrollment
Socioeconomically Disadvantaged	19.0 %
English Learners	9.4 %
Students with Disabilities	6.4 %
Foster Youth	0.2 %

Last updated: 12/22/2017

A. Conditions of Learning

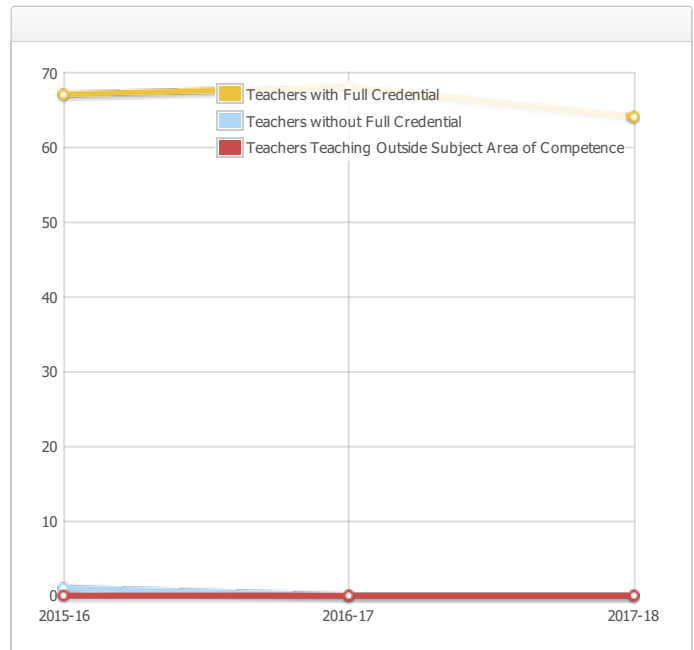
State Priority: Basic

The SARC provides the following information relevant to the State priority: Basic (Priority 1):

- Degree to which teachers are appropriately assigned and fully credentialed in the subject area and for the pupils they are teaching;
- Pupils have access to standards-aligned instructional materials; and
- School facilities are maintained in good repair

Teacher Credentials

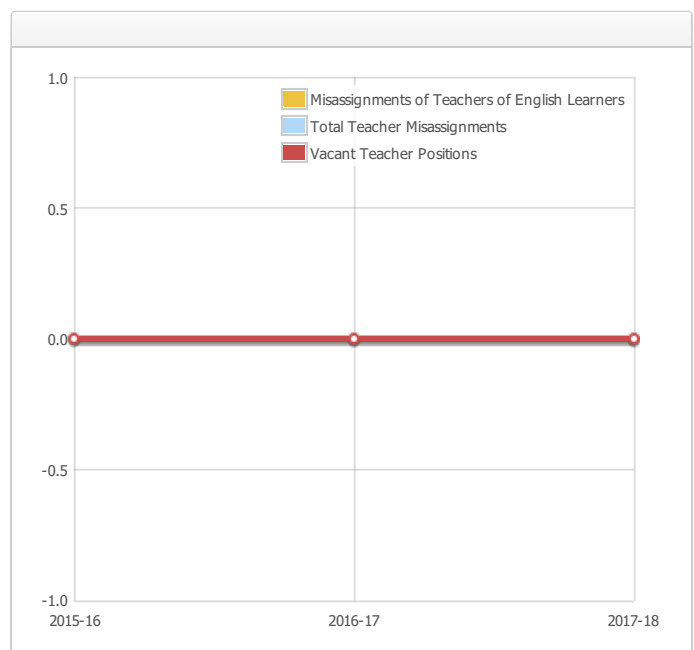
Teachers	School			District
	2015-16	2016-17	2017-18	2017-18
With Full Credential	67	68	64	213
Without Full Credential	1	0	0	2
Teachers Teaching Outside Subject Area of Competence (with full credential)	0	0	0	2



Last updated: 12/22/2017

Teacher Misassignments and Vacant Teacher Positions

Indicator	2015-16	2016-17	2017-18
Misassignments of Teachers of English Learners	0	0	0
Total Teacher Misassignments*	0	0	0
Vacant Teacher Positions	0	0	0



Note: "Misassignments" refers to the number of positions filled by teachers who lack legal authorization to teach that grade level, subject area, student group, etc.

* Total Teacher Misassignments includes the number of Misassignments of Teachers of English Learners.

Last updated: 12/22/2017

Quality, Currency, Availability of Textbooks and Instructional Materials (School Year 2017-18)

Year and month in which the data were collected: October 2017

Subject	Textbooks and Instructional Materials/year of Adoption	From Most Recent Adoption?	Percent Students Lacking Own Assigned Copy
Reading/Language Arts	AHS uses core novels in place of an adopted textbook.	No	0.0 %
Mathematics	Integrated Math I and Integrated Math II (College Prep Math) Geometry (McDougal Littell)	No	0.0 %
Science	Biology (Prentice Hall) Physics Principles and Problems (Glencoe Science) Foundations of College Chemistry (Arena) AP Chemistry: General Chemistry (Robinson)	No	0.0 %
History-Social Science	10th Grade: World History, People & Nations (Holt) 11th Grade: American Odyssey (Glencoe) 12th Grade US Government: American Politics Today (Norton & Company) 12th Grade Economic: Economics in our Times (NTC Publishing)	No	0.0 %
Foreign Language			0.0 %
Health	NA		0.0 %
Visual and Performing Arts	NA		0.0 %
Science Lab Eqpmt (Grades 9-12)	N/A	N/A	0.0 %

Note: Cells with N/A values do not require data.

Last updated: 12/22/2017

School Facility Conditions and Planned Improvements

Albany High School opened a new main building in 2001. The main building houses most academic classrooms, computer labs and a new gymnasium. The art building houses a multipurpose room, a small theater, and art and music classrooms.

MacGregor High School was relocated to the Albany High School campus for the 2014-15 year.

During the summer of 2009, the swimming pool was demolished to make way for a new aquatic complex. The aquatic facility construction began in fall 2010 and was completed in December 2011.

A Facilities Master Plan was approved in 2014. Plans are in progress to utilize Bond Measures B & E approved by Albany voters in June 2016. In general, our district needs to prepare for anticipated growth in enrollment and the addition and/or replacement of existing facilities. Over the coming year, we will finalize the design for the Albany High School Classroom Addition Project and begin construction. AHS is in particular need of expanded classroom space and CTE (Career Technical Education) workspaces.

District and site custodial and maintenance personnel maintain a clean and functional facility. There are six custodians working at AHS from early morning to late night Monday through Friday. One custodian works the day shift from early morning to afternoon. One custodian works from very early morning to opening bell. Three custodians work from afternoon to late night. One custodian works from evening to late night.

The school is in good overall condition.

The safety of students and staff is a primary concern at Albany High School. The school safety plan is updated annually. The key element of the plan encompasses student safety and evacuation procedures.

Fire, earthquake and lockdown drills are conducted on a regular basis. Any visitors to the campus are required to check in at the school's office.

District maintenance staff ensures work orders are completed in a timely manner. A work-order process is in place and is used to certify efficient service to each school site and give the highest priority to emergency repairs.

The site administration works with the custodial staff members to ensure the cleaning of the school is done appropriately and the site is clean and safe for students, staff and visitors.

Last updated: 12/22/2017

School Facility Good Repair Status

Year and month of the most recent FIT report: November 2017

System Inspected	Rating	Repair Needed and Action Taken or Planned
Systems: Gas Leaks, Mechanical/HVAC, Sewer	Good	
Interior: Interior Surfaces	Poor	Several areas have missing ceiling tiles and paint peeling. Maintenance work orders have been created and work is in progress.
Cleanliness: Overall Cleanliness, Pest/Vermin Infestation	Good	
Electrical: Electrical	Good	
Restrooms/Fountains: Restrooms, Sinks/Fountains	Good	
Safety: Fire Safety, Hazardous Materials	Good	
Structural: Structural Damage, Roofs	Good	
External: Playground/School Grounds, Windows/Doors/Gates/Fences	Good	

Overall Facility Rate

Year and month of the most recent FIT report: November 2017

Overall Rating	Good
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Last updated: 12/22/2017

B. Pupil Outcomes

State Priority: Pupil Achievement

The SARC provides the following information relevant to the State priority: Pupil Achievement (Priority 4):

- **Statewide assessments** (i.e., California Assessment of Student Performance and Progress [CAASPP] System, which includes the Smarter Balanced Summative Assessments for students in the general education population and the California Alternate Assessments [CAAs] for English language arts/literacy [ELA] and mathematics given in grades three through eight and grade eleven. Only eligible students may participate in the administration of the CAAs. CAAs items are aligned with alternate achievement standards, which are linked with the Common Core State Standards [CCSS] for students with the most significant cognitive disabilities); and
- The percentage of students who have successfully completed courses that satisfy the requirements for entrance to the University of California and the California State University, or career technical education sequences or programs of study.

CAASPP Test Results in ELA and Mathematics for All Students

Grades Three through Eight and Grade Eleven (School Year 2016-17)

Subject	Percentage of Students Meeting or Exceeding the State Standards					
	School		District		State	
	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17
English Language Arts / Literacy (grades 3-8 and 11)	83%	83%	77%	79%	48%	48%
Mathematics (grades 3-8 and 11)	75%	74%	73%	73%	36%	37%

Note: Percentages are not calculated when the number of students tested is ten or less, either because the number of students in this category is too small for statistical accuracy or to protect student privacy.

Last updated: 12/22/2017

CAASPP Test Results in ELA by Student Group**Grades Three through Eight and Grade Eleven (School Year 2016-17)**

Student Group	Total Enrollment	Number Tested	Percent Tested	Percent Met or Exceeded
All Students	291	253	86.94%	83.40%
Male	133	112	84.21%	82.14%
Female	158	141	89.24%	84.40%
Black or African American		--	72.73%	75.00%
American Indian or Alaska Native	--	--	--	
Asian	83	72	86.75%	88.89%
Filipino	--	--	--	
Hispanic or Latino	49	41	83.67%	65.85%
Native Hawaiian or Pacific Islander	--	--	--	
White	109	96	88.07%	87.50%
Two or More Races	34	33	97.06%	84.85%
Socioeconomically Disadvantaged	63	48	76.19%	79.17%
English Learners	39	28	71.79%	53.57%
Students with Disabilities	14	--	57.14%	25.00%
Students Receiving Migrant Education Services				
Foster Youth				

Note: ELA test results include the Smarter Balanced Summative Assessment and the CAA. The "Percent Met or Exceeded" is calculated by taking the total number of students who met or exceeded the standard on the Smarter Balanced Summative Assessment plus the total number of students who met the standard (i.e., achieved Level 3--Alternate) on the CAAs divided by the total number of students who participated in both assessments.

Note: Double dashes (--) appear in the table when the number of students is ten or less, either because the number of students in this category is too small for statistical accuracy or to protect student privacy.

Note: The number of students tested includes all students who participated in the test whether they received a score or not; however, the number of students tested is not the number that was used to calculate the achievement level percentages. The achievement level percentages are calculated using only students who received scores.

Last updated: 12/22/2017

CAASPP Test Results in Mathematics by Student Group**Grades Three through Eight and Grade Eleven (School Year 2016-17)**

Student Group	Total Enrollment	Number Tested	Percent Tested	Percent Met or Exceeded
All Students	291	251	86.25%	74.00%
Male	133	109	81.95%	75.00%
Female	158	142	89.87%	73.24%
Black or African American		--	72.73%	12.50%
American Indian or Alaska Native	--	--	--	
Asian	83	77	92.77%	78.95%
Filipino	--	--	--	
Hispanic or Latino	49	41	83.67%	51.22%
Native Hawaiian or Pacific Islander	--	--	--	
White	109	90	82.57%	87.78%
Two or More Races	34	31	91.18%	70.97%
Socioeconomically Disadvantaged	63	52	82.54%	57.69%
English Learners	39	35	89.74%	38.24%
Students with Disabilities	14	--	50.00%	--
Students Receiving Migrant Education Services				
Foster Youth				

Note: Mathematics test results include the Smarter Balanced Summative Assessment and the CAA. The "Percent Met or Exceeded" is calculated by taking the total number of students who met or exceeded the standard on the Smarter Balanced Summative Assessment plus the total number of students who met the standard (i.e., achieved Level 3--Alternate) on the CAAs divided by the total number of students who participated in both assessments.

Note: Double dashes (--) appear in the table when the number of students is ten or less, either because the number of students in this category is too small for statistical accuracy or to protect student privacy.

Note: The number of students tested includes all students who participated in the test whether they received a score or not; however, the number of students tested is not the number that was used to calculate the achievement level percentages. The achievement level percentages are calculated using only students who received scores.

Last updated: 12/22/2017

CAASPP Test Results in Science for All Students**Grades Five, Eight and Ten**

Subject	Percentage of Students Scoring at Proficient or Advanced					
	School		District		State	
	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16
Science (grades 5, 8, and 10)	80.0%	85.0%	82.0%	82.0%	56%	54%

Note: Science test results include California Standards Tests (CSTs), California Modified Assessment (CMA), and California Alternate Performance Assessment (CAPA) in grades five, eight, and ten.

Note: Scores are not shown when the number of students tested is ten or less, either because the number of students in this category is too small for statistical accuracy or to protect student privacy.

Note: The 2016-17 data are not available. The California Department of Education is developing a new science assessment based on the Next Generation Science Standards for California Public Schools (CA NGSS). The new California Science Test (CAST) was piloted in spring 2017. The CST and CMA for Science will no longer be administered.

Last updated: 12/22/2017

Career Technical Education Programs (School Year 2016-17)

Albany High School offers several CTE courses and continues to work toward building CTE pathways (two or more related courses).

The following classes are currently offered at AHS:

- Photography and Advanced Photography
- Communications/Graphic Arts
- Journalism
- Video Production
- Sports Medicine
- Culinary Arts

AHS also offers a business/design program called Venture and Environmental Design, Science, Engineering, and Technology (EDSET).

Last updated: 1/18/2018

Career Technical Education Participation (School Year 2016-17)

Measure	CTE Program Participation
Number of Pupils Participating in CTE	554
Percent of Pupils Completing a CTE Program and Earning a High School Diploma	96.0%
Percent of CTE Courses Sequenced or Articulated Between the School and Institutions of Postsecondary Education	0.0%

Last updated: 12/22/2017

Courses for University of California (UC) and/or California State University (CSU) Admission

UC/CSU Course Measure	Percent
2016-17 Pupils Enrolled in Courses Required for UC/CSU Admission	99.8%
2015-16 Graduates Who Completed All Courses Required for UC/CSU Admission	62.3%

State Priority: Other Pupil Outcomes

The SARC provides the following information relevant to the State priority: Other Pupil Outcomes (Priority 8):

- Pupil outcomes in the subject area of physical education

California Physical Fitness Test Results (School Year 2016-17)

Grade Level	Percentage of Students Meeting Fitness Standards		
	Four of Six Fitness Standards	Five of Six Fitness Standards	Six of Six Fitness Standards
9	18.5%	36.3%	27.0%

Note: Percentages are not calculated when the number of students tested is ten or less, either because the number of students in this category is too small for statistical accuracy or to protect student privacy.

Last updated: 12/22/2017

C. Engagement

State Priority: Parental Involvement

The SARC provides the following information relevant to the State priority: Parental Involvement (Priority 3):

- Efforts the school district makes to seek parent input in making decisions for the school district and each schoolsite

Opportunities for Parental Involvement (School Year 2017-18)

Parents and caregivers are engaged and supportive in the education of their children at Albany High. They demonstrate their commitment to an outstanding academic and cultural program in many ways. By and large, they provide excellent environments at home for students to study, and they provide their students with experiences that help them develop the background knowledge that is so helpful for learning. They are supportive of teachers and the school, as demonstrated not only by the monthly teacher treat days and the annual end-of-year teacher tea, but also the field trip and special project grants, staffing support, athletic donations, and volunteerism in the library, at dances, on field trips, and in the decision-making bodies. Those bodies include the School Site Council, Instructional Improvement Council, Athletic Boosters and Albany Coming Together (ACT). The Parent Teacher Student Association (PTSA) is actively involved in parent education and is working to develop a parent/caregiver voice in policy decisions.

For more information on how to become involved, please contact PTSA president Phoebe Green at (510) 558-2501

State Priority: Pupil Engagement

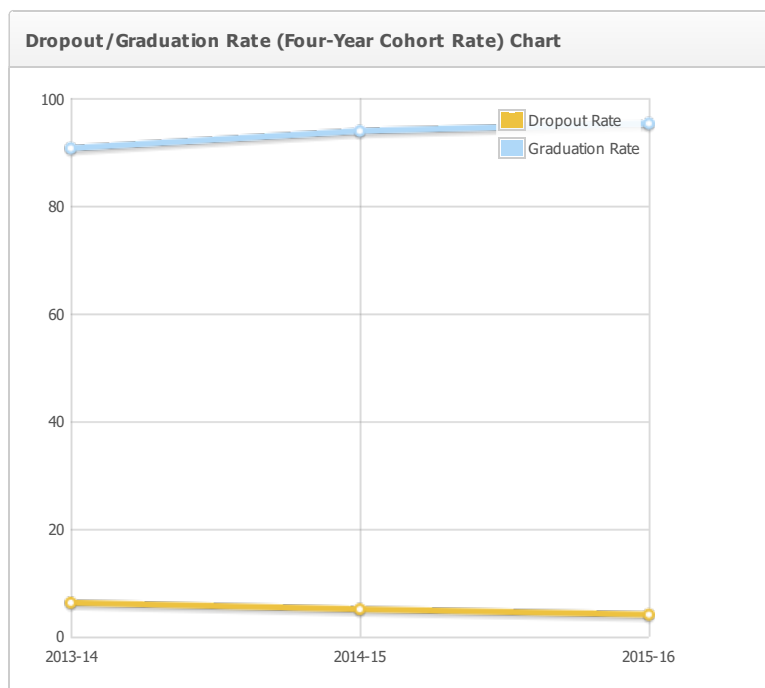
Last updated: 12/22/2017

The SARC provides the following information relevant to the State priority: Pupil Engagement (Priority 5):

- High school dropout rates; and
- High school graduation rates

Dropout Rate and Graduation Rate (Four-Year Cohort Rate)

Indicator	School			District			State		
	2013-14	2014-15	2015-16	2013-14	2014-15	2015-16	2013-14	2014-15	2015-16
Dropout Rate	6.3%	5.1%	4.1%	6.7%	5.5%	4.8%	11.5%	10.7%	9.7%
Graduation Rate	90.7%	93.9%	95.3%	89.7%	93.5%	93.3%	81.0%	82.3%	83.8%



Completion of High School Graduation Requirements - Graduating Class of 2016**(One-Year Rate)**

Student Group	School	District	State
All Students	98.6%	97.3%	87.1%
Black or African American	100.0%	90.5%	79.2%
American Indian or Alaska Native	0.0%	0.0%	80.2%
Asian	100.0%	100.0%	94.4%
Filipino	100.0%	80.0%	93.8%
Hispanic or Latino	97.7%	95.9%	84.6%
Native Hawaiian or Pacific Islander	100.0%	100.0%	86.6%
White	95.3%	95.4%	91.0%
Two or More Races	100.0%	100.0%	90.6%
Socioeconomically Disadvantaged	100.0%	100.0%	85.5%
English Learners	63.6%	63.6%	55.4%
Students with Disabilities	87.5%	92.6%	63.9%
Foster Youth	0.0%	0.0%	68.2%

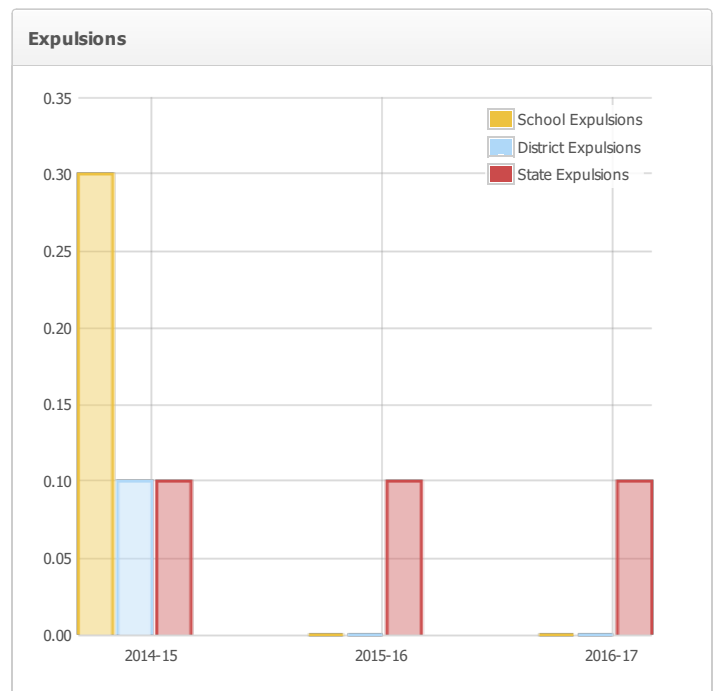
State Priority: School Climate

The SARC provides the following information relevant to the State priority: School Climate (Priority 6):

- Pupil suspension rates;
- Pupil expulsion rates; and
- Other local measures on the sense of safety

Suspensions and Expulsions

Rate	School			District			State		
	2014-15	2015-16	2016-17	2014-15	2015-16	2016-17	2014-15	2015-16	2016-17
Suspensions	2.5%	2.5%	3.5%	1.4%	1.6%	3.1%	3.8%	3.7%	3.7%
Expulsions	0.3%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%	0.1%	0.1%



Last updated: 12/22/2017

School Safety Plan (School Year 2017-18)

We secure our campus perimeter from criminal activity by having site administrators and a full-time security aide patrol the campus. The campus is closed to outsiders, and access signs are displayed prominently at entry points. Albany High School currently has cameras in all of the main parts of the buildings to help prevent crime on campus.

Physical conditions that could lead to accidental harm are reported and corrected promptly by site administration, custodial and maintenance teams. School grounds are kept clean at all times. Graffiti is painted over in a timely manner, and repairs are made as necessary. School buildings and classrooms are well maintained and attractive and are free of physical hazards. Classrooms have adequate space for the student-teacher ratio and are conducive to learning. Standard incident-reporting procedures are in place.

Valuables and equipment are inventoried properly, engraved for identification and stored securely. Parents and volunteers are recruited and trained as mentors for student activities. The community uses the school during off-hours.

The school and community collaborate on crime-prevention efforts. The crisis-response plan identifies procedures to follow during: 1. human emergencies, such as death of a student, suicide pacts, intruders, etc.; and 2. natural emergencies, such as fires, earthquakes or other natural disasters.

Police and fire department representatives participate in safety reviews of the campus and will assist staff to respond effectively to school security and safety. Fire, earthquake and lockdown drills are conducted regularly throughout the year.

The school safety plan was last reviewed, updated and discussed with the school faculty in September 2017.

Last updated: 12/22/2017

D. Other SARC Information

The information in this section is required to be in the SARC but is not included in the state priorities for LCFF.

Federal Intervention Program (School Year 2017-18)

Indicator	School	District
Program Improvement Status	In PI	In PI
First Year of Program Improvement	2013-2014	2013-2014
Year in Program Improvement	Year 3	Year 1
Number of Schools Currently in Program Improvement	N/A	3
Percent of Schools Currently in Program Improvement	N/A	75.0%

Last updated: 12/22/2017

Average Class Size and Class Size Distribution (Secondary)

Subject	2014-15				2015-16				2016-17			
	Average Class Size	Number of Classes *			Average Class Size	Number of Classes *			Average Class Size	Number of Classes *		
		1-22	23-32	33+		1-22	23-32	33+		1-22	23-32	33+
English	24.0	18	33	0	23.0	19	34	0	22.0	24	28	1
Mathematics	24.0	19	21	9	24.0	17	25	6	23.0	14	30	3
Science	28.0	3	30	4	27.0	4	34	1	26.0	8	30	1
Social Science	27.0	5	29	2	28.0	5	30	3	26.0	5	33	1

* Number of classes indicates how many classrooms fall into each size category (a range of total students per classroom). At the secondary school level, this information is reported by subject area rather than grade level.

Last updated: 12/22/2017

Academic Counselors and Other Support Staff (School Year 2016-17)

Title	Number of FTE* Assigned to School	Average Number of Students per Academic Counselor
Academic Counselor	4.0	291.0
Counselor (Social/Behavioral or Career Development)	1.0	N/A
Library Media Teacher (Librarian)	1.0	N/A
Library Media Services Staff (Paraprofessional)	0.6	N/A
Psychologist	1.5	N/A
Social Worker	0.0	N/A
Nurse	0.1	N/A
Speech/Language/Hearing Specialist	0.7	N/A
Resource Specialist (non-teaching)	0.0	N/A
Other	0.8	N/A

Note: Cells with N/A values do not require data.

*One Full Time Equivalent (FTE) equals one staff member working full time; one FTE could also represent two staff members who each work 50 percent of full time.

Last updated: 12/22/2017

Expenditures Per Pupil and School Site Teacher Salaries (Fiscal Year 2015-16)

Level	Total Expenditures Per Pupil	Expenditures Per Pupil (Restricted)	Expenditures Per Pupil (Unrestricted)	Average Teacher Salary
School Site	\$7858.0	\$2663.0	\$5195.0	\$69769.0
District	N/A	N/A	\$7028.0	\$70558.0
Percent Difference – School Site and District	N/A	N/A	-30.0%	-1.1%
State	N/A	N/A	\$6574.0	\$69649.0
Percent Difference – School Site and State	N/A	N/A	-23.4%	0.2%

Note: Cells with N/A values do not require data.

Last updated: 12/8/2017

Types of Services Funded (Fiscal Year 2016-17)

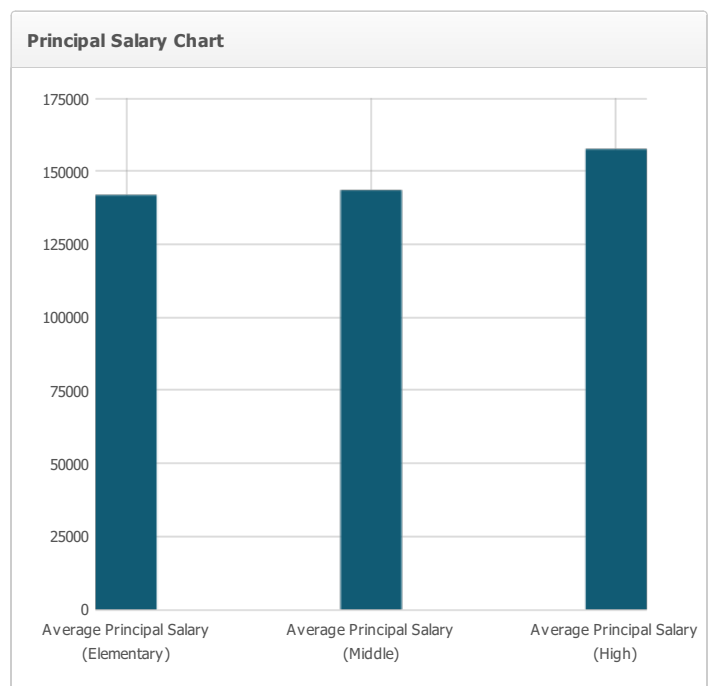
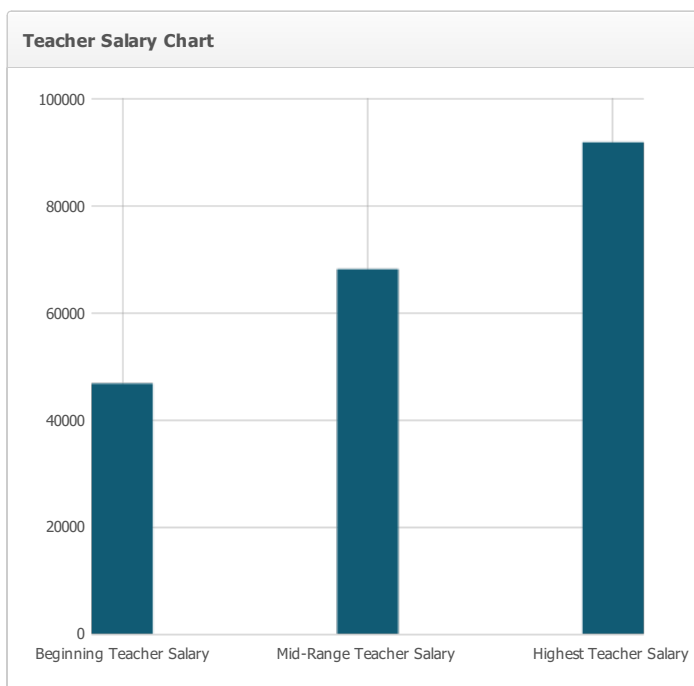
In addition to regular teaching and support services (clerical, custodial and maintenance), many services are funded at Albany High School, such as special-education programs, mental health counseling services, programs for English learners, library services, student leadership support, alternative educational options and tutoring services.

Last updated: 12/8/2017

Teacher and Administrative Salaries (Fiscal Year 2015-16)

Category	District Amount	State Average For Districts In Same Category
Beginning Teacher Salary	\$46,742	\$44,144
Mid-Range Teacher Salary	\$68,076	\$69,119
Highest Teacher Salary	\$91,763	\$86,005
Average Principal Salary (Elementary)	\$141,843	\$106,785
Average Principal Salary (Middle)	\$143,513	\$111,569
Average Principal Salary (High)	\$157,572	\$121,395
Superintendent Salary	\$211,638	\$178,104
Percent of Budget for Teacher Salaries	35.0%	34.0%
Percent of Budget for Administrative Salaries	7.0%	6.0%

For detailed information on salaries, see the CDE Certificated Salaries & Benefits Web page at <http://www.cde.ca.gov/ds/fd/cs/>.



Last updated: 12/8/2017

Advanced Placement (AP) Courses (School Year 2016-17)

Subject	Number of AP Courses Offered*	Percent of Students In AP Courses
Computer Science	2	N/A
English	1	N/A
Fine and Performing Arts	3	N/A
Foreign Language	3	N/A
Mathematics	3	N/A
Science	4	N/A
Social Science	2	N/A
All Courses	18	37.5%

Note: Cells with N/A values do not require data.

*Where there are student course enrollments of at least one student.

Last updated: 1/18/2018

Professional Development

Teachers are given three days of school wide professional development each year. Regular departmental, faculty and professional learning community meetings are scheduled on a weekly basis. In 2016-17, we had .80 FTE teachers filling the role of Teachers on Special Assignment for ELA and math. There is also funding available to support science teachers with NGSS resources and training.

For the past three years, the school has been engaged in developing an inquiry approach to various topics including issues of equity, an instructional focus on claims / evidence / reasoning, and differentiated instruction. In addition facilitating interventions, closing the achievement gap, and creating options to meet individual student needs have been continually addressed.

There have also been specific department efforts that have garnered professional development time and resources. That includes preparation for the Next Generation Science Standards, introduction of a new CPM (College Preparatory Mathematics) curriculum and continued focus on making students college-ready in writing and mathematics as part of the California State University's Early Assessment Program.

In 2016-2017 we engaged in a school wide discussion about the convergence and divergence of our various approaches to grading students. This has coincided with the adoption of a new grade book program that is part of the larger Powerschool Learning Management System. The goal of this professional development is that updated approaches to grading by teachers will coincide with the creation of new grade books in Powerschool.

Last updated: 12/22/2017

MacGregor High (Continuation)

California Department of Education School Accountability Report Card Reported Using Data from the 2016-17 School Year

By February 1 of each year, every school in California is required by state law to publish a School Accountability Report Card (SARC). The SARC contains information about the condition and performance of each California public school. Under the Local Control Funding Formula (LCFF) all local educational agencies (LEAs) are required to prepare a Local Control and Accountability Plan (LCAP), which describes how they intend to meet annual school-specific goals for all pupils, with specific activities to address state and local priorities. Additionally, data reported in an LCAP is to be consistent with data reported in the SARC.

- For more information about SARC requirements, see the California Department of Education (CDE) SARC Web page at <http://www.cde.ca.gov/ta/ac/sa/>.
- For more information about the LCFF or LCAP, see the CDE LCFF Web page at <http://www.cde.ca.gov/fq/aa/lc/>.
- For additional information about the school, parents/guardians and community members should contact the school principal or the district office.

DataQuest

DataQuest is an online data tool located on the [CDE DataQuest Web page](#) that contains additional information about this school and comparisons of the school to the district and the county. Specifically, DataQuest is a dynamic system that provides reports for accountability (e.g., test data, enrollment, high school graduates, dropouts, course enrollments, staffing, and data regarding English learners).

Internet Access

Internet access is available at public libraries and other locations that are publicly accessible (e.g., the California State Library). Access to the Internet at libraries and public locations is generally provided on a first-come, first-served basis. Other use restrictions may include the hours of operation, the length of time that a workstation may be used (depending on availability), the types of software programs available on a workstation, and the ability to print documents.

Daren McNally, Principal

 Principal, MacGregor High (Continuation)

About Our School

Contact

MacGregor High (Continuation)
603 Key Route Blvd
Albany, CA 94706-1422

Phone: 510-558-3570
E-mail: dmcnally@ausdk12.org

About This School

Contact Information (School Year 2017-18)

District Contact Information (School Year 2017-18)	
District Name	Albany City Unified
Phone Number	(510) 558-3750
Superintendent	Valerie Williams
E-mail Address	vwilliams@ausdk12.org
Web Site	http://www.ausdk12.org

School Contact Information (School Year 2017-18)	
School Name	MacGregor High (Continuation)
Street	603 Key Route Blvd
City, State, Zip	Albany, Ca, 94706-1422
Phone Number	510-558-3570
Principal	Daren McNally, Principal
E-mail Address	dmcnally@ausdk12.org
County-District-School (CDS) Code	01611270130294

Last updated: 12/22/2017

School Description and Mission Statement (School Year 2017-18)

MacGregor High School, founded in 1982, is a small, dynamic, continuation school that serves a diverse population of students, ages 16 and older, who are often at-risk of not graduating from high school. MacGregor offers its students a safe campus, high academic standards and a caring staff.

Our school is unique in that it pays particular attention to students who have had credit and/or attendance problems and whose lifestyles and/or personal situations disallows them from fitting into the structure of a large school setting.

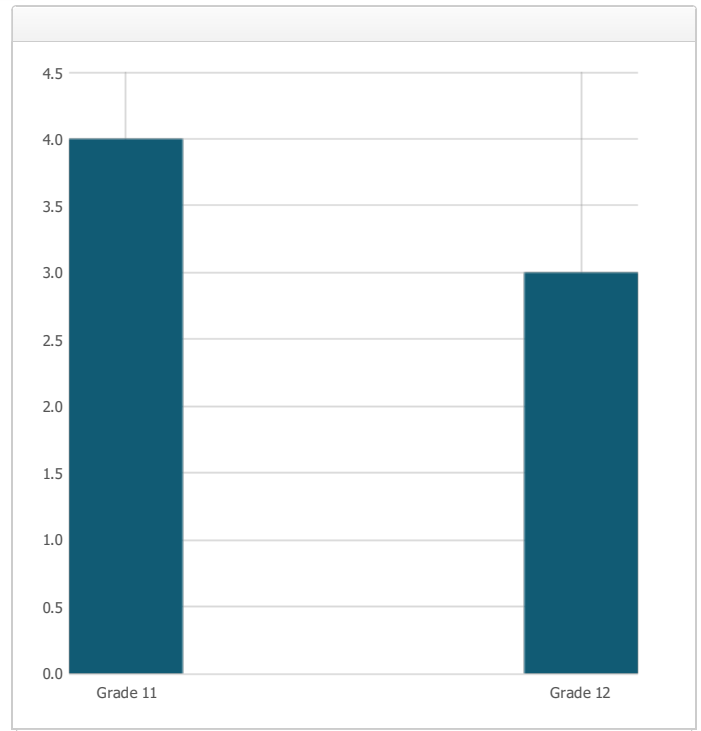
MacGregor High School is located on the campus of Albany High School (AHS), and together these schools serve all students in grades 9-12 in Albany, California. This arrangement allows most of our students to be concurrently enrolled in Albany High School. While MacGregor meets the core academic needs of our students, they also have access to Albany High School's resources for robust extracurricular options and elective courses.

MacGregor High School works with each and every student to ensure he or she has clear, realistic goals for the steps toward, and the completion of, their education. These goals allow for each individual to consider the options available to them. These options include graduating from MacGregor, returning to the comprehensive high school, passing the California High School Proficiency Exam, or passing the General Educational Development (GED) test. Included in preparation for graduation or one of the other alternatives, is working with each student to make sure they are ready for entrance into community college, college and/or the workforce, independent-living plans, as well as their emotional and physical wellness.

Last updated: 12/22/2017

Student Enrollment by Grade Level (School Year 2016-17)

Grade Level	Number of Students
Grade 11	4
Grade 12	3
Total Enrollment	7



Last updated: 12/22/2017

Student Enrollment by Student Group (School Year 2016-17)

Student Group	Percent of Total Enrollment
Black or African American	0.0 %
American Indian or Alaska Native	0.0 %
Asian	28.6 %
Filipino	0.0 %
Hispanic or Latino	42.9 %
Native Hawaiian or Pacific Islander	0.0 %
White	28.6 %
Two or More Races	0.0 %
Other	-0.1 %
Student Group (Other)	Percent of Total Enrollment
Socioeconomically Disadvantaged	42.9 %
English Learners	42.9 %
Students with Disabilities	28.6 %
Foster Youth	0.0 %

Last updated: 12/22/2017

A. Conditions of Learning

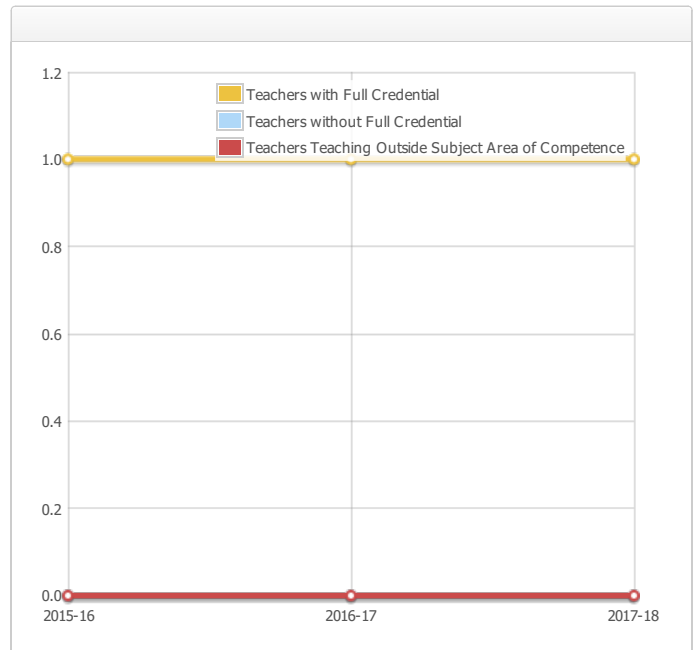
State Priority: Basic

The SARC provides the following information relevant to the State priority: Basic (Priority 1):

- Degree to which teachers are appropriately assigned and fully credentialed in the subject area and for the pupils they are teaching;
- Pupils have access to standards-aligned instructional materials; and
- School facilities are maintained in good repair

Teacher Credentials

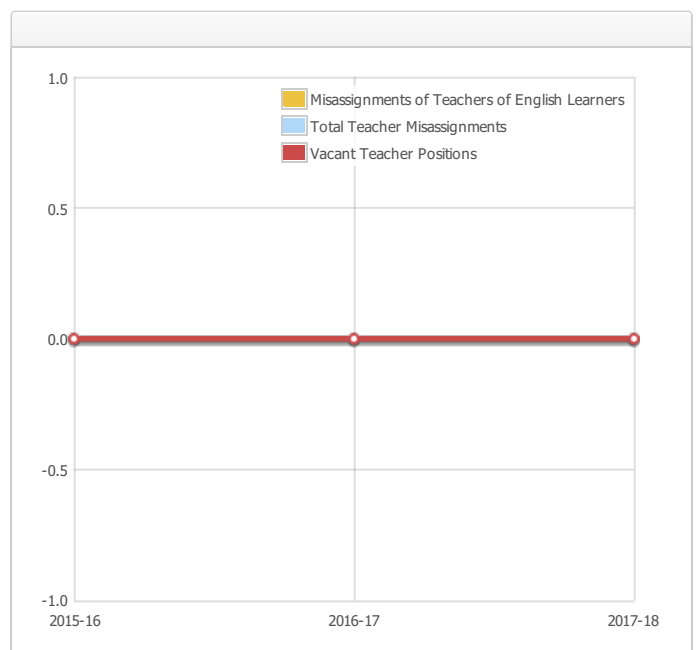
Teachers	School			District
	2015-16	2016-17	2017-18	2017-18
With Full Credential	1	1	1	213
Without Full Credential	0	0	0	2
Teachers Teaching Outside Subject Area of Competence (with full credential)	0	0	0	2



Last updated: 12/22/2017

Teacher Misassignments and Vacant Teacher Positions

Indicator	2015-16	2016-17	2017-18
Misassignments of Teachers of English Learners	0	0	0
Total Teacher Misassignments*	0	0	0
Vacant Teacher Positions	0	0	0



Note: "Misassignments" refers to the number of positions filled by teachers who lack legal authorization to teach that grade level, subject area, student group, etc.

* Total Teacher Misassignments includes the number of Misassignments of Teachers of English Learners.

Last updated: 12/22/2017

Quality, Currency, Availability of Textbooks and Instructional Materials (School Year 2017-18)

67

Year and month in which the data were collected: November 2017

Subject	Textbooks and Instructional Materials/year of Adoption	From Most Recent Adoption?	Percent Students Lacking Own Assigned Copy
Reading/Language Arts	AHS uses core novels in place of an adopted textbook	No	0.0 %
Mathematics	Integrated Math I and Integrated Math II (College Prep Math) Geometry (McDougal Littell)	No	0.0 %
Science	Biology (Prentice Hall)	No	0.0 %
History-Social Science	10th Grade: World History, People and Nations (Holt) 11th Grade: American Odyssey (Glencoe) 12th Grade US Government: American Politics Today (Norton and Company) 12th Grade Economics: Economics in our Times (NTC)	No	0.0 %
Foreign Language	NA		0.0 %
Health	NA		0.0 %
Visual and Performing Arts	NA		0.0 %
Science Lab Eqpmt (Grades 9-12)	N/A	N/A	0.0 %

Note: Cells with N/A values do not require data.

Last updated: 12/22/2017

School Facility Conditions and Planned Improvements

Albany High School opened a new main building in 2001. The main building houses most academic classrooms, computer labs and a new gymnasium. The art building houses a multipurpose room, a small theater, and art and music classrooms. MacGregor High School was relocated to the Albany High School campus for the 2014-15 year.

During the summer of 2009, the swimming pool was demolished to make way for a new aquatic complex. The aquatic facility construction began in fall 2010 and was completed in December 2011.

A Facilities Master Plan was approved in 2014. Plans are in progress to utilize Bond Measures B & E approved by Albany voters in June 2016. In general, our district needs to prepare for anticipated growth in enrollment and the addition and/or replacement of existing facilities. Over the coming year, we will finalize the design for the Albany High School Classroom Addition Project and begin construction. AHS is in particular need of expanded classroom space and CTE (Career Technical Education) workspaces.

District and site custodial and maintenance personnel maintain a clean and functional facility. There are six custodians working at AHS from early morning to late night Monday through Friday. One custodian works the day shift from early morning to afternoon. One custodian works from very early morning to opening bell. Three custodians work from afternoon to late night. One custodian works from evening to late night.

The school is in good overall condition.

The safety of students and staff is a primary concern at Albany High School. The school safety plan is updated annually. The key element of the plan encompasses student safety and evacuation procedures.

Fire, earthquake and lockdown drills are conducted on a regular basis. Any visitors to the campus are required to check in at the school's office.

District maintenance staff ensures work orders are completed in a timely manner. A work-order process is in place and is used to certify efficient service to each school site and give the highest priority to emergency repairs.

The site administration works with the custodial staff members to ensure the cleaning of the school is done appropriately and the site is clean and safe for students, staff and visitors.

Last updated: 12/22/2017

School Facility Good Repair Status

Year and month of the most recent FIT report: November 2017

System Inspected	Rating	Repair Needed and Action Taken or Planned
Systems: Gas Leaks, Mechanical/HVAC, Sewer	Good	
Interior: Interior Surfaces	Poor	Several areas have missing ceiling tiles and paint peeling. Maintenance work orders have been created and work is in progress.
Cleanliness: Overall Cleanliness, Pest/Vermin Infestation	Good	
Electrical: Electrical	Good	
Restrooms/Fountains: Restrooms, Sinks/Fountains	Good	
Safety: Fire Safety, Hazardous Materials	Good	
Structural: Structural Damage, Roofs	Good	
External: Playground/School Grounds,	Good	

Windows/Doors/Gates/Fences

Overall Facility Rate

Year and month of the most recent FIT report: November 2017

Overall Rating

Good

Last updated: 12/22/2017

B. Pupil Outcomes

State Priority: Pupil Achievement

The SARC provides the following information relevant to the State priority: Pupil Achievement (Priority 4):

- **Statewide assessments** (i.e., California Assessment of Student Performance and Progress [CAASPP] System, which includes the Smarter Balanced Summative Assessments for students in the general education population and the California Alternate Assessments [CAAs] for English language arts/literacy [ELA] and mathematics given in grades three through eight and grade eleven. Only eligible students may participate in the administration of the CAAs. CAAs items are aligned with alternate achievement standards, which are linked with the Common Core State Standards [CCSS] for students with the most significant cognitive disabilities); and
- The percentage of students who have successfully completed courses that satisfy the requirements for entrance to the University of California and the California State University, or career technical education sequences or programs of study.

CAASPP Test Results in ELA and Mathematics for All Students

Grades Three through Eight and Grade Eleven (School Year 2016-17)

Subject	Percentage of Students Meeting or Exceeding the State Standards					
	School		District		State	
	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17
English Language Arts / Literacy (grades 3-8 and 11)			77%	79%	48%	48%
Mathematics (grades 3-8 and 11)			73%	73%	36%	37%

Note: Percentages are not calculated when the number of students tested is ten or less, either because the number of students in this category is too small for statistical accuracy or to protect student privacy.

Last updated: 12/22/2017

CAASPP Test Results in ELA by Student Group**Grades Three through Eight and Grade Eleven (School Year 2016-17)**

Student Group	Total Enrollment	Number Tested	Percent Tested	Percent Met or Exceeded
All Students	--	--	--	
Male	--	--	--	
Female	--	--	--	
Black or African American				
American Indian or Alaska Native				
Asian	--	--	--	
Filipino				
Hispanic or Latino	--	--	--	
Native Hawaiian or Pacific Islander				
White	--	--	--	
Two or More Races				
Socioeconomically Disadvantaged	--	--	--	
English Learners	--	--	--	
Students with Disabilities	--	--	--	
Students Receiving Migrant Education Services				
Foster Youth				

Note: ELA test results include the Smarter Balanced Summative Assessment and the CAA. The "Percent Met or Exceeded" is calculated by taking the total number of students who met or exceeded the standard on the Smarter Balanced Summative Assessment plus the total number of students who met the standard (i.e., achieved Level 3--Alternate) on the CAAs divided by the total number of students who participated in both assessments.

Note: Double dashes (--) appear in the table when the number of students is ten or less, either because the number of students in this category is too small for statistical accuracy or to protect student privacy.

Note: The number of students tested includes all students who participated in the test whether they received a score or not; however, the number of students tested is not the number that was used to calculate the achievement level percentages. The achievement level percentages are calculated using only students who received scores.

Last updated: 12/22/2017

CAASPP Test Results in Mathematics by Student Group**Grades Three through Eight and Grade Eleven (School Year 2016-17)**

Student Group	Total Enrollment	Number Tested	Percent Tested	Percent Met or Exceeded
All Students	--	--	--	
Male	--	--	--	
Female	--	--	--	
Black or African American				
American Indian or Alaska Native				
Asian	--	--	--	
Filipino				
Hispanic or Latino	--	--	--	
Native Hawaiian or Pacific Islander				
White	--	--	--	
Two or More Races				
Socioeconomically Disadvantaged	--	--	--	
English Learners	--	--	--	
Students with Disabilities	--	--	--	
Students Receiving Migrant Education Services				
Foster Youth				

Note: Mathematics test results include the Smarter Balanced Summative Assessment and the CAA. The "Percent Met or Exceeded" is calculated by taking the total number of students who met or exceeded the standard on the Smarter Balanced Summative Assessment plus the total number of students who met the standard (i.e., achieved Level 3--Alternate) on the CAAs divided by the total number of students who participated in both assessments.

Note: Double dashes (--) appear in the table when the number of students is ten or less, either because the number of students in this category is too small for statistical accuracy or to protect student privacy.

Note: The number of students tested includes all students who participated in the test whether they received a score or not; however, the number of students tested is not the number that was used to calculate the achievement level percentages. The achievement level percentages are calculated using only students who received scores.

Last updated: 12/22/2017

CAASPP Test Results in Science for All Students**Grades Five, Eight and Ten**

Subject	Percentage of Students Scoring at Proficient or Advanced					
	School		District		State	
	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16
Science (grades 5, 8, and 10)					56%	54%

Note: Science test results include California Standards Tests (CSTs), California Modified Assessment (CMA), and California Alternate Performance Assessment (CAPA) in grades five, eight, and ten.

Note: Scores are not shown when the number of students tested is ten or less, either because the number of students in this category is too small for statistical accuracy or to protect student privacy.

Note: The 2016-17 data are not available. The California Department of Education is developing a new science assessment based on the Next Generation Science Standards for California Public Schools (CA NGSS). The new California Science Test (CAST) was piloted in spring 2017. The CST and CMA for Science will no longer be administered.

Last updated: 12/22/2017

Career Technical Education Programs (School Year 2016-17)

MacGregor High students participate in CTE courses offered at AHS. Albany High School offers several CTE courses and continues to work toward building CTE pathways (two or more related courses).

The following classes are currently offered at AHS:

- Photography and Advanced Photography
- Communications/Graphic Arts
- Journalism
- Video Production
- Sports Medicine
- Culinary Arts

Last updated: 1/18/2018

Career Technical Education Participation (School Year 2016-17)

Measure	CTE Program Participation
Number of Pupils Participating in CTE	7
Percent of Pupils Completing a CTE Program and Earning a High School Diploma	0.0%
Percent of CTE Courses Sequenced or Articulated Between the School and Institutions of Postsecondary Education	0.0%

Last updated: 1/16/2018

Courses for University of California (UC) and/or California State University (CSU) Admission

UC/CSU Course Measure	Percent
2016-17 Pupils Enrolled in Courses Required for UC/CSU Admission	59.3%
2015-16 Graduates Who Completed All Courses Required for UC/CSU Admission	0.0%

State Priority: Other Pupil Outcomes

The SARC provides the following information relevant to the State priority: Other Pupil Outcomes (Priority 8):

- Pupil outcomes in the subject area of physical education

C. Engagement

State Priority: Parental Involvement

The SARC provides the following information relevant to the State priority: Parental Involvement (Priority 3):

- Efforts the school district makes to seek parent input in making decisions for the school district and each schoolsite

Opportunities for Parental Involvement (School Year 2017-18)

Opportunities for parent involvement include the School Site Council, frequent parent-teacher conferences, Back to School Night, phone contact, report cards, and parent volunteering. We also have a website where parents can post news and other notices.

Parents are also encouraged to participate in Albany High School organizations, activities and events (e.x. Athletic Boosters).

State Priority: Pupil Engagement

Last updated: 12/22/2017

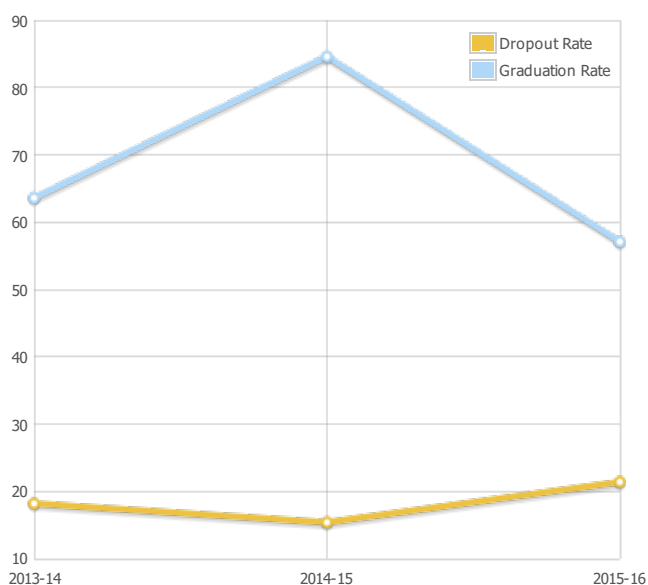
The SARC provides the following information relevant to the State priority: Pupil Engagement (Priority 5):

- High school dropout rates; and
- High school graduation rates

Dropout Rate and Graduation Rate (Four-Year Cohort Rate)

Indicator	School			District			State		
	2013-14	2014-15	2015-16	2013-14	2014-15	2015-16	2013-14	2014-15	2015-16
Dropout Rate	18.2%	15.4%	21.4%	6.7%	5.5%	4.8%	11.5%	10.7%	9.7%
Graduation Rate	63.6%	84.6%	57.1%	89.7%	93.5%	93.3%	81.0%	82.3%	83.8%

Dropout/Graduation Rate (Four-Year Cohort Rate) Chart



Last updated: 12/22/2017

Completion of High School Graduation Requirements - Graduating Class of 2016**(One-Year Rate)**

Student Group	School	District	State
All Students	69.2%	97.3%	87.1%
Black or African American	50.0%	90.5%	79.2%
American Indian or Alaska Native	0.0%	0.0%	80.2%
Asian	100.0%	100.0%	94.4%
Filipino	0.0%	80.0%	93.8%
Hispanic or Latino	66.7%	95.9%	84.6%
Native Hawaiian or Pacific Islander	0.0%	100.0%	86.6%
White	100.0%	95.4%	91.0%
Two or More Races	100.0%	100.0%	90.6%
Socioeconomically Disadvantaged	75.0%	100.0%	85.5%
English Learners	0.0%	63.6%	55.4%
Students with Disabilities	66.7%	92.6%	63.9%
Foster Youth	0.0%	0.0%	68.2%

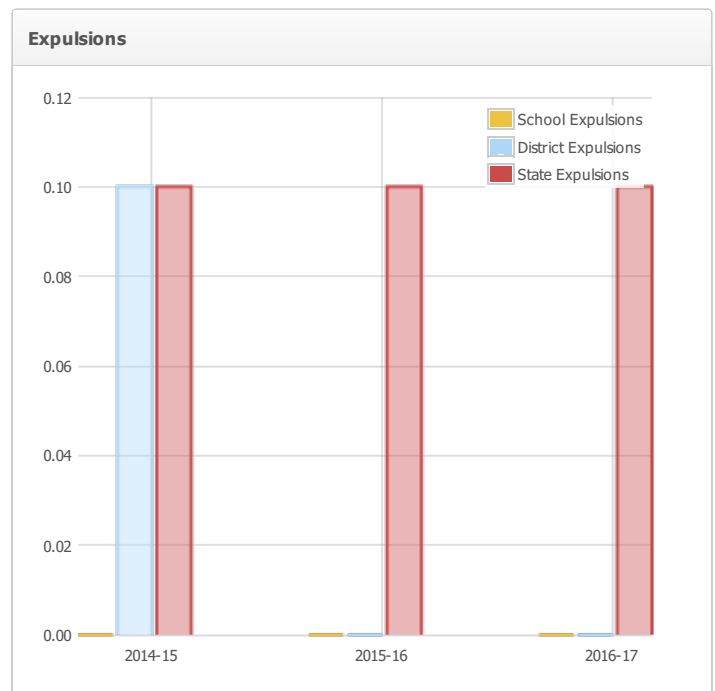
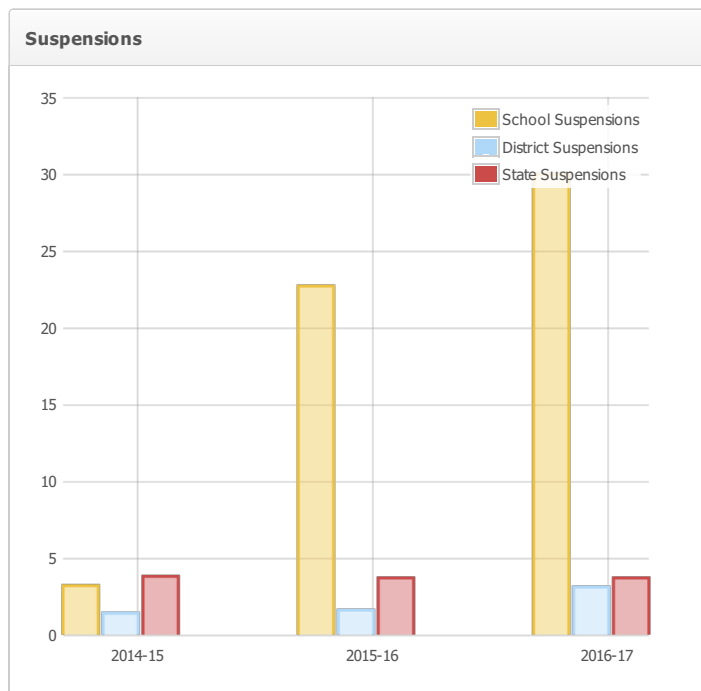
State Priority: School Climate

The SARC provides the following information relevant to the State priority: School Climate (Priority 6):

- Pupil suspension rates;
- Pupil expulsion rates; and
- Other local measures on the sense of safety

Suspensions and Expulsions

Rate	School			District			State		
	2014-15	2015-16	2016-17	2014-15	2015-16	2016-17	2014-15	2015-16	2016-17
Suspensions	3.2%	22.7%	30.0%	1.4%	1.6%	3.1%	3.8%	3.7%	3.7%
Expulsions	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%	0.1%	0.1%



Last updated: 12/22/2017

School Safety Plan (School Year 2017-18)

We secure our campus perimeter from criminal activity by having site administrators and a full-time security aide patrol the campus. The campus is closed to outsiders, and access signs are displayed prominently at entry points. Albany High School currently has cameras in all of the main parts of the buildings to help prevent crime on campus.

Physical conditions that could lead to accidental harm are reported and corrected promptly by site administration, custodial and maintenance teams. School grounds are kept clean at all times. Graffiti is painted over in a timely manner, and repairs are made as necessary. School buildings and classrooms are well maintained and attractive and are free of physical hazards. Classrooms have adequate space for the student-teacher ratio and are conducive to learning. Standard incident-reporting procedures are in place. Valuables and equipment are inventoried properly, engraved for identification and stored securely. Parents and volunteers are recruited and trained as monitors for student activities. The community uses the school during off-hours.

The school and community collaborate on crime-prevention efforts. The crisis-response plan identifies procedures to follow during: 1. human emergencies, such as death of a student, suicide pacts and intruders; and 2. natural emergencies, such as fires, earthquakes and other natural disasters.

Police and fire department representatives participate in safety reviews of the campus and will assist staff to respond effectively to school security and safety. Fire, earthquake and lockdown drills are conducted regularly throughout the year.

Last updated: 1/4/2018

D. Other SARC Information

The information in this section is required to be in the SARC but is not included in the state priorities for LCFF.

Federal Intervention Program (School Year 2017-18)

Indicator	School	District
Program Improvement Status	Not in PI	In PI
First Year of Program Improvement		2013-2014
Year in Program Improvement		Year 1
Number of Schools Currently in Program Improvement	N/A	3
Percent of Schools Currently in Program Improvement	N/A	75.0%

Last updated: 12/22/2017

Average Class Size and Class Size Distribution (Secondary)

Subject	2014-15				2015-16				2016-17			
	Average Class Size	Number of Classes *			Average Class Size	Number of Classes *			Average Class Size	Number of Classes *		
		1-22	23-32	33+		1-22	23-32	33+		1-22	23-32	33+
English	12.0	1	0	0	14.0	1	0	0	11.0	1	0	0
Mathematics	8.0	2	0	0	5.0	1	0	0	5.0	1	0	0
Science	15.0	2	0	0	12.0	1	0	0	13.0	1	0	0
Social Science	14.0	2	0	0	12.0	2	0	0	10.0	2	0	0

* Number of classes indicates how many classrooms fall into each size category (a range of total students per classroom). At the secondary school level, this information is reported by subject area rather than grade level.

Last updated: 12/22/2017

Academic Counselors and Other Support Staff (School Year 2016-17)

Title	Number of FTE* Assigned to School	Average Number of Students per Academic Counselor
Academic Counselor	0.6	
Counselor (Social/Behavioral or Career Development)		N/A
Library Media Teacher (Librarian)		N/A
Library Media Services Staff (Paraprofessional)		N/A
Psychologist		N/A
Social Worker		N/A
Nurse	0.1	N/A
Speech/Language/Hearing Specialist		N/A
Resource Specialist (non-teaching)		N/A
Other		N/A

Note: Cells with N/A values do not require data.

*One Full Time Equivalent (FTE) equals one staff member working full time; one FTE could also represent two staff members who each work 50 percent of full time.

Last updated: 12/22/2017

Expenditures Per Pupil and School Site Teacher Salaries (Fiscal Year 2015-16)

Level	Total Expenditures Per Pupil	Expenditures Per Pupil (Restricted)	Expenditures Per Pupil (Unrestricted)	Average Teacher Salary
School Site	\$20531.0	\$4581.0	\$15950.0	\$69769.0
District	N/A	N/A	\$7028.0	\$70558.0
Percent Difference – School Site and District	N/A	N/A	77.7%	-1.1%
State	N/A	N/A	\$6574.0	\$69649.0
Percent Difference – School Site and State	N/A	N/A	83.3%	0.2%

Note: Cells with N/A values do not require data.

Last updated: 1/4/2018

Types of Services Funded (Fiscal Year 2016-17)

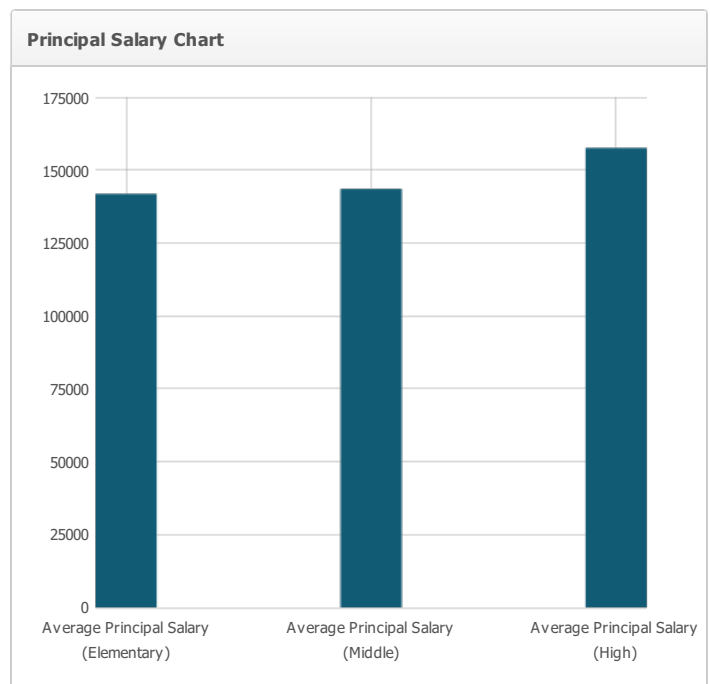
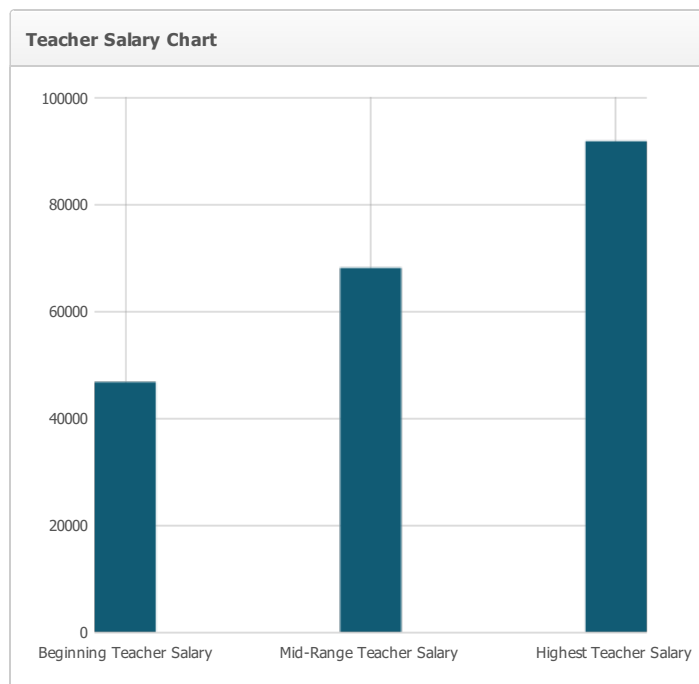
In addition to the regular education program, academic counseling services, mental health counselors and interns are funded. Students attending MacGregor High School have access to all Albany High School services, including peer tutoring.

Last updated: 12/22/2017

Teacher and Administrative Salaries (Fiscal Year 2015-16)

Category	District Amount	State Average For Districts In Same Category
Beginning Teacher Salary	\$46,742	\$44,144
Mid-Range Teacher Salary	\$68,076	\$69,119
Highest Teacher Salary	\$91,763	\$86,005
Average Principal Salary (Elementary)	\$141,843	\$106,785
Average Principal Salary (Middle)	\$143,513	\$111,569
Average Principal Salary (High)	\$157,572	\$121,395
Superintendent Salary	\$211,638	\$178,104
Percent of Budget for Teacher Salaries	35.0%	34.0%
Percent of Budget for Administrative Salaries	7.0%	6.0%

For detailed information on salaries, see the CDE Certificated Salaries & Benefits Web page at <http://www.cde.ca.gov/ds/fd/csl/>.



Last updated: 12/22/2017

Advanced Placement (AP) Courses (School Year 2016-17)

Subject	Number of AP Courses Offered*	Percent of Students In AP Courses
Computer Science	0	N/A
English	0	N/A
Fine and Performing Arts	0	N/A
Foreign Language	0	N/A
Mathematics	0	N/A
Science	0	N/A
Social Science	0	N/A
All Courses	0	0.0%

Note: Cells with N/A values do not require data.

*Where there are student course enrollments of at least one student.

Last updated: 1/18/2018

Professional Development

In addition to participating in all professional development as part of AHS, teachers at MacGregor meet regularly to discuss social-emotional aspects of the program and students' needs.

Last updated: 1/18/2018

December 2017 Warrant Listing

Check Number	Check Date	Pay to the Order of	Fund-Object	Comment	Expensed Amount	Check Amount
50985899	12/01/2017	ACSIG - VISION INSURANCE	010-9534	12/17 VISION		11,497.50
50985900	12/01/2017	AERIES	010-5200	AERIES FALL 2017 CONFERENCE		425.00
50985901	12/01/2017	WELLS FARGO VENDOR FIN SERV	010-5600	DISTRICT MACBOOK LEASE		746.61
50985902	12/01/2017	AT&T	010-5930	11/17 SERVICE		69.47
50985903	12/01/2017	AUSD REVOLVING FUND	010-4300	AMS LOCK REFUNDS		498.00
50985904	12/01/2017	AUTISUM COMMUNITY STORE	010-4300	WEIGHTED BLANKET - MARIN	164.61	
				Unpaid Sales Tax	14.62-	149.99
50985905	12/01/2017	AUTOMATIC RESPONSE SYSTEMS	010-5800	DONATION - MARIN SHREDDING SERVICE		21.00
50985906	12/01/2017	LISA BATTAS	010-4300	DONATION - REIMB FOR CLASSROOM SUPPLIES		240.51
50985907	12/01/2017	Be GLAD, LLC	010-5200	GLAD 6-DAY TRAINING FOR NEW CORNELL TEACHERS		3,600.00
50985908	12/01/2017	BRIAN BIGGS C/O SPECIAL EDUCATION	010-5200	REIMB FOR TRAVEL EXPENSES		121.63
50985909	12/01/2017	BONAMI BAKING	130-4700	BREAD		250.00
50985910	12/01/2017	MARY JO BRADLEY C/O ALBANY HIGH	010-4300	REIMBURSEMENT FOR CLASSROOM SUPPLIES		189.08
50985911	12/01/2017	DEBORAH BRILL C/O ALBANY MIDDLE	010-4300	REIMB FOR DISTRICT WIDE EQUITY WORK SUPPLIES	13.42	
				REIMBURSEMENT FOR SUPPLIES	15.00	
			010-5200	TRAVEL EXPENSE - BLUE RIBBON AWARD	780.06	808.48
50985912	12/01/2017	BSN SPORTS, INC.	010-4300	WALL PADS & BARRICADES - AHS ATHLETICS		17,842.01
50985913	12/01/2017	CASBO	010-5200	CBO SYMPOSIUM		770.00
50985914	12/01/2017	COMTEL SERVICE COMPANY	010-5670	DISTRICT CLOCK/PA REPAIRS		4,080.08
50985915	12/01/2017	ROBIN COOPER C/O ALBANY MIDDLE SCHOOL	010-4300	REIMBURSEMENT FOR CLASSROOM SUPPLIES		22.44
50985916	12/01/2017	COPY EXPRESS	010-4300	AHS FORMS		650.26
50985917	12/01/2017	CAPITAL ONE COMMERCIAL	130-4700	FOOD SERVICE EXPENSES	1,106.92	
			130-4710	FOOD SERVICE EXPENSES	17.47	1,124.39
50985918	12/01/2017	Jameson Costello c/o Marin School	010-4315	MILEAGE REIMBURSEMENT		50.45
50985919	12/01/2017	CREST/GOOD MFG. CO.	010-4300	DISTRICT PLUMBING SUPPLIES		393.04
50985920	12/01/2017	DELTA EDUCATION	010-4300	FOSS - MARIN SCIENCE PROGRAM		123.81
50985921	12/01/2017	BANKCARD CENTER	010-4300	SPECIAL EDUCATION CREDIT CARD EXPENSES	248.75	
			010-5200	SPECIAL EDUCATION CREDIT CARD EXPENSES	1,298.80	1,547.55

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ESCAPE ONLINE

December 2017 Warrant Listing

Check Number	Check Date	Pay to the Order of	Fund-Object	Comment	Expensed Amount	Check Amount
50985922	12/01/2017	DREAMBOX LEARNING	010-4300	OV DREAMBOX RENEWAL		6,225.00
50985923	12/01/2017	ERIC ARMIN INC.	010-4300	AHS CALCULATORS	3,199.10	
				Unpaid Sales Tax	284.20-	2,914.90
50985924	12/01/2017	EBMUD	010-5555	09/05-11/02 SERVICE	3,082.15	
				09/18-11/15 SERVICE	1,943.44	
				09/20-11/20 SERVICE	1,275.47	6,301.06
50985925	12/01/2017	ATLAS PEN & PENCIL CORP.	010-4300	DONATION - CORNELL PENCILS		46.43
50985926	12/01/2017	GOBULK.COM	010-4300	STEREO EARBUDS FOR CAASPP TESTING	1,060.60	
				Unpaid Sales Tax	18.80-	1,041.80
50985927	12/01/2017	GOLD STAR FOODS	130-4700	FOOD		650.99
50985928	12/01/2017	GOPHER SPORTS	010-4300	MARIN PE EQUIPMENT		982.82
50985929	12/01/2017	DANIEL GOTTHEINER C/O AMS	010-4300	REIMBURSEMENT FOR CLASSROOM SUPPLIES		10.95
50985930	12/01/2017	GREAT AMERICAN LEASING CORP.	010-5611	SELPA COPIER LEASE		183.29
50985931	12/01/2017	HILLYARD	010-4300	DISTRICT CUSTODIAL SUPPLIES	7,324.94	
			120-4300	ACC CUSTODIAL SUPPLIES	2,079.06	9,404.00
50985932	12/01/2017	HOME DEPOT INC.	010-4300	DISTRICT MAINTENANCE SUPPLIES	859.71	
			120-4300	ACC HARDWARE/SUPPLIES	43.61	903.32
50985933	12/01/2017	TUYET HUYNH C/O CENTRAL KITCHEN	130-4315	08/28-10/10 MILEAGE REIMB		21.84
50985934	12/01/2017	ISITE SOFTWARE	130-5800	FOOD SERVICE HARDWARE, SOFTWARE & SUPPORT	1,752.95	
				Unpaid Sales Tax	7.89-	1,745.06
50985935	12/01/2017	CHRISTOPHER KNIGHT C/O MAC HIGH	010-4300	REIMB FOR CLASSROOM SUPPLIES		16.15
50985936	12/01/2017	WELLS FARGO VENDOR FIN SERV	010-5611	DISTRICT WIDE COPIER LEASE		3,273.42
50985937	12/01/2017	KONICA MINOLTA BUSINESS SOLUTIONS INC.	010-5610	AHS ATHLETICS COPIER USAGE	11.08	
				AHS COPIER USAGE	1,519.42	
				AMS COPIER USAGE	1,203.76	
				CORNELL COPIER USAGE	737.44	
				DISTRICT OFFICE COPIER USAGE	470.85	
				MAC HIGH COPIER USAGE	6.30	
				MARIN COPIER USAGE	492.87	
				OCEAN VIEW COPIER USAGE	736.57	
				SPECIAL EDUCATION COPIER USAGE	221.24	5,399.53
50985938	12/01/2017	LAKESHORE	010-4300	DONATION - MATH GAMES FOR CORNELL CLASSROOM	124.13	
				DONATION - OV TK CLASSROOM SETUP	546.45	670.58
50985939	12/01/2017	LESLIE CERAMIC & CRAFTS SUPPLY	010-4300	WHITE CLAY - AMS		281.62

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December 2017 Warrant Listing

Check Number	Check Date	Pay to the Order of	Fund-Object	Comment	Expensed Amount	Check Amount
50985940	12/01/2017	A.C. LOCK SERVICE	010-4300	SPARE KEY FOR CUSTODIAL VEHICLE	136.56	
				SPARE KEY FOR MAINT VEHICLE	109.25	245.81
50985941	12/01/2017	SHAWN LUCAS C/O D.O. CUSTODIAL	010-4315	10/11-11/09 MILEAGE REIMB		5.14
50985942	12/01/2017	MARINA MECHANICAL	010-5670	ACC HVAC INSPECTIONS	665.00	
				AHS HVAC INSPECTIONS	4,100.00	
				AMS HVAC INSPECTIONS	3,250.00	
				AMS HVAC REPAIR	644.38	
				DISTRICT HVAC REPAIRS	1,937.94	
				OV HVAC INSPECTION - 1st QTR	4,500.00	15,097.32
50985943	12/01/2017	MEI MEI C/O AUSD CENTRAL KITCHEN	130-4300	REIMB FOR WORK SHOES		71.32
50985944	12/01/2017	MICHAEL'S TRANSPORTATION SRV	010-5810	(9035) TRANSPORTATION FOR AHS ATHLETICS		814.50
50985945	12/01/2017	MOBILE MODULAR MGMT. CORP.	140-5621	AHS CONTAINER RENTALS		76.83
50985946	12/01/2017	MICHELE MOORE	010-5825	SERVICES & ASSESSMENTS FOR VISUALLY IMPAIRED		625.00
50985947	12/01/2017	NEOFUNDS BY NEOPOST	010-5910	AMS POSTAGE	547.18	
				DISTRICT OFFICE POSTAGE	84.99	632.17
50985948	12/01/2017	NEXTEL COMMUNICATIONS	010-5930	DISTRICT CELL PHONE SERVICE	544.39	
			120-5930	DISTRICT CELL PHONE SERVICE	141.16	685.55
50985949	12/01/2017	OFFICE DEPOT	010-4300	AAC SUPPLIES	119.70	
				AHS SUPPLIES	1,277.19	
				AMS SUPPLIES	2,364.84	
				CORNELL SUPPLIES	381.55	
				DO SUPPLIES	837.59	
				MAINT SUPPLIES	38.17	
				MARIN SUPPLIES	1,952.15	
				OCEAN VIEW SUPPLIES	1,456.11	
				SPED SUPPLIES	245.93	8,673.23
50985950	12/01/2017	ORIENTAL TRADING COMPANY	010-4300	BEADS FOR AHS MATH		26.97
50985951	12/01/2017	OTIS ELEVATOR COMPANY	010-5610	AMS ELEVATOR SERVICE		148.84
50985952	12/01/2017	PASTIME ACE HARDWARE	010-4300	AMS SCIENCE SUPPLIES	188.78	
				DISTRICT MAINTENANCE SUPPLIES	1,345.18	1,533.96
50985953	12/01/2017	MFAC, LLC	010-4300	AHS ATHLETICS EQUIPMENT		741.37
50985954	12/01/2017	PERMA-BOUND BOOK	010-4100	AMS BOOKS		275.87
50985955	12/01/2017	PG&E	010-5520	10/06-11/05 SERVICE	666.34	
				10/07-11/06 SERVICE	7,060.94	
				10/20-11/17 SERVICE	321.45	
				10/23-11/19 SERVICE	150.92	

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ESCAPE ONLINE

December 2017 Warrant Listing

Check Number	Check Date	Pay to the Order of	Fund-Object	Comment	Expensed Amount	Check Amount
50985955	12/01/2017	PG&E	120-5520	10/23-11/19 SERVICE	26.64	8,226.29
50985956	12/01/2017	VAN AHN PHAM C/O TECHNOLOGY	010-4315	10/17 MILEAGE REIMB		25.25
50985957	12/01/2017	PHONICS HERO LIMITED	010-4300	DONATION - CORNELL SCHOOL ACCOUNT		150.00
50985958	12/01/2017	PITNEY BOWES	010-5611	AHS POSTAGE MACHINE LEASE		5.45
50985959	12/01/2017	Edward Pollard C/O Special Services	010-4315	MILEAGE REIMBURSEMENT		49.93
50985960	12/01/2017	PATRICIA POPE C/O CORNELL SCHOOL	010-4300	DONATION - REIMB FOR SUPPLIES		71.81
50985961	12/01/2017	PROCARE THERAPY, INC.	010-5800	DISTRICT NURSE		1,800.00
50985962	12/01/2017	PRUDENTIAL OVERALL SUPPLY	010-5800	DISTRICT UNIFORM SERVICE		715.78
50985963	12/01/2017	JOANNE SCARPA C/O OCEAN VIEW	010-4300	DONATION - REIMBURSEMENT FOR CLASSROOM SUPPLIES	94.99	
			010-4315	09/25 MILEAGE REIMB	16.05	111.04
50985964	12/01/2017	SCHOLASTIC INC.	010-4300	AMS CLASSROOM MAGAZINES		585.37
50985965	12/01/2017	School Facility Consultants	212-6289	10/17 CONSULTANT FEES - NEW CONSTRUCTION ELIGIBILITY		1,121.25
50985966	12/01/2017	SHAR MUSIC	010-4300	AHS CELLOS	1,709.91	
				Unpaid Sales Tax	151.91-	1,558.00
50985967	12/01/2017	SMART & FINAL	010-4300	AHS TRANSITION SUPPLIES	250.21	
				AHS TRANSITION SUPPLIES	20.64	
				AMS SCIENCE SUPPLIES	73.36	344.21
50985968	12/01/2017	STAR ELEVATOR INC	010-5610	AHS ELEVATOR SERVICE		380.68
50985969	12/01/2017	SUNESYS, LLC	010-5800	07/17 SERVICE	1,602.40	
				08/17 SERVICE	1,602.40	
				09/17 SERVICE	1,602.40	
				10/17 SERVICE	1,602.40	
				11/17 SERVICE	1,602.40	8,012.00
50985970	12/01/2017	SYSCO	130-4700	FOOD & SUPPLIES	726.95	
			130-4710	FOOD & SUPPLIES	846.25	1,573.20
50985971	12/01/2017	TOSHIBA BUSINESS SOLUTIONS	010-5610	10/02-11/01 AMS COPIES		23.89
50985972	12/01/2017	DAVID TRACY C/O TECHNOLOGY	010-4315	10/17 MILEAGE REIMB		30.18
50985973	12/01/2017	UC REGENTS UC BOTANICAL GARDENS	010-5810	CORNELL 5th GRADE TOURS		507.00
50985974	12/01/2017	STACY UYEDA C/O ALBANY MIDDLE	010-4300	REIMB FOR SAFE SCHOOL AMBASSADOR SUPPLIES		331.43
50985975	12/01/2017	TREMCO	140-5670	REPAIR AMS GYM SKYLIGHT		13,864.55
50985976	12/01/2017	JOANNE RUTH WILE	010-5825	MENTAL HEALTH COORDINATOR		1,000.00
50985977	12/01/2017	WILLIAMS SCOTSMAN, INC.	250-5621	DISTRICT PORTABLE RENT		4,174.73
50985978	12/01/2017	MARIE WILLIAMS C/O DISTRICT OFFICE	010-4315	REIMB FOR TRAVEL EXPENSES		28.40
50985979	12/01/2017	WORTHINGTON DIRECT INC.	010-4300	TABLES FOR AHS LIBRARY	753.68	

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December 2017 Warrant Listing

Check Number	Check Date	Pay to the Order of	Fund-Object	Comment	Expensed Amount	Check Amount
				Unpaid Sales Tax	50.69-	702.99
50985980	12/01/2017	ALBANY YMCA	010-5800	ACTIVE SUPERVISION DURING LUNCH RECESS		7,268.65
50985981	12/01/2017	YOUTH IN ARTS, INC	010-5825	17/18 CORNELL ENRICHMENT PROGRAMS		3,422.00
50986777	12/11/2017	ATKINSON, ANDELSON, LOYA, RUUD & ROMO PROFESSIONAL CORP	010-5826	10/17 LEGAL FEES		904.31
50986778	12/11/2017	CASBO	010-5200	LEAVES WORKSHOP - ROBINSON		215.00
50986779	12/11/2017	CITY OF BERKELEY	010-5810	02/07 OV TRIP - LOW TIDE PROGRAM		200.00
50986780	12/11/2017	EBMUD	010-5555	09/25-11/28 SERVICE		4,737.60
50986781	12/11/2017	FIRST STUDENT INC.	010-5810	11/09 AHS TRANSPORTATION TO SUNPOWER		580.30
50986782	12/11/2017	WELLS FARGO BANK, N.A.	010-6400	EQUIPMENT RENTAL		1,899.14
50986783	12/11/2017	MANJIRI PATKAR ALBANY CHILDREN'S CENTER	010-4300	REIMB FOR LESSONPIX SUBSCRIPTION		36.00
50986784	12/11/2017	SPEECH PATHOLOGY GROUP INC	010-5825	ASSESSMENT		580.00
51004980	12/06/2017	APPLE COMPUTER INC.	010-4300	DONATION - AMS APPLE TV		163.53
51004981	12/06/2017	KATY BABCOCK C/O NR SELPA	010-4315	REIMBURSEMENT FOR SELPA EXPENSES		47.19
51004982	12/06/2017	BRIAN BIGGS C/O SPECIAL EDUCATION	010-5200	REIMB FOR TRAVEL EXPENSES		136.84
51004983	12/06/2017	KAREN BONINI C/O CORNELL SCHOOL	010-4300	REIMB FOR SOCIAL THINKING MATERIALS		136.60
51004984	12/06/2017	CIWA	010-5670	HAZARDOUS WASTE REMOVAL		16,256.84
51004985	12/06/2017	CONTRA COSTA CO OFFICE OF EDU	010-5800	17/18 TEACHER INDUCTION COSTS		20,000.00
51004986	12/06/2017	DELTA EDUCATION	010-4300	CORNELL FOSS MATERIALS		1,428.96
51004987	12/06/2017	EBMUD	010-5555	09/20-11/20 SERVICE	458.56	
				10/19-11/17 SERVICE	1,585.54	2,044.10
51004988	12/06/2017	EMERY UNIFIED SCHOOL DISTRICT	010-5621	17/18 SELPA PORTABLE RENT		7,500.00
51004989	12/06/2017	Heinemann	010-4100	BENCHMARK MATERIALS		5,681.13
51004990	12/06/2017	PG&E	010-5520	10/23-11/19 SERVICE		14,236.52
51004991	12/06/2017	SCHOOL OUTFITTERS	010-4300	CORNELL CLASSROOM CHAIR		36.22
51004992	12/06/2017	PARENT	010-5825	* TRANSPORTATION SERVICES		2,775.00
51004993	12/06/2017	WASTE MANAGEMENT OF ALAMEDA	010-5515	10/17 SERVICE	6,728.39	
				11/17 SERVICE	924.77	
			120-5515	10/17 SERVICE	411.52	8,064.68
51004994	12/06/2017	WESTERN PSYCHOLOGICAL SERVICES	010-4300	SPECIAL EDUCATION FORMS		144.87
51004995	12/06/2017	PARENT	010-5827	* ACADEMIC SERVICES		12,900.00
51004996	12/06/2017	WOODWIND AND BRASSWIND	010-4300	AMS MUSIC SUPPLIES		75.07

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51005022	12/13/2017	A BETTER CHANCE SCHOOL	010-5825	BASIC EDUCATION AND RELATED SERVICES		17,469.75
51005023	12/13/2017	ALHAMBRA	130-4700	FOOD SERVICE WATER DELIVERY		13.19
51005024	12/13/2017	AQUA SOURCE	010-5670	AAC MONTHLY MAINT		1,163.00
51005025	12/13/2017	AT&T	010-5930	10/19-11/18 SERVICE		643.55
51005026	12/13/2017	AUTOMATIC RESPONSE SYSTEMS	010-5800	DISTRICT OFFICE SHREDDING SERVICE		75.00
51005027	12/13/2017	BAY AREA NEWS GROUP	010-5812	11/17 CLASSIFIED ADS		255.60
51005028	12/13/2017	BLICK ART MATERIALS	010-4300	MARIN ART SUPPLIES		442.75
51005029	12/13/2017	BONAMI BAKING	130-4700	BREAD		185.00
51005030	12/13/2017	DEBORAH BRILL C/O ALBANY MIDDLE	010-4300	REIMB FOR DISTRICT WIDE EQUITY WORK SUPPLIES	48.26	
				REIMBURSEMENT FOR SUPPLIES	86.98	135.24
51005031	12/13/2017	LUCY BRYNDZA C/O ALBANY MIDDLE	010-4300	REIMBURSEMENT FOR CLASSROOM SUPPLIES		13.03
51005032	12/13/2017	CAREER STAFF UNLIMITED	010-5825	SCHOOL PSYCHOLOGIST SERVICES		12,825.00
51005033	12/13/2017	CDW GOVERNMENT INC	010-4300	CABLE FOR AHS LIBRARY DONATION - AMS LED TV		531.24
51005034	12/13/2017	CHABOT SPACE & SCIENCE CENTER	010-5810	04/20 MARIN TRIP		1,350.00
51005035	12/13/2017	CHALK SCHOOLS	010-5830	CHALK SCHOOLS LICENSE FEE		1,583.33
51005036	12/13/2017	CHRISTY WHITE ASSOCIATES	010-5820	16/17 DISTRICT AUDIT 50%		8,550.00
51005037	12/13/2017	CAPITAL ONE COMMERCIAL	010-4300	CULINARY LAB SUPPLIES	450.43	
			130-4300	FOOD SERVICE EXPENSES	422.14	
			130-4700	FOOD SERVICE EXPENSES	446.56	
			130-4710	FOOD SERVICE EXPENSES	140.91	1,460.04
51005038	12/13/2017	CRYSTAL CREAMERY	130-4700	17/18 DAIRY		721.92
51005039	12/13/2017	CULTURE SHOCK YOGURT	130-4700	YOGURT		192.60
51005040	12/13/2017	DANIELSEN	130-4700	FOOD & SUPPLIES	1,483.05	
			130-4710	FOOD & SUPPLIES	126.70	1,609.75
51005041	12/13/2017	DELTA DENTAL	010-9534	11/17 DELTA DENTAL	8,443.77	
				12/17 DELTAL DENTAL	8,334.31	16,778.08
51005042	12/13/2017	DELTA EDUCATION	010-4300	CORNELL FOSS MATERIALS		4.97
51005043	12/13/2017	DEMCO	010-4300	DONATION - BOOK TAPE FOR CORNELL LIBRARY		254.92
51005044	12/13/2017	Shanna Dennis C/O Cornell School	010-4300	DONATION - REIMB FOR SUPPLIES		72.02
51005045	12/13/2017	DEBRA DESGROSIELLIER C/O CORNELL SCHOOL	010-4300	DONATION - REIMB FOR SUPPLIES		88.48
51005046	12/13/2017	DESIGN SPACE MODULAR BUILDINGS	250-5621	DISTRICT OFFICE LEASE		4,561.56
51005047	12/13/2017	DOCUMENT TRACKING SERVICES	010-5830	DTS/LCAP EXPANSION LICENSE RENEWAL		1,750.00

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51005048	12/13/2017	EAST BAY PAINT & DECORATOR CTR	010-4300	DISTRICT PAINT SUPPLIES		462.94
51005049	12/13/2017	EAST BAY RESTAURANT SUPPLY	130-6400	COMBI OVENS FOR AHS & AMS	71,845.00	
				Unpaid Sales Tax	80.00-	71,765.00
51005050	12/13/2017	FOOD 4 THOUGHT, LLC	130-4700	FOOD		239.50
51005051	12/13/2017	Naomi Gardner c/o Marin Elem	010-4300	DONATION - REIMB FOR CLASSROOM SUPPLIES		98.16
51005052	12/13/2017	GOLD STAR FOODS	130-4700	FOOD		2,920.02
51005053	12/13/2017	GOPHER SPORTS	010-4300	AMS NOONTIME BALLS		148.69
51005054	12/13/2017	DAVID HAUPERT C/O ALBANY MIDDLE	010-4300	REIMBURSEMENT FOR PD SUPPLIES		13.96
51005055	12/13/2017	Hayes Distributing Inc.	130-4700	FOOD		1,863.10
51005056	12/13/2017	HOME DEPOT INC.	010-4300	DISTRICT MAINTENANCE SUPPLIES		600.30
51005057	12/13/2017	WELLS FARGO VENDOR FIN SERV	010-5611	DISTRICT WIDE COPIER LEASE		3,273.42
51005058	12/13/2017	KONICA MINOLTA BUSINESS SOLUTIONS INC.	010-5610	AHS COPIER USAGE	411.45	
				CORNELL COPIER USAGE	384.26	
				DISTRICT OFFICE COPIER USAGE	111.93	
				MAC HIGH COPIER USAGE	8.67	
				MARIN COPIER USAGE	451.27	
				OCEAN VIEW COPIER USAGE	423.38	1,790.96
51005059	12/13/2017	LEARNING WITHOUT TEARS	010-4300	OCEAN VIEW MATERIALS		57.52
51005060	12/13/2017	A.C. LOCK SERVICE	010-4300	SPARE KEY FOR TRANSPORTATION VEHICLE	224.99	
				Unpaid Sales Tax	1.03-	223.96
51005061	12/13/2017	MAGGIORA BAKING CO	130-4700	FOOD		335.50
51005062	12/13/2017	MARINA MECHANICAL	010-5670	CORNELL HVAC INSPECTIONS	1,385.00	
				MARIN HVAC INSPECTIONS	2,880.00	4,265.00
51005063	12/13/2017	MICHAEL'S TRANSPORTATION SRV	010-5810	(9035) TRANSPORTATION FOR AHS ATHLETICS		1,735.25
51005064	12/13/2017	MOBILE MODULAR MGMT. CORP.	140-5621	AHS CONTAINER RENTALS		76.83
51005065	12/13/2017	O'CONNOR PEST CONTROL	010-5610	AHS & AMS PEST CONTROL		150.00
51005066	12/13/2017	P & R PAPER SUPPLY COMPANY	130-4710	SUPPLIES		616.01
51005067	12/13/2017	NCS PEARSON, INC.	010-4300	SPECIAL EDUCATION FORMS & BOOKLETS		890.12
51005068	12/13/2017	PG&E	010-5520	10/30-11/28 SERVICE	7,995.25	
				11/01-11/30 SERVICE	600.92	
			120-5520	10/30-11/28 SERVICE	855.35	9,451.52
51005069	12/13/2017	VAN AHN PHAM C/O TECHNOLOGY	010-4315	11/01-12/01 MILEAGE REIMB		24.76
51005070	12/13/2017	CRAIG PON	120-8673	ACC REFUND - SCHOOL AGE		2,176.00
51005071	12/13/2017	PROCARE THERAPY, INC.	010-5800	DISTRICT NURSE		1,350.00

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51005072	12/13/2017	ST. ALBAN'S CHURCH	010-5621	FACILITY USAGE		525.00
51005073	12/13/2017	SUNESYS, LLC	010-5800	12/17 SERVICE		1,602.40
51005074	12/13/2017	SUPER DUPER PUBLICATIONS	010-4300	DONATION - CLASSROOM SUPPLIES	98.57	
				Unpaid Sales Tax	8.77-	89.80
51005075	12/13/2017	SYSCO	130-4700	FOOD & SUPPLIES		154.32
51005076	12/13/2017	UC BOTANICAL GARDENS	010-5810	CORNELL 5th GRADE TOURS		175.50
51005077	12/13/2017	STACY UYEDA C/O ALBANY MIDDLE	010-4300	REIMB FOR SAFE SCHOOL AMBASSADOR SUPPLIES	450.08	
				REIMBURSEMENT FOR CLASSROOM SUPPLIES	73.50	523.58
51005078	12/13/2017	WILLIAMS SCOTSMAN, INC.	250-5621	DISTRICT PORTABLE RENT		2,627.00
51005510	12/15/2017	ACSIG - DELTA DENTAL	010-9534	11/17 COBRA DENTAL	413.22	
				11/17 DENTAL	43,865.19	
				12/17 COBRA DENTAL	413.22	
				12/17 DENTAL	36,682.92	81,374.55
51005511	12/15/2017	ADRIANE AHNSTEDT C/O MARIN SCHOOL	010-5200	REIMB FOR CMC CONFERENCE EXPENSES		98.41
51005512	12/15/2017	AMERICAN LOGISTICS COMPANY	010-5825	TRANSPORTATION SERVICES		1,089.92
51005513	12/15/2017	AT&T	010-5930	12/01 CHARGES		69.47
51005514	12/15/2017	BEACON CONSULTING GROUP	010-5800	PROP 39 CONSULTING SERVICES		6,000.00
51005515	12/15/2017	CDW GOVERNMENT INC	010-4300	DONATION - AMS LED TV	63.38	
				POWER SUPPLY & ADAPTER - TECH	68.69	132.07
51005516	12/15/2017	CRYSTAL CREAMERY	130-4700	17/18 DAIRY		10.30
51005517	12/15/2017	CSM CONSULTING, INC.	010-5800	E-RATE SERVICES		1,625.00
51005518	12/15/2017	DEPARTMENT OF JUSTICE	010-5838	11/17 LIVE SCAN FEES		1,035.00
51005519	12/15/2017	ROCHELLE DONOVAN C/O MARIN SCHOOL	010-5200	REIMB FOR CMC CONFERENCE EXPENSES		87.29
51005520	12/15/2017	Amy Evoy c/o Marin School	010-5200	REIMB FOR CMC CONFERENCE EXPENSES		91.03
51005521	12/15/2017	FLINN SCIENTIFIC	010-4300	AMS SCIENCE SUPPLIES		364.17
51005522	12/15/2017	GOLD STAR FOODS	130-4700	FOOD		403.40
51005523	12/15/2017	HOUGHTON MIFFLIN COMPANY	010-4100	AMS WEB SUBSCRIPTION - MATH & READING		6,340.00
51005524	12/15/2017	LANER ELECTRIC SUPPLY CO INC	010-4300	DISTRICT ELECTRICAL SUPPLIES / HARDWARE		195.86
51005525	12/15/2017	FRANCISCO LOPEZ	010-4300	REIMB FOR LATINO PARENT ENGAMENET SUPPLIES	373.15	
			010-5825	AUSD LATINO/HISPANC PARENT ENGAGEMENT GROUP SERVS	3,000.00	3,373.15

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51005526	12/15/2017	NEOFUNDS BY NEOPOST	010-5910	DISTRICT OFFICE POSTAGE		99.58
51005527	12/15/2017	OFFICE DEPOT	010-4300	AHS SUPPLIES	768.77	
				AMS SUPPLIES	463.31	
				CORNELL SUPPLIES	230.09	
				MARIN SUPPLIES	461.36	
				OCEAN VIEW SUPPLIES	1,200.59	3,124.12
51005528	12/15/2017	PASTIME ACE HARDWARE	010-4300	AAC HARDWARE	45.25	
				AMS SCIENCE SUPPLIES	88.76	
				DISTRICT MAINTENANCE SUPPLIES	1,618.57	1,752.58
51005529	12/15/2017	PG&E	010-5520	11/06-12/05 SERVICE	963.16	
				11/06-12/05 SERVICE	188.75	
				11/07-12/06 SERVICE	10,921.85	12,073.76
51005530	12/15/2017	PROCARE THERAPY, INC.	010-5800	DISTRICT NURSE		1,350.00
51005531	12/15/2017	PRUDENTIAL OVERALL SUPPLY	010-5800	DISTRICT UNIFORM SERVICE		715.78
51005532	12/15/2017	SPURR	010-5520	11/17 CHARGES	11,810.32	
			120-5520	11/17 CHARGES	51.74	11,862.06
51005533	12/15/2017	THERAPY WORKS	010-5825	Assistive Technology Services		1,875.00
51005534	12/15/2017	UNITED PARCEL SERVICE	010-5920	SHIPPING CHARGES		9.95
51005535	12/15/2017	JOANNE RUTH WILE	010-5800	TRAUMA GRANT COORDINATOR		600.00
51005536	12/15/2017	VALERIE WILLIAMS C/O DISTRICT OFFICE	010-4315	07/01-12/14 MILEAGE REIMB		244.50
51005998	12/18/2017	AUS WEST LOCKBOX	130-5800	MOP & TOWEL SERVICE		248.00
51005999	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		646.86
51006000	12/18/2017	ARROW GLASS COMPANY	010-4300	DISTRICT WINDOW REPAIRS/REPLACEMENTS		298.00
51006001	12/18/2017	AUSD REVOLVING FUND	010-5800	SERVICE FEES	408.47	
			010-5838	LIVE SCAN FEES	500.00	908.47
51006002	12/18/2017	ALBANY USD	010-3751	01/18 CALPERS	13,350.34	
			010-3752	01/18 BOE CALPERS	133.00	
				01/18 CALPERS	5,985.00	
			010-5800	01/18 BOE CALPERS	37.58	
				01/18 CALPERS	1,857.89	
			010-9534	01/18 BOE CALPERS	11,255.21	
				01/18 CALPERS	473,422.07	506,041.09
51006003	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		1,645.04
51006004	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		1,035.39
51006005	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		646.86
51006006	12/18/2017	BYU INDEPENDENT STUDY	010-5800	17/18 VARIOUS INDEPENDENT STUDY COURSES		567.00

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51006007	12/18/2017	CAS Inspections, Inc. Neil Brodhead	211-6261	INSPECTOR OF RECORD SERVICES - AMS ANNEX PROJECT		4,500.00
51006008	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		1,426.72
51006009	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		1,569.60
51006010	12/18/2017	CITY OF BERKELEY	010-5810	04/27/18 OV TRIP - SAILING PROGRAM		255.00
51006011	12/18/2017	CLARK PEST CONTROL	010-5800	DISTRICT PEST CONTROL		988.00
51006012	12/18/2017	EAST BAY PAINT & DECORATOR CTR	010-4300	DISTRICT PAINT SUPPLIES		172.39
51006013	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		1,426.72
51006014	12/18/2017	FORENSICS ANALYTICAL CONSULTING SERVICES	010-5800	OV MOLD/MOSITURE INSPECTION		3,064.00
51006015	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		1,645.04
51006016	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		1,147.19
51006017	12/18/2017	RETIREE	010-3752	17/18 RETIREE REIMBURSEMENT		183.34
51006018	12/18/2017	RETIREE	010-3752	17/18 RETIREE REIMBURSEMENT		895.24
51006019	12/18/2017	RETIREE	010-3752	17/18 RETIREE REIMBURSEMENT		756.02
51006020	12/18/2017	RETIREE	010-3752	17/18 RETIREE REIMBURSEMENT		1,189.90
51006021	12/18/2017	HERITAGE SCHOOLS, INC.	010-5825	BASIC ED, RM & BOARD, RELATED SERVICES		11,880.00
51006022	12/18/2017	HILLYARD	010-4300	DISTRICT CUSTODIAL SUPPLIES		1,316.00
51006023	12/18/2017	HOME DEPOT INC.	010-4300	DISTRICT MAINTENANCE SUPPLIES		333.57
51006024	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		490.89
51006025	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		1,569.60
51006026	12/18/2017	RETIREE	010-3752	17/18 RETIREE REIMBURSEMENT		1,645.04
51006027	12/18/2017	RETIREE	010-3752	17/18 RETIREE REIMBURSEMENT		1,426.72
51006028	12/18/2017	LINCOLN EQUIPMENT INC.	010-4300	AAC SUPPLIES		140.70
51006029	12/18/2017	JACQUELINE MANIBUSAN C/O DISTRICT OFFICE	010-4305	REIMB FOR TRAVEL AND SUPPLIES	24.95	
			010-5200	REIMB FOR TRAVEL AND SUPPLIES	17.63	42.58
51006030	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		1,600.86
51006031	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		172.48
51006032	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		1,467.54
51006033	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		963.20
51006034	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		756.02
51006035	12/18/2017	RETIREE	010-3751	17/18 RETIREE REIMBURSEMENT		249.30
51006036	12/18/2017	TECHNICAL SAFETY SERVICES	010-5622	SERVICE KITCHEN FUME HOODS		510.00
51006037	12/18/2017	THE PHILLIPS ACADEMY	010-5825	BASIC EDUCATION AND RELATED SERVICES		3,120.00
51006038	12/18/2017	MARIE WILLIAMS C/O DISTRICT OFFICE	010-4315	08/08-12/14 MILEAGE REIMB		240.73
51006039	12/18/2017	VALERIE WILLIAMS C/O DISTRICT OFFICE	010-4305	REIMB FOR TRAVEL AND SUPPLIES	32.71	
			010-5200	REIMB FOR TRAVEL AND SUPPLIES	35.00	67.71

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51006040	12/18/2017	ALBANY YMCA	010-5800	ACTIVE SUPERVISION DURING LUNCH RECESS		7,268.65
51006574	12/20/2017	BANKCARD CENTER - REPLACE CK# 50977706	010-4100	AHS SCIENCE TEXTBOOKS	5,058.92	
			010-4200	AHS LIBRARY BOOKS	443.80	
			010-4300	ACC STORAGE CABINET	151.93	
				AHS CREDIT CARD EXPENSES - SEE CK# 50977706	217.42	
				AHS SCIENCE SUPPLIES	52.63	
				AMS DUSTPAN & BRUSH SET	6.80	
				AMS MATH SUPPLIES	97.08	
				AMS NOTEBOOKS	65.82	
				AMS PRESENTER REMOTE	9.87	
				AMS SUPPLIES	34.96	
				AMS THANKSGIVING HATS	221.94	
				ASSESSMENT SOFTWARE SYSTEM - SPED	82.29	
				CHIME & BOOK - AMS	35.25	
				CORNELL CHROMEBOOK ADAPTORS	144.60	
				CORNELL CREDIT CARD EXPENSES - SEE CK# 50977706	127.20	
				CORNELL OFFICE SUPPLIES	120.34	
				CORNELL SUPPLIES	58.55	
				DICE FOR AHS MATH	35.85	
				DONATION - CORNELL CLASSROOM SUPPLIES	10.99	
				DONATION - LAMINATOR FOR CORNELL CLASSROOM	39.50	
				DONATION - OCEAN VIEW BOOK	25.53	
				DONATION - OV CLASSROOM BOOKS	229.39	
				HR CREDIT CARD EXPENSES - SEE CK# 50977706	98.83	
				iPAD CASES FOR MARIN	417.00	
				MAC HIGH SCIENCE KIT	15.80	
				MARIN CREDIT CARD EXPENSES - SEE CK# 50977706	59.58	
				OCEAN VIEW OFFICE SUPPLIES	175.81	
				OCEAN VIEW SUPPLIES	168.00	
				OV REPLACEMENT EAR PODS	173.60	

The preceding Checks have been issued in accordance with the District's Policy and authorization of the Board of Trustees. It is recommended that the preceding Checks be approved.

ESCAPE ONLINE

December 2017 Warrant Listing

Check Number	Check Date	Pay to the Order of	Fund-Object	Comment	Expensed Amount	Check Amount	
51006574	12/20/2017	BANKCARD CENTER - REPLACE CK# 50977706	010-4300	REPLACE LOST CK# 50977706	1,427.50		
				STORAGE CONTAINERS FOR AHS	239.78		
				SCIENCE			
				THE 57 BUS BOOK - AMS	10.85		
				TOOTH SAVER NECKLACES FOR	40.00		
				CORNELL			
				WATER DELIVERY - AMS PORTABLES	525.07		
				WATER TEST KITS	479.40		
				010-4305	CI&A CREDIT CARD EXPENSES - SEE	66.00	
				CK# 50977706			
				SUPT. CREDIT CARD EXPENSES - SEE	108.80		
				CK# 50977706			
				010-5200	AMS CREDIT CARD EXPENSES - SEE CK#	1,156.86	
				50977706			
				CI&A CREDIT CARD EXPENSES - SEE	675.00		
				CK# 50977706			
				HR CREDIT CARD EXPENSES - SEE CK#	7.00		
50977706							
	TECH TRAVEL EXPENSES	363.55					
	010-5300	REPLACE LOST CK# 50977706	183.33				
	010-5800	FEES - SEE CK# 50977706	11.00				
	010-5810	OAKLAND MUSEUM - OV TRIPS 11/03,	1,000.00				
		12/07, 12/08					
		REPLACE LOST CK# 50977706	158.00				
	010-5812	HR CREDIT CARD EXPENSES - SEE CK#	203.58				
		50977706					
	010-5870	REPLACE LOST CK# 50977706	1,208.35				
	120-4300	ACC CLEANER	50.69				
		ACC SUPPLIES	109.51				
	130-4300	FOOD SERVICE CREDIT CARD	420.78				
		EXPENSES					
	130-4700	FOOD SERVICE CREDIT CARD	1,848.98				
		EXPENSES					
	130-4710	FOOD SERVICE CREDIT CARD	266.69				
		EXPENSES					
	130-5200	FOOD SERVICE CREDIT CARD	290.00	19,112.90			
		EXPENSES					
51006575	12/20/2017	BANKCARD CENTER	010-4300	AAC CREDIT CARD EXPENSES	108.65		
				AMERICAN FLAG FOR AMS	68.12		

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ESCAPE ONLINE

December 2017 Warrant Listing

Check Number	Check Date	Pay to the Order of	Fund-Object	Comment	Expensed Amount	Check Amount
51006575	12/20/2017	BANKCARD CENTER	010-4300	AMS DIGITAL CAMERAS & MEMORY CARDS	489.40	
				AMS SUPPLIES	21.56	
				DO SUPPLIES, MAINT VAN RACK, FASTRAK FEES	3,774.29	
				DONATION - CLASSROOM CHAIRS & EARMUFFS	197.44	
				DONATION - CORNELL CLASSROOM BOOKS	134.15	
				DONATION - CORNELL FILE FOLDERS	18.65	
				DONATION - CORNELL SUPPLIES	7.67	
				DONATION - GAMES FOR CORNELL CLASSROOM	61.02	
				DONATION - OCEAN VIEW CLASSROOM SUPPLIES	45.98	
				OV DONATION - RETHINKING MATHEMATICS	208.90	
				CORNELL DONATION - USB CABLE	7.68	
				ENGLISH ONLINE LEARNING SUBSCRIPTION - AHS	49.00	
				MEMORY CARDS FOR AHS CLASSROOM	180.90	
				OV PROJECTOR MOUNTS	545.23	
				WATER DELIVERY - AMS PORTABLES	236.86	
				WORLD LANGUAGE COMPUTER CART KEY	26.90	
			010-4305	SUPT. CREDIT CARD EXPENSES	108.80	
			010-5200	CERAMICS CLASS - ALIZA COHEN	275.00	
				CBO SYMPOSIUM EXPENSES	513.96	
				HOTEL STAY DURING ASILOMAR CONFERENCE	575.60	
			010-5800	CORNELL CREDIT CARD EXPENSES	11.64	
				FEES	226.63	
				FEES	53.04	
				FOOD SERVICE CREDIT CARD EXPENSES	59.74	
				HR CREDIT CARD EXPENSES	16.72	
				SUPT. CREDIT CARD EXPENSES	11.86	

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ESCAPE ONLINE

December 2017 Warrant Listing

Check Number	Check Date	Pay to the Order of	Fund-Object	Comment	Expensed Amount	Check Amount
51006575	12/20/2017	BANKCARD CENTER	010-5810	01/12/18 DEPOSIT FOR MARIN TRIP TO THE EXPLORATORIUM	352.50	
				CORNELL CREDIT CARD EXPENSES	25.00	
				TICKETS FOR AHS TRIP TO SHATTUCK CINEMAS	1,125.00	
			010-5812	HR CREDIT CARD EXPENSES	426.01	
			120-4300	ACC CREDIT CARD EXPENSES	84.43	
				THERMOMETER FILTERS - ACC	21.60	
			130-4300	FOOD SERVICE CREDIT CARD EXPENSES	203.48	
			130-4700	FOOD SERVICE CREDIT CARD EXPENSES	1,923.86	
			130-4710	FOOD SERVICE CREDIT CARD EXPENSES	39.59	12,236.86
51053547	12/08/2017	ANTI-DEFAMATION LEAGUE ADL	010-5800	ANTI-BIAS PROGRAM TRAINING - AMS		300.00
51053548	12/08/2017	ALAMEDA COUNTY OFFICE OF ED	010-5200	SOCIAL JUSTICE MATHEMATICS PD ON 10/13		500.00
51053549	12/08/2017	ALHAMBRA	010-4300	DISTRICT OFFICE WATER DELIVERY		64.74
51053550	12/08/2017	AQUA SOURCE	010-5670	AAC SERVICE/REPAIRS		497.51
51053551	12/08/2017	AUS WEST LOCKBOX	130-5800	MOP & TOWEL SERVICE		124.00
51053552	12/08/2017	AT&T	010-5930	10/19-11/18 SERVICE	1,807.84	
			120-5930	10/19-11/18 SERVICE	18.92	1,826.76
51053553	12/08/2017	B&H PHOTO-VIDEO	010-4200	AHS VGA CABLE	35.45	
				Unpaid Sales Tax	2.30-	33.15
51053554	12/08/2017	Berkeley Live Scan	010-5838	LIVE SCAN FEES		25.00
51053555	12/08/2017	BEYOND THE CLASSROOM	010-5825	SPECIALIZED ACADEMIC INSTRUCTION, AUDIOLOGY MAINT		587.25
51053556	12/08/2017	PARENT	010-5827	* ACADEMIC SERVICES		3,800.00
51053557	12/08/2017	PARENT	010-5827	* THERAPY SERVICES		600.00
51053558	12/08/2017	CENGAGE LEARNING	010-4100	AHS CLASSROOM MATERIALS	251.48	
				Unpaid Sales Tax	3.73-	247.75
51053559	12/08/2017	CHABOT SPACE & SCIENCE CENTER	010-5810	CORNELL TRIPS		1,800.00
51053560	12/08/2017	CIWA	010-5800	SENSOR TRACKING FOR DISTRICT GARBAGE BINS		1,000.00
51053561	12/08/2017	COPY EXPRESS	010-4300	CORNELL COPIES & PRINTING SERVICES		25.00
51053562	12/08/2017	PARENT	010-5827	* SPECIALIZED ACADEMIC INSTRUCTION		2,600.00
51053563	12/08/2017	CREST/GOOD MFG. CO.	010-4300	DISTRICT PLUMBING SUPPLIES		836.46

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ESCAPE ONLINE

December 2017 Warrant Listing

Check Number	Check Date	Pay to the Order of	Fund-Object	Comment	Expensed Amount	Check Amount
51053564	12/08/2017	CRYSTAL CREAMERY	130-4700	17/18 DAIRY		1,387.35
51053565	12/08/2017	CULTURE SHOCK YOGURT	130-4700	FROZEN YOGURT		1,605.00
51053566	12/08/2017	DANIELSEN	130-4700	FOOD & SUPPLIES	905.97	
			130-4710	FOOD & SUPPLIES	34.75	940.72
51053567	12/08/2017	EBMUD	010-5555	09/25-11/28 SERVICE	458.56	
			120-5555	09/26-11/28 SERVICE	511.63	970.19
51053568	12/08/2017	ENTERPRISE RENT-A-CAR	010-5600	VAN RENTAL - AHS ATHLETICS		129.54
51053569	12/08/2017	FALTZ ASSOCIATES INC.	010-5825	SPEECH THERAPY SERVICES		291.00
51053570	12/08/2017	ANNIEJAE FISCHBURG C/O ALBANY HIGH	010-4300	REIMBURSEMENT FOR CLASSROOM SUPPLIES		15.45
51053571	12/08/2017	FOOD 4 THOUGHT, LLC	130-4700	FOOD		1,042.35
51053572	12/08/2017	DIANE FRANCIS C/O ALBANY HIGH	010-4315	10/24 - 10/25 MILEAGE REIMB	51.79	
				11/17 - 11/18 MILEAGE REIMB	29.10	80.89
51053573	12/08/2017	GOLD STAR FOODS	130-4700	FOOD		1,360.16
51053574	12/08/2017	Hayes Distributing Inc.	130-4700	FOOD		2,818.76
51053575	12/08/2017	CARMEN & JOSE HENRIGUEZ	010-8699	PSAT REFUND		25.00
51053576	12/08/2017	HILLYARD/SAN FRANCISCO	010-4300	DISTRICT CUSTODIAL SUPPLIES		1,031.18
51053577	12/08/2017	Hodge Products, Inc.	010-4300	DONATION - AHS COMBO LOCKS		582.78
51053578	12/08/2017	ELLEN HOKE	010-5825	ORIENTATION & MOBILITY SERVICES		742.50
51053579	12/08/2017	HOME DEPOT INC.	010-4300	DISTRICT MAINTENANCE SUPPLIES		979.38
51053580	12/08/2017	REBECCA KIM	130-8634	LUNCH REFUND		158.25
51053581	12/08/2017	THOMAS W. KTSANES	010-8699	STALE DATED PR CK 10733596		80.00
51053582	12/08/2017	LIBRARIANS BOOK EXPRESS	010-4300	DONATION - CORNELL LIBRARY SUPPLIES (P17-00706)		86.29
51053583	12/08/2017	LINCOLN EQUIPMENT INC.	010-4300	AAC SUPPLIES		1,142.11
51053584	12/08/2017	SHAWN LUCAS C/O D.O. CUSTODIAL	010-4315	11/13-11/30 MILEAGE REIMB		5.14
51053585	12/08/2017	MAGGIORA BAKING CO	130-4700	FOOD		372.10
51053586	12/08/2017	NALL & COMPANY INC.	010-4400	MAINT SCAFFOLD		3,281.53
51053587	12/08/2017	NEXTEL COMMUNICATIONS	010-5930	DISTRICT CELL PHONE SERVICE	529.92	
			120-5930	DISTRICT CELL PHONE SERVICE	140.41	670.33
51053588	12/08/2017	OFFICE DEPOT	010-4300	DO SUPPLIES		54.90
51053589	12/08/2017	ORION ACADEMY	010-5825	BASIC EDUCATION		650.00
51053590	12/08/2017	P & R PAPER SUPPLY COMPANY	130-4710	SUPPLIES		459.64
51053591	12/08/2017	PRUDENTIAL OVERALL SUPPLY	010-5800	DISTRICT UNIFORM SERVICE		1,431.56
51053592	12/08/2017	JULIET RADFORD C/O ALBANY HIGH	010-4315	10/24 - 10/25 MILEAGE REIMB		51.79
51053593	12/08/2017	RASKOB INSTITUTE	010-5825	Basic Education		1,884.48
51053594	12/08/2017	CESAR RODRIGUEZ	010-8699	PSAT REFUND		25.00
51053595	12/08/2017	SAN LEANDRO ELECTRIC SUPPLY	010-4300	DISTRICT ELECTRICAL SUPPLIES		130.25

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ESCAPE ONLINE

December 2017 Warrant Listing

Check Number	Check Date	Pay to the Order of	Fund-Object	Comment	Expensed Amount	Check Amount
51053596	12/08/2017	PABLO E. SANCHEZ	010-5800	DISTRICT LANDSCAPING		3,900.00
51053597	12/08/2017	PARENT	010-5825	* TRANSPORTATION SERVICES		2,960.00
51053598	12/08/2017	SPURR	010-5520	10/17 CHARGES	11,186.53	
			120-5520	10/17 CHARGES	31.98	11,218.51
51053599	12/08/2017	STE CONSULTANTS, LLC	010-5825	COLLABORATION WITH STAFF		57.50
51053600	12/08/2017	SYSCO	130-4700	FOOD & SUPPLIES	2,840.78	
			130-4710	FOOD & SUPPLIES	790.61	3,631.39
51053601	12/08/2017	Verizon Wireless	010-5930	SELPA CELL PHONE SERVICE		118.69
51053602	12/08/2017	MAX WEI & CHRISTINA CHAN	010-8699	PSAT REFUND		25.00
51053603	12/08/2017	ANN & DAVID WILLIAMSON	010-8699	PSAT REFUND		25.00
51053604	12/08/2017	ZanShan Wu	010-8699	PSAT REFUND		25.00
Total Number of Checks					295	1,249,946.56

Fund Summary

Fund	Description	Check Count	Expensed Amount
010	General Fund	253	1,106,108.49
120	Child Development Fund	14	6,754.25
130	Cafeteria Fund	36	106,705.01
140	Deferred Maintenance Fund	3	14,018.21
211	Measure B 2016A	1	4,500.00
212	Measure E 2016A	1	1,121.25
250	Capital Facilities Fund	3	11,363.29
Total Number of Checks		295	1,250,570.50
Less Unpaid Sales Tax Liability			623.94
Net (Check Amount)			1,249,946.56

The preceding Checks have been issued in accordance with the District's Policy and authorization of the Board of Trustees. It is recommended that the preceding Checks be approved.

ESCAPE ONLINE

ALBANY UNIFIED SCHOOL DISTRICT
Donations ♦ December 1 – December 31, 2017

SUMMARY

Site	Current	Previously Approved	Total Year-to-Date
Albany High School	\$ 1,471.26	\$ 7,681.30	\$ 9,152.56
Albany Middle School	1,053.39	25,402.49	26,455.88
Ocean View Elementary	608.00	16,024.46	16,632.46
Cornell Elementary	216.56	32,399.59	32,616.15
Marin Elementary	601.40	6,688.14	7,289.54
Transitional Kindergarten	0	374.00	374.00
ICEC: In Class Enrichment Campaign	307.46	6,450.00	6,757.46
Multi-Site Donations	4,813.15	308,609.19	313,422.34
Total	\$ 9,071.22	\$403,629.17	\$412,700.39

A	Albany Education Foundation – Grants, October 1, 2017–December 31, 2017.
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ALBANY UNIFIED SCHOOL DISTRICT
December 1 – December 31, 2017

ALBANY HIGH SCHOOL	
\$ 61.58	Ackerman's Servicing - Hubbard
\$ 350.00	Family Donation - Ventura-Uhsmann
\$ 574.68	Online Donation via Benevity - Stocker
\$ 25.00	Wells Fargo - ASB Charity Club
\$ 385.00	YourCause, PG&E - Ritchie
\$ 50.00	YourCause, Wells Fargo - Bradley
\$ 25.00	YourCause, Wells Fargo - Cohn
\$ 1,471.26	Current
\$ 4,823.90	Approved - 1/9/18 Board Meeting
\$ 1,669.00	Approved - 11/28/17 Board Meeting
\$ 144.40	Approved - 10/24/17 Board Meeting
\$ 594.00	Approved - 9/26/17 Board Meeting
\$ 450.00	Approved - 8/22/17 Board Meeting
\$ 9,152.56	Total YTD

ALBANY MIDDLE SCHOOL	
\$ 463.39	AMS PTA - PE Department
\$ 35.00	Family Donation - 7th Grade
\$ 35.00	Family Donation - 7th Grade
\$ 35.00	Family Donation - 7th Grade
\$ 35.00	Family Donation - 7th Grade
\$ 35.00	Family Donation - 7th Grade
\$ 415.00	YourCause PG&E - Brill
\$ 1,053.39	Current
\$ 3,769.00	Approved - 1/9/18 Board Meeting
\$ 7,712.50	Approved - 11/28/17 Board Meeting
\$ 2,834.89	Approved - 10/24/17 Board Meeting
\$ 11,086.10	Approved - 8/22/17 Board Meeting
\$ 26,455.88	Total YTD

OCEAN VIEW ELEMENTARY	
\$ 398.00	AEF Field Trip Grant - Bruckmann-Harmon
\$ 30.00	Donation via MySchoolBucks - Corcoran
\$ 30.00	Donation via MySchoolBucks - Finan
\$ 100.00	Family Donation - Hatem
\$ 50.00	YourCause, PG&E - Georgeson
\$ 608.00	Current
\$ 12,035.43	Approved - 1/9/18 Board Meeting
\$ 725.00	Approved - 11/28/17 Board Meeting
\$ 969.89	Approved - 10/24/17 Board Meeting
\$ 2,294.14	Approved - 9/26/17 Board Meeting
\$ 16,632.46	Total YTD

CORNELL ELEMENTARY	
\$ 191.56	Donation Benevity - Rasmussen, Biehl
\$ 25.00	YourCause, Wells Fargo - Hughes
\$ 216.56	Current
\$ 5,028.34	Approved - 1/9/18 Board Meeting
\$ 26,901.25	Approved - 11/28/17 Board Meeting
\$ 470.00	Approved - 10/24/17 Board Meeting
\$ 32,616.15	Total YTD

MARIN ELEMENTARY	
\$ 523.00	AEF-Sponsored Field Trip - Naiff
\$ 10.00	Family Donation - Snyder
\$ 10.00	Family Donation - Snyder
\$ 20.00	Family Donation - Snyder
\$ 20.00	Family Donation - Snyder
\$ 18.40	Funding Factory - Pfohl
\$ 601.40	Current
\$ 2,468.00	Approved - 1/9/18 Board Meeting
\$ 3,601.00	Approved - 11/28/17 Board Meeting
\$ 219.00	Approved - 10/24/17 Board Meeting
\$ 400.14	Approved - 9/26/17 Board Meeting
\$ 7,289.54	Total YTD

TRANSITIONAL KINDERGARTEN	
\$ 374.00	Approved - 1/9/18 Board Meeting
\$ 374.00	Total YTD

ICEC - In Class Enrichment Campaign	
\$ 75.00	Family Donation
\$ 100.00	Family Donation
\$ 57.46	Online Donation via Benevity
\$ 75.00	Online Donation via MySchoolBucks
\$ 307.46	Current
\$ 1,645.00	Approved - 1/9/18 Board Meeting
\$ 460.00	Approved - 11/28/17 Board Meeting
\$ 4,245.00	Approved - 10/24/17 Board Meeting
\$ 40.00	Approved - 9/26/17 Board Meeting
\$ 60.00	Approved - 8/22/17 Board Meeting
\$ 6,757.46	Total YTD

MULTI-SITE DONATIONS	
\$ 4,533.15	Albany Athletics Boosters
\$ 280.00	YourCause - Wells Fargo
\$ 4,813.15	Current
\$ 275,914.49	Approved - 1/9/18 Board Meeting
\$ 4,766.46	Approved - 11/28/17 Board Meeting
\$ 55.00	Approved - 10/24/17 Board Meeting
\$ 4,467.95	Approved - 9/26/17 Board Meeting
\$ 23,405.29	Approved - 8/22/17 Board Meeting
\$ 313,422.34	Total YTD

TOTAL	
\$ 9,071.22	Current
\$ 306,058.16	Approved - 1/9/18 Board Meeting
\$ 45,835.21	Approved - 11/28/17 Board Meeting
\$ 8,938.18	Approved - 10/24/17 Board Meeting
\$ 7,796.23	Approved - 9/26/17 Board Meeting
\$ 35,001.39	Approved - 8/22/17 Board Meeting
\$ 412,700.39	Total YTD



Albany Education Foundation

AEF Grants awarded October 31, 2017 through December 31, 2017:

- ❖ \$30,149 45 Mini Grants
- ❖ \$24,776 66 Field Trip Grants
- ❖ \$ 4,220 2 Sally Outis Block Grants
- ❖ \$ 3,735 Bell Bequest Grants to All Site Libraries
- ❖ \$ 3,600 20 New Teacher Grants
- ❖ \$ 600 Bell Bequest to AHS Photo Lab

- \$67,080 TOTAL

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP**

Regular Meeting of January 23, 2018

ITEM: PROMOTING SAFE, SUPPORTIVE, AND COLLABORATIVE ENVIRONMENTS FOR ALL STUDENTS AND STAFF

PREPARED BY: CARRIE NERHEIM, DIRECTOR, STUDENT SERVICES

TYPE OF ITEM: STAFF REPORT

PURPOSE:

The purpose of this staff report is to provide the Governing Board and community with information regarding activities taking place throughout the District to promote a safe, supportive, and collaborative environment for students and staff.

BACKGROUND INFORMATION:

AUSD's Governing Board, District staff, and members of the Albany community are actively engaged in dialogue around strategies to ensure respect, inclusion, and empathy for all members of the AUSD learning community. District staff continues to highlight programs and activities that improve the culture and climate of our school community.

DETAILS:

A Cadre of Albany Staff Members Attending the Museum of Tolerance

A group of approximately fifty staff members, both classified and certificated, will be attending a two day trip to the Museum of Tolerance in Los Angeles. This trip is fully funded by the Tools for Tolerance for Educators grant. The grant covers airfare, lodging, and some meals. This opportunity was originally initiated by Heather Duncan, Terry Georgeson, Anna Mansker, and Melisa Pfohl who are taking a group representing TK-5th grade in February. Additionally, Alexia Ritchie will be taking a group of high school staff at the end of January.

The Tools for Tolerance Program provides educators with the following:

- Experience the Museum of Tolerance as a laboratory for human behavior
- Hear personal testimonies from witnesses to history
- Engage in facilitated discussions around issues that matter

- Participate in workshops (promoting positive campus climate, social justice, media literacy)
- Take home valuable resource materials

STRATEGIC GOALS ADDRESSED:



Objective #1: *Assess and Increase Academic Success. Goal: We will provide a comprehensive educational experience with expanded opportunities for engagement, assessment, and academic growth so that all students will achieve their fullest potential.e.*



Objective #2: *Support the Whole Child. Goal: We will foster the social and emotional growth of all students, implement an array of strategies to increase student engagement, identify individual socio-emotional and behavioral needs, and apply collaborative appropriate interventions.*

RECOMMENDATION: RECEIVE THE STAFF REPORT ON PROMOTING SAFE, SUPPORTIVE, AND COLLABORATIVE ENVIRONMENTS FOR ALL STUDENTS.

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP
Regular Meeting of January 23, 2018**

ITEM: 2016-2017 FINANCIAL AUDIT REPORT

PREPARED BY: ALLAN GARDE, CHIEF BUSINESS OFFICIAL

TYPE OF ITEM: REVIEW AND ACTION

PURPOSE: In accordance with Education Code 41020.03, the Board is required to review and take action on the District's annual audited financial statements.

BACKGROUND INFORMATION: The audit firm, Christy White and Associates, performed the 2016-2017 audit service and prepared the report.

DETAILS: Michael Ash, Partner with the firm, will be present at the Board Meeting to discuss the audit report and answer any questions.

The Findings and Recommendations section, found at the end of the report, represent areas that are non-compliant and require corrective action. All findings have been reviewed and a corrective action plan has been put into practice, overseen by the Alameda County Office of Education.

KEY QUESTIONS/ANSWERS:

1. What are the types and meanings of the various reports issued by the auditor?

Report Type	Meaning
Unmodified	Fair and Accurate Report; Also known as Unqualified or Clean
Qualified	Either a subset of the financials were materially misstated or sufficient evidence could not be provided
Adverse	Grossly misstated; Misleading and Inaccurate Report

a.

2. Do the auditors review every single transaction?
- a. No, auditors review and test a statistically significant amount of transactions and dollar amounts based on Governmentally Accepted Accounting Standards and the State Controller's Office to provide reasonable assurances of accuracy. The cost and time required to review every transaction every fiscal year would be cost prohibitive and statistically not provide a significant amount of additional certainty and clarification with the report.

FINANCIAL INFORMATION: The auditor has issued an unmodified "clean" report for the financial statements of the Albany Unified School District.

STRATEGIC GOALS ADDRESSED: This Board Item addresses



Objective #3: Communicate and Lead Together.

Goal: All stakeholders will collaborate and communicate about decisions that guide the sites and district.

RECOMMENDATION: Accept the 2016-2017 Financial Audit Report

ALBANY UNIFIED SCHOOL DISTRICT

AUDIT REPORT

JUNE 30, 2017

San Diego

Los Angeles

San Francisco
Bay Area

christy  white
A PROFESSIONAL
ACCOUNTANCY CORPORATION *associates*

**ALBANY UNIFIED SCHOOL DISTRICT
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**ALBANY UNIFIED SCHOOL DISTRICT
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FOR THE YEAR ENDED JUNE 30, 2017**

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Governing Board
 Albany Unified School District
 Albany, California

Christy White, CPA

Michael Ash, CPA

Heather Rubio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Albany Unified School District, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Albany Unified School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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 State Board of Accountancy*

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Albany Unified School District, as of June 30, 2017, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis, budgetary comparison information, schedule of funding progress for OPEB benefits, schedules of proportionate share of net pension liability, and schedules of District contributions for pensions be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Albany Unified School District's basic financial statements. The supplementary information listed in the table of contents, including the schedule of expenditures of Federal awards, which is required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2017 on our consideration of Albany Unified School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Albany Unified School District's internal control over financial reporting and compliance.

Christy White Associates

San Diego, California
December 14, 2017

ALBANY UNIFIED SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

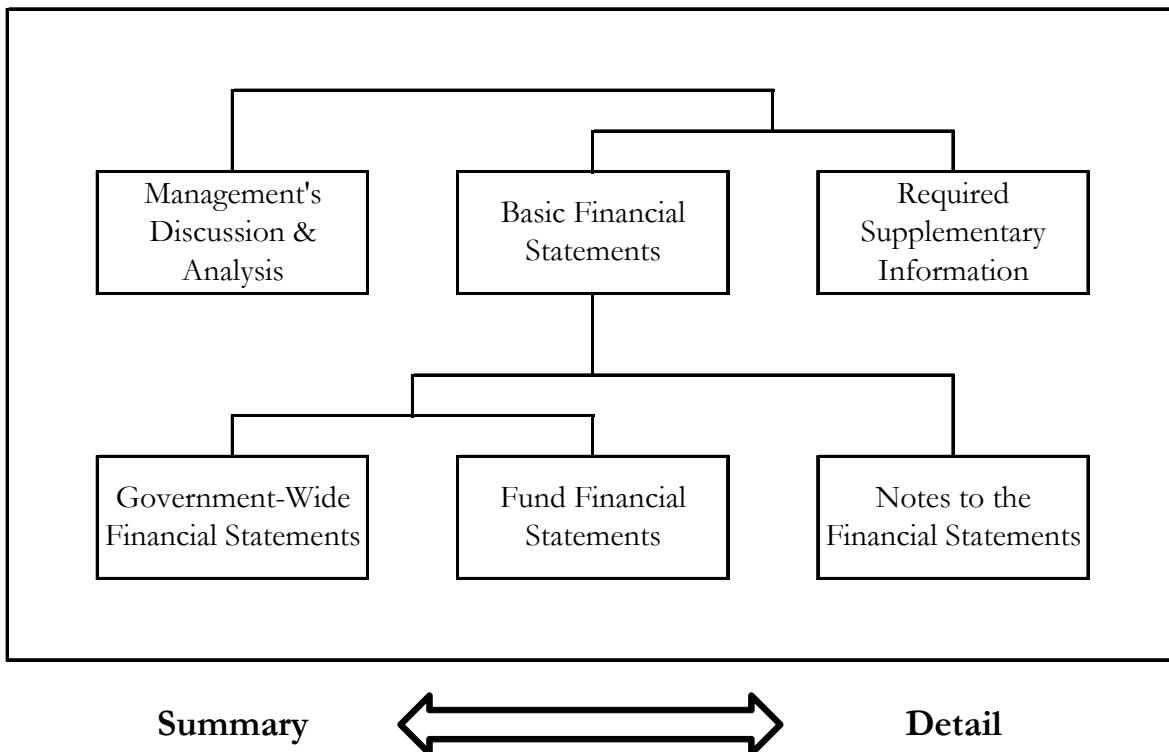
Our discussion and analysis of Albany Unified School District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2017. It should be read in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- ▶ The District's net position was \$(5,954,686) at June 30, 2017. This was a decrease of \$430,679 from the prior year's net position.
- ▶ Overall revenues were \$73,832,237 which were exceeded by expenses of \$74,262,916.

OVERVIEW OF FINANCIAL STATEMENTS

Components of the Financials Section



**ALBANY UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2017**

This annual report consists of three parts – Management's Discussion and Analysis (this section), the basic financial statements, and required supplementary information. The three sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives:

- ▶ **Government-wide financial statements**, which comprise the first two statements, provide both short-term and long-term information about the entity's overall financial position.

- ▶ **Fund financial statements** focus on reporting the individual parts of District operations in more detail. The fund financial statements comprise the remaining statements.
 - ▶ **Governmental Funds** provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

 - ▶ **Fiduciary Funds** report balances for which the District is a custodian or *trustee* of the funds, such as Associated Student Bodies and pension funds.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The basic financial statements are followed by a section of required and other supplementary information that further explain and support the financial statements.

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities, regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how it has changed. Net position is one way to measure the District's financial health. Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the District include governmental activities. All of the District's basic services are included here, such as regular education, food service, maintenance and general administration. Local control formula funding and federal and state grants finance most of these activities.

**ALBANY UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2017**

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE

Net Position

The District's net position was \$(5,954,686) at June 30, 2017, as reflected in the table below. Of this amount, \$(32,614,661) was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Governing Board's ability to use that net position for day-to-day operations.

	Governmental Activities		
	2017	2016	Net Change
ASSETS			
Current and other assets	\$ 52,711,689	\$ 21,397,544	\$ 31,314,145
Capital assets	53,581,688	54,318,817	(737,129)
Total Assets	106,293,377	75,716,361	30,577,016
DEFERRED OUTFLOWS OF RESOURCES	10,068,919	5,375,945	4,692,974
LIABILITIES			
Current liabilities	10,202,052	11,020,430	(818,378)
Long-term liabilities	110,608,429	72,106,013	38,502,416
Total Liabilities	120,810,481	83,126,443	37,684,038
DEFERRED INFLOWS OF RESOURCES	1,506,501	3,489,870	(1,983,369)
NET POSITION			
Net investment in capital assets	20,912,827	20,317,360	595,467
Restricted	5,747,148	4,432,981	1,314,167
Unrestricted	(32,614,661)	(30,274,348)	(2,340,313)
Total Net Position	\$ (5,954,686)	\$ (5,524,007)	\$ (430,679)

**ALBANY UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2017**

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)

Changes in Net Position

The results of this year's operations for the District as a whole are reported in the Statement of Activities. The table below takes the information from the Statement and rearranges slightly, so you can see our total revenues, expenses, and special items for the year.

	Governmental Activities		
	2017	2016	Net Change
REVENUES			
Program revenues			
Charges for services	\$ 1,125,705	\$ 864,235	\$ 261,470
Operating grants and contributions	25,928,799	26,182,371	(253,572)
Capital grants and contributions	2,019	5,639	(3,620)
General revenues			
Property taxes	20,988,235	18,296,930	2,691,305
Unrestricted federal and state aid	22,558,363	23,551,104	(992,741)
Other	3,229,116	1,064,571	2,164,545
Total Revenues	73,832,237	69,964,850	3,867,387
EXPENSES			
Instruction	33,423,655	30,515,524	2,908,131
Instruction-related services	6,381,872	5,738,811	643,061
Pupil services	3,254,700	2,903,555	351,145
General administration	4,004,364	4,201,737	(197,373)
Plant services	4,416,737	4,933,801	(517,064)
Ancillary and community services	1,376,592	1,302,377	74,215
Debt service	2,092,606	1,506,657	585,949
Other Outgo	16,874,258	16,966,488	(92,230)
Depreciation	2,438,132	2,375,678	62,454
Total Expenses	74,262,916	70,444,628	3,818,288
Change in net position	(430,679)	(479,778)	49,099
Net Position - Beginning	(5,524,007)	(5,044,229)	(479,778)
Net Position - Ending	\$ (5,954,686)	\$ (5,524,007)	\$ (430,679)

The cost of all our governmental activities this year was \$74,262,916 (refer to the table above). The amount that our taxpayers ultimately financed for these activities through taxes was only \$20,988,235 because the cost was paid by other governments and organizations who subsidized certain programs with grants and contributions.

**ALBANY UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2017**

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)

Changes in Net Position (continued)

In the table below we have presented the net cost of each of the District's functions. Net cost shows the financial burden that was placed on the District's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

	Net Cost of Services	
	2017	2016
Instruction	\$ 24,609,883	\$ 21,661,199
Instruction-related services	4,947,320	4,383,518
Pupil services	1,616,315	1,458,591
General administration	3,546,926	3,718,455
Plant services	4,408,345	4,924,352
Ancillary and community services	1,181,126	1,125,792
Debt service	2,092,606	1,506,657
Transfers to other agencies	2,365,740	2,238,141
Depreciation	2,438,132	2,375,678
Total Expenses	\$ 47,206,393	\$ 43,392,383

**ALBANY UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2017**

FINANCIAL ANALYSIS OF THE DISTRICT'S MAJOR FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed this year, its governmental funds reported a combined fund balance of \$47,382,440, which is more than last year's ending fund balance of \$13,715,975. The District's General Fund had \$337,447 more in operating revenues than expenditures for the year ended June 30, 2017. The District's Special Education Pass-Through Fund had \$1 more in operating revenues than expenditures for the year ended June 30, 2017. The District's Building Fund had \$332,582 less in operating revenues than expenditures for the year ended June 30, 2017. The District's Bond Interest and Redemption Fund had \$885,554 more in operating revenues than expenditures for the year ended June 30, 2017.

CURRENT YEAR BUDGET 2016-17

During the fiscal year, budget revisions and appropriation transfers are presented to the Board for their approval on a monthly basis to reflect changes to both revenues and expenditures that become known during the year. In addition, the Board of Education approves financial projections included with the Adopted Budget, First Interim, and Second Interim financial reports. The Unaudited Actuals reflect the District's financial projections and current budget based on State and local financial information.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of 2016-17 the District had invested \$53,581,688 in capital assets, net of accumulated depreciation.

	Governmental Activities		
	2017	2016	Net Change
CAPITAL ASSETS			
Land	\$ 4,394,935	\$ 4,394,935	\$ -
Construction in progress	2,258,285	2,448,376	(190,091)
Land improvements	20,204,645	20,114,739	89,906
Buildings & improvements	56,294,387	54,550,975	1,743,412
Furniture & equipment	6,234,207	6,176,431	57,776
Accumulated depreciation	(35,804,771)	(33,366,639)	(2,438,132)
Total Capital Assets	\$ 53,581,688	\$ 54,318,817	\$ (737,129)

**ALBANY UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2017**

CAPITAL ASSET AND DEBT ADMINISTRATION (continued)

Long-Term Debt

At year-end, the District had \$110,608,429 in long-term debt, an increase of 53% from last year's balance – as shown in the table below. The increase is primarily due to the issuance of two new general obligation bonds. (More detailed information about the District's long-term liabilities is presented in footnotes to the financial statements.)

	Governmental Activities		
	2017	2016	Net Change
LONG-TERM LIABILITIES			
Total general obligation bonds	\$ 66,368,315	\$ 35,632,795	\$ 30,735,520
Net OPEB obligation	4,596,705	3,843,598	753,107
Net pension liability	43,561,382	35,557,779	8,003,603
Less: current portion of long-term debt	(3,917,973)	(2,928,159)	(989,814)
Total Long-term Liabilities	\$110,608,429	\$ 72,106,013	\$ 38,502,416

**ALBANY UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2017**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

At the time these financial statements were prepared and audited, the District was aware of several circumstances that could affect its future financial health.

Landmark legislation passed in Year 2013 reformed California school district finance by creating the Local Control Funding Formula (LCFF). The District continues to analyze the impact of the LCFF on funding for our program offerings and services. The LCFF is designed to provide a flexible funding mechanism that links student achievement to state funding levels. The LCFF provides a per pupil base grant amount, by grade span, that is augmented by supplemental funding for targeted student groups in low income brackets, those that are English language learners and foster youth. The State anticipates all school districts to reach the statewide targeted base funding levels by 2020-21 but the annual amount funded to meet the target is uncertain.

Factors related to LCFF that the District is monitoring include: (1) estimates of funding in the next budget year and beyond; (2) the Local Control and Accountability Plan (LCAP) that aims to link student accountability measurements to funding allocations; (3) ensuring the integrity of reporting student data through the California Longitudinal Pupil Achievement Data System (CALPADs); and, (4) meeting annual compliance and audit requirements.

State revenues are estimated to increase modestly in 2017-18 but there is uncertainty about the State's long-term economic growth. According to the Legislative Analyst's Office, there are concerns about a possible mild recession. In addition, purchasing power has not been restored to pre-2007/08 levels for most school districts as added funding is going to pay for increases in CalPERS and CalSTRS rates increases and rising health care costs.

The District participates in state employee pensions plans, PERS and STRS, and both are underfunded. The District's proportionate share of the liability is reported in the Statement of Net Position as of June 30, 2017. The amount of the liability is material to the financial position of the District. To address the underfunding issues, the pension plans continue to raise employer rates in future years and the increased costs are significant.

Enrollment can fluctuate due to factors such as population growth, competition from private, parochial, inter-district transfers in or out, economic conditions and housing values. Losses in enrollment will cause a school district to lose operating revenues without necessarily permitting the district to make adjustments in fixed operating costs.

All of these factors were considered in preparing the District's budget for the 2017-18 fiscal year.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact Allan Garde, Chief Business Official at Albany Unified School District, 1051 Monroe Street, Albany, California, 94706.

ALBANY UNIFIED SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2017

	Governmental Activities
ASSETS	
Cash and investments	\$ 49,532,127
Accounts receivable	3,147,387
Inventory	4,724
Prepaid expenses	27,451
Capital assets, not depreciated	6,653,220
Capital assets, net of accumulated depreciation	46,928,468
Total Assets	106,293,377
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	8,777,990
Deferred amount on refunding	1,290,929
Total Deferred Outflows of Resources	10,068,919
LIABILITIES	
Accrued liabilities	5,840,004
Unearned revenue	444,075
Long-term liabilities, current portion	3,917,973
Long-term liabilities, non-current portion	110,608,429
Total Liabilities	120,810,481
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	1,506,501
Total Deferred Inflows of Resources	1,506,501
NET POSITION	
Net investment in capital assets	20,912,827
Restricted:	
Capital projects	14,827
Debt service	4,477,424
Educational programs	1,153,713
All others	101,184
Unrestricted	(32,614,661)
Total Net Position	\$ (5,954,686)

The accompanying notes are an integral part of these financial statements.

**ALBANY UNIFIED SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

Function/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
GOVERNMENTAL ACTIVITIES					
Instruction	\$ 33,423,655	\$ 400,640	\$ 8,411,113	\$ 2,019	\$ (24,609,883)
Instruction-related services					
Instructional supervision and administration	2,584,109	-	1,073,881	-	(1,510,228)
Instructional library, media, and technology	778,443	-	119,745	-	(658,698)
School site administration	3,019,320	-	240,926	-	(2,778,394)
Pupil services					
Home-to-school transportation	196,522	-	13,795	-	(182,727)
Food services	1,087,753	672,364	379,787	-	(35,602)
All other pupil services	1,970,425	1,355	571,084	-	(1,397,986)
General administration					
Centralized data processing	950,412	-	-	-	(950,412)
All other general administration	3,053,952	51,346	406,092	-	(2,596,514)
Plant services	4,416,737	-	8,392	-	(4,408,345)
Ancillary services	465,511	-	105,094	-	(360,417)
Community services	911,081	-	90,372	-	(820,709)
Interest on long-term debt	2,092,606	-	-	-	(2,092,606)
Other Outgo	16,874,258	-	14,508,518	-	(2,365,740)
Depreciation (unallocated)	2,438,132	-	-	-	(2,438,132)
Total Governmental Activities	\$ 74,262,916	\$ 1,125,705	\$ 25,928,799	\$ 2,019	(47,206,393)
General revenues					
Taxes and subventions					
Property taxes, levied for general purposes					9,488,601
Property taxes, levied for debt service					5,288,948
Property taxes, levied for other specific purposes					6,210,686
Federal and state aid not restricted for specific purposes					22,558,363
Interest and investment earnings					228,256
Interagency revenues					281,484
Miscellaneous					2,719,376
Subtotal, General Revenue					46,775,714
CHANGE IN NET POSITION					(430,679)
Net Position - Beginning					(5,524,007)
Net Position - Ending					\$ (5,954,686)

The accompanying notes are an integral part of these financial statements.

ALBANY UNIFIED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2017

	General Fund	Special Education Pass-Through Fund	Building Fund	Bond Interest & Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 9,906,634	\$ 1,514,213	\$ 32,572,188	\$ 5,424,754	\$ 114,338	\$ 49,532,127
Accounts receivable	1,601,317	1,268,096	50,350	7,500	220,124	3,147,387
Stores inventory	-	-	-	-	4,724	4,724
Prepaid expenditures	27,451	-	-	-	-	27,451
Total Assets	\$ 11,535,402	\$ 2,782,309	\$ 32,622,538	\$ 5,432,254	\$ 339,186	\$ 52,711,689
LIABILITIES						
Accrued liabilities	\$ 1,780,707	\$ 2,782,309	\$ 214,013	\$ -	\$ 108,145	\$ 4,885,174
Unearned revenue	436,949	-	-	-	7,126	444,075
Total Liabilities	2,217,656	2,782,309	214,013	-	115,271	5,329,249
FUND BALANCES						
Nonspendable	52,451	-	-	-	4,724	57,175
Restricted	1,151,266	-	32,408,525	5,432,254	118,458	39,110,503
Committed	-	-	-	-	21,810	21,810
Assigned	1,339,862	-	-	-	80,923	1,420,785
Unassigned	6,774,167	-	-	-	(2,000)	6,772,167
Total Fund Balances	9,317,746	-	32,408,525	5,432,254	223,915	47,382,440
Total Liabilities and Fund Balances	\$ 11,535,402	\$ 2,782,309	\$ 32,622,538	\$ 5,432,254	\$ 339,186	\$ 52,711,689

The accompanying notes are an integral part of these financial statements.

ALBANY UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT
OF NET POSITION
JUNE 30, 2017

Total Fund Balance - Governmental Funds \$ 47,382,440

Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:

Capital assets:

In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation:

Capital assets	\$ 89,386,459	
Accumulated depreciation	(35,804,771)	53,581,688
		<hr/>

Deferred amount on refunding:

In governmental funds, the net effect of refunding bonds is recognized when debt is issued, whereas this amount is deferred and amortized in the government-wide financial statements:

1,290,929

Unmatured interest on long-term debt:

In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred. The additional liability for unmaturing interest owing at the end of the period was:

(954,830)

Long-term liabilities:

In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

Total general obligation bonds	\$ 66,368,315	
Net OPEB obligation	4,596,705	
Net pension liability	43,561,382	(114,526,402)
		<hr/>

Deferred outflows and inflows of resources relating to pensions:

In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods.

In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.

Deferred outflows of resources related to pensions	\$ 8,777,990	
Deferred inflows of resources related to pensions	(1,506,501)	7,271,489
		<hr/>

Total Net Position - Governmental Activities \$ (5,954,686)

The accompanying notes are an integral part of these financial statements.

ALBANY UNIFIED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	Special Education Pass-Through Fund	Building Fund	Bond Interest & Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES						
LCFF sources	\$ 30,079,743	\$ -	\$ -	\$ -	\$ 250,000	\$ 30,329,743
Federal sources	1,100,803	4,570,152	-	-	451,431	6,122,386
Other state sources	5,523,378	12,304,107	-	46,209	664,823	18,538,517
Other local sources	8,914,104	-	142,433	5,266,494	2,443,592	16,766,623
Total Revenues	45,618,028	16,874,259	142,433	5,312,703	3,809,846	71,757,269
EXPENDITURES						
Current						
Instruction	28,640,010	-	-	-	1,713,424	30,353,434
Instruction-related services						
Instructional supervision and administration	2,366,505	-	-	-	-	2,366,505
Instructional library, media, and technology	715,590	-	-	-	-	715,590
School site administration	2,796,317	-	-	-	-	2,796,317
Pupil services						
Home-to-school transportation	191,173	-	-	-	-	191,173
Food services	59,131	-	-	-	991,280	1,050,411
All other pupil services	1,821,493	-	-	-	8,603	1,830,096
General administration						
Centralized data processing	939,658	-	-	-	-	939,658
All other general administration	2,772,773	-	-	-	174,440	2,947,213
Plant services						
Facilities acquisition and maintenance	27,650	-	475,015	-	1,103,982	1,606,647
Ancillary services	446,060	-	-	-	-	446,060
Community services	417,626	-	-	-	463,280	880,906
Transfers to other agencies	-	16,874,258	-	-	-	16,874,258
Debt service						
Principal	-	-	-	2,620,000	-	2,620,000
Interest and other	-	-	-	1,807,149	-	1,807,149
Total Expenditures	45,280,581	16,874,258	475,015	4,427,149	4,747,294	71,804,297
Excess (Deficiency) of Revenues						
Over Expenditures	337,447	1	(332,582)	885,554	(937,448)	(47,028)
Other Financing Sources (Uses)						
Other sources	-	-	32,500,000	1,213,493	-	33,713,493
Net Financing Sources (Uses)	-	-	32,500,000	1,213,493	-	33,713,493
NET CHANGE IN FUND BALANCE	337,447	1	32,167,418	2,099,047	(937,448)	33,666,465
Fund Balance - Beginning	8,980,299	(1)	241,107	3,333,207	1,161,363	13,715,975
Fund Balance - Ending	\$ 9,317,746	\$ -	\$ 32,408,525	\$ 5,432,254	\$ 223,915	\$ 47,382,440

The accompanying notes are an integral part of these financial statements.

**ALBANY UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

Net Change in Fund Balances - Governmental Funds \$ 33,666,465

Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:

Capital outlay:

In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:

Expenditures for capital outlay:	\$	1,701,003	
Depreciation expense:		<u>(2,438,132)</u>	(737,129)

Debt service:

In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were:

2,620,000

Debt proceeds:

In governmental funds, proceeds from debt are recognized as Other Financing Sources. In the government-wide statements, proceeds from debt are reported as increases to liabilities. Amounts recognized in governmental funds as proceeds from debt, net of issue premium or discount, were:

(33,713,493)

Deferred amounts on refunding:

In governmental funds, deferred amounts on refunding are recognized in the period they are incurred. In the government-wide statements, the deferred amounts on refunding are amortized over the life of the debt. The net effect of the deferred amounts on refunding during the period was:

(99,302)

**ALBANY UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES,
CONTINUED
FOR THE YEAR ENDED JUNE 30, 2017**

Unmatured interest on long-term debt:	
In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period, was:	(544,128)
Postemployment benefits other than pensions (OPEB):	
In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This year, the difference between OPEB costs and actual employer contributions was:	(753,107)
Pensions:	
In governmental funds, pension costs are recognized when employer contributions are made, in the government-wide statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and employer contributions was:	(1,227,958)
Amortization of debt issuance premium or discount:	
In governmental funds, if debt is issued at a premium or at a discount, the premium or discount is recognized as an Other Financing Source or an Other Financing Use in the period it is incurred. In the government-wide statements, the premium or discount is amortized over the life of the debt. Amortization of premium or discount for the period is:	357,973
Change in Net Position of Governmental Activities	<u>\$ (430,679)</u>

The accompanying notes are an integral part of these financial statements.

ALBANY UNIFIED SCHOOL DISTRICT
 FIDUCIARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2017

	<u>Agency Funds</u>
	<u>Student Body</u>
	<u>Fund</u>
ASSETS	
Cash and investments	\$ 132,585
Total Assets	\$ 132,585
LIABILITIES	
Due to student groups	\$ 132,585
Total Liabilities	\$ 132,585

The accompanying notes are an integral part of these financial statements.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The Albany Unified School District (the “District”) accounts for its financial transactions in accordance with the policies and procedures of the Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

The District operates under a locally elected Board form of government and provides educational services to grades K-12 as mandated by the state. A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student-related activities.

B. Component Units

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete. The District has no such component units.

C. Basis of Presentation

Government-Wide Statements. The statement of net position and the statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenue, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenue for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reserved for the statement of activities. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting of operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the District.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, *continued*
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

C. **Basis of Presentation** (*continued*)

Fund Financial Statements. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

Governmental funds are used to account for activities that are governmental in nature. Governmental activities are typically tax-supported and include education of pupils, operation of food service and child development programs, construction and maintenance of school facilities, and repayment of long-term debt.

Fiduciary funds are used to account for assets held by the District in a trustee or agency capacity for others that cannot be used to support the District's own programs.

Major Governmental Funds

General Fund: The General Fund is the main operating fund of the District. It is used to account for all activities except those that are required to be accounted for in another fund. In keeping with the minimum number of funds principle, all of the District's activities are reported in the General Fund unless there is a compelling reason to account for an activity in another fund. A District may have only one General Fund.

Special Education Pass-Through Fund: This fund is used by the Administrative Unit (AU) of a multi-Local Education Agency (LEA) Special Education Local Plan Area (SELPA) to account for Special Education revenue passed through to other member LEA's.

Building Fund: This fund exists primarily to account separately for proceeds from the sale of bonds (*Education Code Section 15146*) and may not be used for any purposes other than those for which the bonds were issued. Other authorized revenues to the Building Fund are proceeds from the sale or lease-with-option-to-purchase of real property (*Education Code Section 17462*) and revenue from rentals and leases of real property specifically authorized for deposit into the fund by the governing board (*Education Code Section 41003*).

Bond Interest and Redemption Fund: This fund is used for the repayment of bonds issued for the District (*Education Code Sections 15125–15262*). The board of supervisors of the county issues the bonds. The proceeds from the sale of the bonds are deposited in the county treasury to the Building Fund of the District. Any premiums or accrued interest received from the sale of the bonds must be deposited in the Bond Interest and Redemption Fund of the District. The county auditor maintains control over the District's Bond Interest and Redemption Fund. The principal and interest on the bonds must be paid by the county treasurer from taxes levied by the county auditor-controller.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, *continued*
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

C. Basis of Presentation (*continued*)

Non-Major Governmental Funds

Special Revenue Funds: Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The District maintains the following special revenue funds:

Child Development Fund: This fund is used to account separately for federal, state, and local revenues to operate child development programs. All moneys received by the District for, or from the operation of, child development services covered under the Child Care and Development Services Act (*Education Code Section 8200 et seq.*) shall be deposited into this fund. The moneys may be used only for expenditures for the operation of child development programs. The costs incurred in the maintenance and operation of child development services shall be paid from this fund, with accounting to reflect specific funding sources (*Education Code Section 8328*).

Cafeteria Special Revenue Fund: This fund is used to account separately for federal, state, and local resources to operate the food service program (*Education Code Sections 38090–38093*). The Cafeteria Special Revenue Fund shall be used only for those expenditures authorized by the governing board as necessary for the operation of the District's food service program (*Education Code Sections 38091 and 38100*).

Deferred Maintenance Fund: This fund is used to account separately for state apportionments and the District's contributions for deferred maintenance purposes (*Education Code Sections 17582–17587*). In addition, whenever the state funds provided pursuant to *Education Code Sections 17584 and 17585* (apportionments from the State Allocation Board) are insufficient to fully match the local funds deposited in this fund, the governing board of a school district may transfer the excess local funds deposited in this fund to any other expenditure classifications in other funds of the District (*Education Code Sections 17582 and 17583*).

ALBANY UNIFIED SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, *continued*
 JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

C. **Basis of Presentation** (*continued*)

Non-Major Governmental Funds

Capital Project Funds: Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Capital Facilities Fund: This fund is used primarily to account separately for moneys received from fees levied on developers or other agencies as a condition of approving a development (*Education Code Sections 17620–17626*). The authority for these levies may be county/city ordinances (*Government Code Sections 65970–65981*) or private agreements between the District and the developer. Interest earned in the Capital Facilities Fund is restricted to that fund (*Government Code Section 66006*).

County School Facilities Fund: This fund is established pursuant to *Education Code Section 17070.43* to receive apportionments from the 1998 State School Facilities Fund (Proposition 1A), the 2002 State School Facilities Fund (Proposition 47), or the 2004 State School Facilities Fund (Proposition 55) authorized by the State Allocation Board for new school facility construction, modernization projects, and facility hardship grants, as provided in the Leroy F. Greene School Facilities Act of 1998 (*Education Code Section 17070 et seq.*).

Fiduciary Funds

Trust and Agency Funds: Trust and agency funds are used to account for assets held in a trustee or agent capacity for others that cannot be used to support the District's own programs. The key distinction between trust and agency funds is that trust funds are subject to a trust agreement that affects the degree of management involvement and the length of time that the resources are held.

Student Body Fund: The Student Body Fund is an agency fund and, therefore, consists only of accounts such as cash and balancing liability accounts, such as due to student groups. The student body itself maintains its own general fund, which accounts for the transactions of that entity in raising and expending money to promote the general welfare, morale, and educational experiences of the student body (*Education Code Sections 48930–48938*).

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Basis of Accounting – Measurement Focus

Government-Wide and Fiduciary Financial Statements

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Net Position equals assets and deferred outflows of resources minus liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. The net position should be reported as restricted when constraints placed on its use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities results from special revenue funds and the restrictions on their use.

Governmental Funds

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Governmental funds use the modified accrual basis of accounting.

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Generally, "available" means collectible within the current period or within 60 days after year-end. However, to achieve comparability of reporting among California school districts and so as not to distort normal revenue patterns, with specific respect to reimbursement grants and corrections to State-aid apportionments, the California Department of Education has defined available for school districts as collectible within one year.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from the grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, *continued*
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

D. **Basis of Accounting – Measurement Focus (*continued*)**

Unearned Revenue

Unearned revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Certain grants received that have not met eligibility requirements are recorded as unearned revenue. On the governmental fund financial statements, receivables that will not be collected within the available period are also recorded as unearned revenue.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

E. **Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position**

Cash and Cash Equivalents

The District's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost. Fair values of investments in county and State investment pools are determined by the program sponsor.

Inventories

Inventories are recorded using the purchases method in that the cost is recorded as an expenditure at the time the individual inventory items are requisitioned. Inventories are valued at historical cost and consist of expendable supplies held for consumption.

Capital Assets

The accounting and reporting treatment applied to the capital assets associated with a fund is determined by its measurement focus. Capital assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

ALBANY UNIFIED SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, *continued*
 JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (*continued*)

Capital Assets (*continued*)

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their acquisition value as of the date received. The District maintains a capitalization threshold of \$5,000. The District does not own any infrastructure as defined in GASB Statement No. 34. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. All reported capital assets, except for land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Life</u>
Buildings and Improvements	15-50 years
Furniture and Equipment	5-15 years
Vehicles	5-15 years

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Due from other funds/Due to other funds." These amounts are eliminated in the governmental activities columns of the statement of net position.

Compensated Absences

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resource. These amounts are recorded in the fund from which the employees who have accumulated leave are paid.

Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken because such benefits do not vest, nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

Premiums and Discounts

In the government-wide financial statements, long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method.

ALBANY UNIFIED SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, *continued*
 JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (*continued*)

Deferred Outflows/Deferred Inflows of Resources

In addition to assets, the District will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the District will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plans (the Plans) of the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification reflects amounts that are not in spendable form. Examples include inventory, prepaid items, the long-term portion of loans receivable, and nonfinancial assets held for resale. This classification also reflects amounts that are in spendable form but that are legally or contractually required to remain intact, such as the principal of a permanent endowment.

Restricted - The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification reflects amounts subject to internal constraints self-imposed by formal action of the Governing Board. The constraints giving rise to committed fund balance must be imposed no later than the end of the reporting period. The actual amounts may be determined subsequent to that date but prior to the issuance of the financial statements. In contrast to restricted fund balance, committed fund balance may be redirected by the government to other purposes as long as the original constraints are removed or modified in the same manner in which they were imposed, that is, by the same formal action of the Governing Board.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, *continued*
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (*continued*)

Fund Balance (*continued*)

Assigned - The assigned fund balance classification reflects amounts that the government *intends* to be used for specific purposes. Assignments may be established either by the Governing Board or by a designee of the governing body, and are subject to neither the restricted nor committed levels of constraint. In contrast to the constraints giving rise to committed fund balance, constraints giving rise to assigned fund balance are not required to be imposed, modified, or removed by formal action of the Governing Board. The action does not require the same level of formality and may be delegated to another body or official. Additionally, the assignment need not be made before the end of the reporting period, but rather may be made any time prior to the issuance of the financial statements.

Unassigned - In the General Fund only, the unassigned fund balance classification reflects the residual balance that has not been assigned to other funds and that is not restricted, committed, or assigned to specific purposes. However, deficits in any fund, including the General Fund that cannot be eliminated by reducing or eliminating amounts assigned to other purposes are reported as negative unassigned fund balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

F. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements. Interfund transfers are eliminated in the governmental activities columns of the statement of activities.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, *continued*
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

G. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

H. Budgetary Data

The budgetary process is prescribed by provisions of the California Education Code and requires the governing board to hold a public hearing and adopt an operating budget no later than July 1 of each year. The District governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for. For purposes of the budget, on-behalf payments have not been included as revenue and expenditures as required under generally accepted accounting principles.

I. Property Tax

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County Auditor-Controller bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, *continued*
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

J. New Accounting Pronouncements

GASB Statement No. 75 – In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This standard's primary objective is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions. The Statement is effective for periods beginning after June 15, 2017. The District has not yet determined the impact on the financial statements.

GASB Statement No. 80 – In January 2016, GASB issued Statement No. 80, *Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14*. This standard's primary objective is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. The Statement is effective for periods beginning after June 15, 2016. The District has implemented GASB Statement No. 80 for the year ended June 30, 2017.

GASB Statement No. 82 – In March 2016, GASB issued Statement No. 82, *Pension Issues – an Amendment of GASB Statements No. 67, No. 68, and No. 73*. This standard's primary objective is to address issues regarding the presentation of payroll-related measures in required supplementary information, the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The majority of this Statement is effective for periods beginning after June 15, 2016. The District has implemented GASB Statement No. 82 for the year ended June 30, 2017.

ALBANY UNIFIED SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2017

NOTE 2 – CASH AND INVESTMENTS

A. Summary of Cash and Investments

	<u>Governmental Funds</u>	<u>Fiduciary Funds</u>
Investment in county treasury	\$ 49,503,627	\$ -
Cash on hand and in banks	3,500	132,585
Cash in revolving fund	25,000	-
Total cash and investments	<u>\$ 49,532,127</u>	<u>\$ 132,585</u>

B. Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the state; U.S. Treasury instruments; registered state warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; collateralized mortgage obligations; and the County Investment Pool.

Investment in County Treasury – The District maintains substantially all of its cash in the County Treasury in accordance with *Education Code Section 41001*. The Alameda County Treasurer’s pooled investments are managed by the County Treasurer who reports on a monthly basis to the board of supervisors. In addition, the function of the County Treasury Oversight Committee is to review and monitor the County’s investment policy. The committee membership includes the Treasurer and Tax Collector, the Auditor-Controller, Chief Administrative Officer, Superintendent of Schools Representative, and a public member. The fair value of the District’s investment in the pool is based upon the District’s pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017

NOTE 2 – CASH AND INVESTMENTS (continued)

C. General Authorizations

Except for investments by trustees of debt proceeds, the authority to invest District funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. Additional information about the investment policy of the County Treasurer and Tax Collector may be obtained from its website. The table below identifies the investment types permitted by California Government Code.

<u>Authorized Investment Type</u>	<u>Maximum Remaining Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U. S. Treasury Obligations	5 years	None	None
U. S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury. The District maintains a pooled investment with the County Treasury with a fair value of approximately \$49,506,873 and an amortized book value of \$49,503,627. The average weighted maturity for this pool is 393 days.

E. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The investments in the County Treasury are not required to be rated. As of June 30, 2017, the pooled investments in the County Treasury were not rated.

ALBANY UNIFIED SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, *continued*
 JUNE 30, 2017

NOTE 2 – CASH AND INVESTMENTS (*continued*)

F. Custodial Credit Risk – Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2017, the District's bank balance was not exposed to custodial credit risk.

G. Fair Value

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonable available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the Alameda County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The District's fair value measurements at June 30, 2017 were as follows:

	<u>Uncategorized</u>
Investment in county treasury	\$ 49,506,873
Total fair market value of investments	<u>\$ 49,506,873</u>

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2017 consisted of the following:

	General Fund	Special Education Pass-Through Fund	Building Fund	Bond Interest & Redemption Fund	Non-Major Governmental Funds	Total Governmental Activities
Federal Government						
Categorical aid	\$ 241,400	\$ 692,013	\$ -	\$ -	\$ 63,289	\$ 996,702
State Government						
Apportionment	212,021	-	-	-	103,132	315,153
Categorical aid	286,528	576,083	-	-	2,994	865,605
Lottery	355,258	-	-	-	-	355,258
Local Government						
Other local sources	506,110	-	50,350	7,500	50,709	614,669
Total	\$ 1,601,317	\$ 1,268,096	\$ 50,350	\$ 7,500	\$ 220,124	\$ 3,147,387

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 was as follows:

	Balance July 01, 2016	Additions	Deletions	Balance June 30, 2017
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 4,394,935	\$ -	\$ -	\$ 4,394,935
Construction in progress	2,448,376	628,929	819,020	2,258,285
Total Capital Assets not Being Depreciated	6,843,311	628,929	819,020	6,653,220
Capital assets being depreciated				
Land improvements	20,114,739	89,906	-	20,204,645
Buildings & improvements	54,550,975	1,743,412	-	56,294,387
Furniture & equipment	6,176,431	57,776	-	6,234,207
Total Capital Assets Being Depreciated	80,842,145	1,891,094	-	82,733,239
Less Accumulated Depreciation				
Land improvements	5,052,879	637,300	-	5,690,179
Buildings & improvements	23,233,738	1,524,523	-	24,758,261
Furniture & equipment	5,080,022	276,309	-	5,356,331
Total Accumulated Depreciation	33,366,639	2,438,132	-	35,804,771
Governmental Activities				
Capital Assets, net	\$ 54,318,817	\$ 81,891	\$ 819,020	\$ 53,581,688

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017

NOTE 5 – ACCRUED LIABILITIES

Accrued liabilities at June 30, 2017 consisted of the following:

	Special Education Pass-Through		Non-Major Governmental		Total Governmental	
	General Fund	Fund	Building Fund	Funds	District-Wide	Activities
Payroll	\$ 1,357,166	\$ -	\$ -	\$ 53,418	\$ -	\$ 1,410,584
Construction	-	-	214,013	2,353	-	216,366
Vendors payable	423,541	-	-	52,374	-	475,915
Unmatured interest	-	-	-	-	954,830	954,830
Due to other agencies	-	2,782,309	-	-	-	2,782,309
Total	\$ 1,780,707	\$ 2,782,309	\$ 214,013	\$ 108,145	\$ 954,830	\$ 5,840,004

NOTE 6 – UNEARNED REVENUE

Unearned revenue at June 30, 2017 consisted of the following:

	Non-Major Governmental		Total Governmental	
	General Fund	Funds	Activities	
Federal sources	\$ 26,558	\$ -	\$ 26,558	
State categorical sources	5,384	7,126	12,510	
Local sources	405,007	-	405,007	
Total	\$ 436,949	\$ 7,126	\$ 444,075	

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017

NOTE 7 – LONG-TERM DEBT

A schedule of changes in long-term debt for the year ended June 30, 2017 consisted of the following:

	Balance			Balance		Balance Due
	July 01, 2016	Additions	Deductions	June 30, 2017	In One Year	
Governmental Activities						
General obligation bonds	\$ 31,530,000	\$ 32,500,000	\$ 2,620,000	\$ 61,410,000	\$ 3,560,000	
Unamortized premium	4,102,795	1,213,493	357,973	4,958,315	357,973	
Total general obligation bonds	35,632,795	33,713,493	2,977,973	66,368,315	3,917,973	
Net OPEB obligation	3,843,598	753,107	-	4,596,705	-	
Net pension liability	35,557,779	8,003,603	-	43,561,382	-	
Total	\$ 75,034,172	\$ 42,470,203	\$ 2,977,973	\$ 114,526,402	\$ 3,917,973	

Payments for general obligation bonds are made in the Bond Interest and Redemption Fund.

A. General Obligation Bonds

General obligation bonds at June 30, 2017 consisted of the following:

Series	Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds			Bonds
					Outstanding July 01, 2016	Additions	Deductions	Outstanding June 30, 2017
2004 Election Series B	February 2007	August 2016	4.2-5.5%	\$ 5,500,000	\$ 185,000	\$ -	\$ 185,000	\$ -
2009 Refunding Bonds	February 2010	August 2020	2.0-4.8%	7,290,000	5,315,000	-	735,000	4,580,000
2012 Refunding Bonds	August 2012	August 2030	2.0-5.0%	17,700,000	12,975,000	-	1,480,000	11,495,000
2016 Refunding Bonds	March 2016	August 2030	2.0-5.0%	13,055,000	13,055,000	-	220,000	12,835,000
Measure B Series 2016A	October 2016	August 2045	2.0-4.0%	23,500,000	-	23,500,000	-	23,500,000
Measure E Series 2016A	October 2016	August 2035	2.0-4.0%	9,000,000	-	9,000,000	-	9,000,000
					\$ 31,530,000	\$ 32,500,000	\$ 2,620,000	\$ 61,410,000

2016 Refunding Bonds

The net proceeds received for the 2016 Refunding Bonds were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the 2004 Election Series B General Obligation Bonds that were current refunded and the 2008 Election Series A General Obligation Bonds that were advance refunded. As a result, the refunded bonds are considered to be defeased, and the related liability for the bonds has been removed from the District's financial statements. Amounts paid to the refunded bond escrow agent in excess of the outstanding debt at the time of payment are recorded as deferred charges on refunding on the statement of net position and are amortized as an expense over the life of the bond. This refunding reduced total debt service payments by \$1,918,923 and resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$1,739,490. As of June 30, 2017, the principal balance outstanding on the defeased debt amounted to \$10,000,000.

ALBANY UNIFIED SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2017

NOTE 7 – LONG-TERM DEBT (continued)

A. General Obligation Bonds (continued)

The annual requirements to amortize the bonds outstanding at June 30, 2017 are as follows:

Year Ended June 30,	Principal	Interest	Total
2018	\$ 3,560,000	\$ 2,229,481	\$ 5,789,481
2019	3,010,000	2,107,418	5,117,418
2020	2,565,000	1,992,556	4,557,556
2021	2,180,000	1,887,318	4,067,318
2022	2,395,000	1,784,294	4,179,294
2023 - 2027	14,435,000	7,253,067	21,688,067
2028 - 2032	11,165,000	4,483,804	15,648,804
2033 - 2037	7,675,000	3,012,428	10,687,428
2038 - 2042	6,930,000	1,699,775	8,629,775
2043 - 2046	7,495,000	467,475	7,962,475
Total	<u>\$ 61,410,000</u>	<u>\$ 26,917,616</u>	<u>\$ 88,327,616</u>

B. Net Pension Liability

The District's beginning net pension liability was \$35,557,779 and increased by \$8,003,603 during the year ended June 30, 2017. The ending net pension liability at June 30, 2017 was \$43,561,382. See Note 10 for additional information regarding the net pension liability.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017

NOTE 8 – FUND BALANCES

Fund balances were composed of the following elements at June 30, 2017:

	General Fund	Building Fund	Bond Interest & Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
Non-spendable					
Revolving cash	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
Stores inventory	-	-	-	4,724	4,724
Prepaid expenditures	27,451	-	-	-	27,451
Total non-spendable	52,451	-	-	4,724	57,175
Restricted					
Educational programs	1,151,266	-	-	2,447	1,153,713
Capital projects	-	32,408,525	-	14,827	32,423,352
Debt service	-	-	5,432,254	-	5,432,254
All others	-	-	-	101,184	101,184
Total restricted	1,151,266	32,408,525	5,432,254	118,458	39,110,503
Committed					
Deferred maintenance	-	-	-	21,810	21,810
Total committed	-	-	-	21,810	21,810
Assigned					
Special reserve fund	764,862	-	-	-	764,862
CA standards implementation	575,000	-	-	-	575,000
Child development	-	-	-	80,923	80,923
Total assigned	1,339,862	-	-	80,923	1,420,785
Unassigned					
Reserve for economic uncertainties	1,360,000	-	-	-	1,360,000
Remaining unassigned	5,414,167	-	-	(2,000)	5,412,167
Total unassigned	6,774,167	-	-	(2,000)	6,772,167
Total	\$ 9,317,746	\$ 32,408,525	\$ 5,432,254	\$ 223,915	\$ 47,382,440

The District is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. The District's Minimum Fund Balance Policy requires a Reserve for Economic Uncertainties, consisting of unassigned amounts, equal to no less than 9 percent of General Fund expenditures and other financing uses.

ALBANY UNIFIED SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, *continued*
 JUNE 30, 2017

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. **Plan Description and Contribution Information**

The District provides medical, dental and vision benefits to retirees and their covered eligible dependents.

Membership of the plan consisted of the following:

Retirees and beneficiaries receiving benefits	139
Active plan members	426
Total*	<u>565</u>
 Number of participating employers	 1

*As of July 1, 2016 actuarial study

B. **Funding Policy**

The District's contribution is currently based on a project pay-as-you-go funding method, that is, benefits are payable when due.

As of June 30, 2017, the District has not established a plan or equivalent that contains an irrevocable transfer of assets dedicated to providing benefits to retirees in accordance with the terms of the plan and that are legally protected from creditors.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

C. Annual OPEB Cost and Net OPEB Obligation

The District's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial accrued liabilities (UAAL) (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the District's net OPEB obligation to the Plan:

Annual required contribution	\$ 1,473,000
Interest on net OPEB obligation	153,744
Adjustment to annual required contribution	<u>(137,226)</u>
Annual OPEB cost (expense)	1,489,518
Contributions made	<u>(736,411)</u>
Increase (decrease) in net OPEB obligation	753,107
Net OPEB obligation, beginning of the year	<u>3,843,598</u>
Net OPEB obligation, end of the year	<u>\$ 4,596,705</u>

The annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the year ended June 30, 2017 and the preceding two years were as follows:

<u>Year Ended June 30,</u>	<u>Annual OPEB Cost</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation</u>
2017	\$ 1,489,518	49%	\$ 4,596,705
2016	\$ 1,645,059	46%	\$ 3,843,598
2015	\$ 1,642,095	41%	\$ 2,961,694

ALBANY UNIFIED SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2017

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

D. Funded Status and Funding Progress

The funded status of the plan as of the most recent actuarial evaluation consists of the following:

Actuarial Valuation Date	Actuarial Valuation of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2016	\$ -	\$ 15,069,000	\$ 15,069,000	0%	\$ 26,361,351	57%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, investment returns, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

E. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2016 actuarial valuation, the actuarial cost method used was Projected Unit Credit. Under this method, the Actuarial Accrued Liability is the present value of projected benefits multiplied by the ratio of benefits service as of the valuation date to the projected benefit service at retirement, termination, disability or death. The Normal Cost for a plan year is the expected increase in the Accrued Liability during the plan year. All employees eligible as of the measurement date in accordance with the provisions of the Plan listed in the data provided by the Employer were included in the valuation.

Medical cost trend rates ranged from 4.5% to 7.0% based on benefit. The UAAL is being amortized at a level percentage of payroll method with a remaining amortization period at June 30, 2017 of 29 years.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017

NOTE 10 – PENSION PLANS

Qualified employees are covered under multiple-employer contributory retirement plans maintained by agencies of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS), and classified employees are members of the California Public Employees' Retirement System (CalPERS). The District reported its proportionate share of the net pension liabilities, pension expense, deferred outflow of resources, and deferred inflow of resources for each of the above plans as follows:

	<u>Net pension liability</u>	<u>Deferred outflows related to pensions</u>	<u>Deferred inflows related to pensions</u>	<u>Pension expense</u>
STRS Pension	\$ 31,997,936	\$ 5,418,536	\$ 1,146,469	\$ 3,114,531
PERS Pension	11,563,446	3,359,454	360,032	1,531,643
Total	<u>\$ 43,561,382</u>	<u>\$ 8,777,990</u>	<u>\$ 1,506,501</u>	<u>\$ 4,646,174</u>

California State Teachers' Retirement System (CalSTRS)

Plan Description

The District contributes to the California State Teachers' Retirement System (CalSTRS); a cost-sharing multiple employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 7919 Folsom Blvd., Sacramento, CA 95826.

Benefits provided

The CalSTRS defined benefit plan has two benefit formulas:

CalSTRS 2% at 60: Members first hired on or before December 31, 2012, to perform service that could be creditable to CalSTRS

CalSTRS 2% at 62: Members first hired on or after January 1, 2013, to perform service that could be creditable to CalSTRS

CalSTRS 2% at 60

CalSTRS 2% at 60 members are eligible for normal retirement at age 60, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. Early retirement options are available at age 55 with five years of credited service or as early as age 50 with 30 years of credited service. The age factor for retirements after age 60 increases with each quarter year of age to 2.4 percent at age 63 or older. Members who have 30 years or more of credited service receive an additional increase of up to 0.2 percent to the age factor, known as the career factor. The maximum benefit with the career factor is 2.4 percent of final compensation.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017

NOTE 10 – PENSION PLANS (continued)

California State Teachers' Retirement System (CalSTRS) (continued)

Benefits provided (continued)

CalSTRS 2% at 62

CalSTRS 2% at 62 members are eligible for normal retirement at age 62, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. An early retirement option is available at age 55. The age factor for retirement after age 62 increases with each quarter year of age to 2.4 percent at age 65 or older.

Contributions

Active plan CalSTRS 2% at 60 and 2% at 62 members are required to contribute 10.25% and 9.205% of their salary for fiscal year 2017, respectively, and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by CalSTRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2017 was 12.58% of annual payroll. The contribution requirements of the plan members are established by state statute. Contributions to the plan from the District were \$2,461,916 for the year ended June 30, 2017.

On-Behalf Payments

The District was the recipient of on-behalf payments made by the State of California to CalSTRS for K-12 education. These payments consist of state general fund contributions of approximately \$1,175,641 to CalSTRS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2017, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 31,997,936
State's proportionate share of the net pension liability associated with the District	18,218,536
Total	\$ 50,216,472

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2015, and rolling forward the total pension liability to June 30, 2016. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2016, the District's proportion was 0.040 percent, which was a decrease of 0.00054 percent from its proportion measured as of June 30, 2015.

ALBANY UNIFIED SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2017

NOTE 10 – PENSION PLANS (continued)

California State Teachers' Retirement System (CalSTRS) (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

For the year ended June 30, 2017, the District recognized pension expense of \$3,114,531. In addition, the District recognized pension expense and revenue of \$3,250,609 for support provided by the State. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual earnings on plan investments	\$ 2,543,820	\$ -
Differences between expected and actual experience	-	780,554
Changes in proportion and differences between District contributions and proportionate share of contributions	412,800	365,915
District contributions subsequent to the measurement date	2,461,916	-
	<u>\$ 5,418,536</u>	<u>\$ 1,146,469</u>

The \$2,461,916 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2018	\$ 138,058	\$ 203,441
2019	138,058	203,441
2020	1,561,292	203,441
2021	1,036,653	203,441
2022	82,559	203,441
2023	-	129,264
	<u>\$ 2,956,620</u>	<u>\$ 1,146,469</u>

ALBANY UNIFIED SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2017

NOTE 10 – PENSION PLANS (continued)

California State Teachers' Retirement System (CalSTRS) (continued)

Actuarial assumptions

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2015, and rolling forward the total pension liability to June 30, 2016 using the following actuarial assumptions, applied to all periods included in the measurement:

Consumer Price Inflation	3.00%
Investment Yield*	7.60%
Wage Inflation	3.75%

* Net of investment expenses, but gross of administrative expenses.

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on RP2000 series tables adjusted to fit CalSTRS experience.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2006–June 30, 2010.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best-estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant (Pension Consulting Alliance - PCA) as an input to the process. Based on the model from CalSTRS consulting actuary's (Milliman) investment practice, a best estimate range was determined by assuming the portfolio is re-balanced annually and that annual returns are lognormally distributed and independent from year to year to develop expected percentiles for the long-term distribution of annualized returns. The assumed asset allocation by PCA is based on board policy for target asset allocation in effect on February 2, 2012, the date the current experience study was approved by the board. Best estimates of 20-year geometric real rates of return and the assumed asset allocation for each major asset class for the year ended June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Long-Term* Expected Real Rate of Return</u>
Global Equity	47%	6.30%
Private Equity	13%	9.30%
Real Estate	13%	5.20%
Inflation Sensitive	4%	3.80%
Fixed Income	12%	0.30%
Absolute Return	9%	2.90%
Cash/Liquidity	2%	-1.00%
	<u>100%</u>	

* 20-year geometric average

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017

NOTE 10 – PENSION PLANS (continued)

California State Teachers' Retirement System (CalSTRS) (continued)

Discount rate

The discount rate used to measure the total pension liability was 7.60 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increases per AB 1469. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.60 percent) and assuming that contributions, benefit payments, and administrative expense occur midyear. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.60 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.60 percent) or 1-percentage-point higher (8.60 percent) than the current rate:

	1% Decrease (6.60%)	Current Discount Rate (7.60%)	1% Increase (8.60%)
District's proportionate share of the net pension liability	\$ 46,052,246	\$ 31,997,936	\$ 20,325,243

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalSTRS financial report.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017

NOTE 10 – PENSION PLANS (continued)

California Public Employees' Retirement System (CalPERS)

Plan Description

The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS); a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Laws. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95811.

Benefits provided

The benefits for the defined benefit plan are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five years of credited service.

Contributions

Active plan members who entered into the plan prior to January 1, 2013, are required to contribute 7.0% of their salary. The California Public Employees' Pension Reform Act (PEPRA) specifies that new members entering into the plan on or after January 1, 2013, shall pay the higher of fifty percent of normal costs or 6.0% of their salary. Additionally, for new members entering the plan on or after January 1, 2013, the employer is prohibited from paying any of the employee contribution to CalPERS unless the employer payment of the member's contribution is specified in an employment agreement or collective bargaining agreement that expires after January 1, 2013.

The District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2017 was 13.888% of annual payroll. Contributions to the plan from the District were \$956,300 for the year ended June 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2017, the District reported a liability of \$11,563,446 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2015, and rolling forward the total pension liability to June 30, 2016. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2016, the District's proportion was 0.059 percent, which was an increase of 0.001 percent from its proportion measured as of June 30, 2015.

ALBANY UNIFIED SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2017

NOTE 10 – PENSION PLANS (continued)

California Public Employees’ Retirement System (CalPERS) (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

For the year ended June 30, 2017, the District recognized pension expense of \$1,531,643. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual earnings on plan investments	\$ 1,794,275	\$ -
Differences between expected and actual experience	497,339	-
Changes in assumptions	-	347,413
Changes in proportion and differences between District contributions and proportionate share of contributions	111,540	12,619
District contributions subsequent to the measurement date	956,300	-
	<u>\$ 3,359,454</u>	<u>\$ 360,032</u>

The \$956,300 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2018	\$ 531,080	\$ 189,159
2019	510,940	170,873
2020	892,844	-
2021	468,290	-
	<u>\$ 2,403,154</u>	<u>\$ 360,032</u>

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017

NOTE 10 – PENSION PLANS (continued)

California Public Employees’ Retirement System (CalPERS) (continued)

Actuarial assumptions

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2015, and rolling forward the total pension liability to June 30, 2016 using the following actuarial assumptions, applied to all periods included in the measurement:

Consumer Price Inflation	2.75%
Investment Yield*	7.65%
Wage Inflation	Varies by Entry Age and Service

* Net of investment expenses, but gross of administrative expenses.

CalPERS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are derived using CalPERS’ membership data for all funds. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

The actuarial assumptions used in the June 30, 2015, valuation were based on the results of an actuarial experience study for the period from 1997 to 2011.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were taken into account. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

ALBANY UNIFIED SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2017

NOTE 10 – PENSION PLANS (continued)

California Public Employees’ Retirement System (CalPERS) (continued)

Actuarial assumptions (continued)

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	Assumed Asset Allocation	Real Return Years 1-10*	Real Return Years 11+**
Global Equity	51%	5.25%	5.71%
Global Debt Securities	20%	0.99%	2.43%
Inflation Assets	6%	0.45%	3.36%
Private Equity	10%	6.83%	6.95%
Real Estate	10%	4.50%	5.13%
Infrastructure and Forestland	2%	4.50%	5.09%
Liquidity	1%	-0.55%	-1.05%
	100%		

* An expected inflation of 2.5% used for this period

** An expected inflation of 3.0% used for this period

Discount rate

The discount rate used to measure the total pension liability was 7.65 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Schools Pool. The results of the crossover testing for the Schools Pool are presented in a detailed report that can be obtained at CalPERS’ website.

Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.65 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.65 percent) or 1-percentage-point higher (8.65 percent) than the current rate:

	1% Decrease (6.65%)	Current Discount Rate (7.65%)	1% Increase (8.65%)
District's proportionate share of the net pension liability	\$ 17,252,726	\$ 11,563,446	\$ 6,826,001

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, *continued*
JUNE 30, 2017

NOTE 10 – PENSION PLANS (*continued*)

California Public Employees’ Retirement System (CalPERS) (*continued*)

Pension plan fiduciary net position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial report.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

A. **Grants**

The District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2017.

B. **Litigation**

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2017.

C. **Construction Commitments**

As of June 30, 2017, the District had commitments with respect to unfinished capital projects of \$914,553.

NOTE 12 – PARTICIPATION IN JOINT POWERS AUTHORITIES

The District participates in two joint ventures under joint powers authorities (JPAs), the Alameda County Schools Insurance Group, and the Schools Excess Liability Fund public risk pool. The relationships between the District and the JPAs are such that the JPAs are not component units of the District for financial reporting purposes.

The JPAs have budgeting and financial reporting requirements independent of member units, and their financial statements are not presented in these financial statements. However, fund transactions between the JPAs and the District are included in these statements. The audited financial statements are generally available from the respective entities.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017

NOTE 13 – DEFERRED AMOUNT ON REFUNDING

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the District recognized deferred outflows of resources in the District-wide financial statements. The deferred outflow of resources pertains to the difference in the carrying value of the refunded debt and its reacquisition price (deferred amount on refunding). Previous financial reporting standards require this to be presented as part of the District's long-term debt. This deferred outflow of resources is recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the new debt, whichever is shorter. At June 30, 2017, the deferred amount on refunding was \$1,290,929.

**REQUIRED SUPPLEMENTARY
INFORMATION**

**ALBANY UNIFIED SCHOOL DISTRICT
GENERAL FUND – BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual* (Budgetary Basis)	Variances - Final to Actual
	Original	Final		
REVENUES				
LCFF sources	\$ 30,144,964	\$ 30,053,075	\$ 30,079,743	\$ 26,668
Federal sources	1,022,156	1,035,102	1,041,672	6,570
Other state sources	5,023,146	6,028,213	5,523,378	(504,835)
Other local sources	7,455,054	8,052,626	8,909,493	856,867
Total Revenues	43,645,320	45,169,016	45,554,286	385,270
EXPENDITURES				
Certificated salaries	20,463,124	20,639,034	20,676,252	(37,218)
Classified salaries	5,379,448	5,440,431	5,451,166	(10,735)
Employee benefits	13,910,987	13,716,800	13,269,620	447,180
Books and supplies	1,249,670	1,564,355	1,456,876	107,479
Services and other operating expenditures	3,621,106	3,966,262	4,419,882	(453,620)
Capital outlay	-	119,418	122,094	(2,676)
Other outgo				
Transfers of indirect costs	(183,480)	(174,034)	(174,440)	406
Total Expenditures	44,440,855	45,272,266	45,221,450	50,816
Excess (Deficiency) of Revenues				
Over Expenditures	(795,535)	(103,250)	332,836	436,086
Other Financing Sources (Uses)				
Transfers out	(85,000)	(85,000)	(85,000)	-
Net Financing Sources (Uses)	(85,000)	(85,000)	(85,000)	-
NET CHANGE IN FUND BALANCE	(880,535)	(188,250)	247,836	436,086
Fund Balance - Beginning	8,304,048	8,305,048	8,305,048	-
Fund Balance - Ending	\$ 7,423,513	\$ 8,116,798	\$ 8,552,884	\$ 436,086

* The actual amounts reported on this schedule do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance for the following reason:

- Actual amounts reported in this schedule are for the General Fund only, and do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances because the amounts on that schedule include the financial activity of the Special Reserve Fund for Other Than Capital Outlay Projects in accordance with the fund type definitions promulgated by GASB Statement No. 54.

**ALBANY UNIFIED SCHOOL DISTRICT
SPECIAL EDUCATION PASS-THROUGH FUND – BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual (Budgetary Basis)	Variances - Final to Actual
	Original	Final		
REVENUES				
Federal sources	4,417,789	4,417,789	4,570,152	152,363
Other state sources	12,524,986	12,519,080	12,304,107	(214,973)
Total Revenues	16,942,775	16,936,869	16,874,259	(62,610)
EXPENDITURES				
Other outgo				
Excluding transfers of indirect costs	16,942,775	16,936,869	16,874,258	62,611
Total Expenditures	16,942,775	16,936,869	16,874,258	62,611
NET CHANGE IN FUND BALANCE	-	-	1	1
Fund Balance - Beginning	-	-	(1)	(1)
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

See accompanying note to required supplementary information.

**ALBANY UNIFIED SCHOOL DISTRICT
SCHEDULE OF FUNDING PROGRESS
FOR THE YEAR ENDED JUNE 30, 2017**

Actuarial Valuation Date	Actuarial Valuation of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2016	\$ -	\$ 15,069,000	\$ 15,069,000	0%	\$ 26,361,351	57%
July 1, 2014	\$ -	\$ 16,759,000	\$ 16,759,000	0%	\$ 25,333,493	66%
July 1, 2013	\$ -	\$ 9,463,000	\$ 9,463,000	0%	\$ 22,814,329	41%

See accompanying note to required supplementary information.

ALBANY UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
- CALSTRS
FOR THE YEAR ENDED JUNE 30, 2017

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
District's proportion of the net pension liability	0.040%	0.040%	0.039%
District's proportionate share of the net pension liability	\$ 31,997,936	\$ 26,994,947	\$ 22,999,230
State's proportionate share of the net pension liability associated with the District	18,218,536	14,277,312	13,887,929
Total	<u>\$ 50,216,472</u>	<u>\$ 41,272,259</u>	<u>\$ 36,887,159</u>
District's covered payroll	\$ 19,651,607	\$ 19,338,526	\$ 18,920,491
District's proportionate share of the net pension liability as a percentage of its covered payroll	162.8%	139.6%	121.6%
Plan fiduciary net position as a percentage of the total pension liability	70.0%	74.0%	76.5%

See accompanying note to required supplementary information.

ALBANY UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
- CALPERS
FOR THE YEAR ENDED JUNE 30, 2017

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
District's proportion of the net pension liability	0.059%	0.058%	0.057%
District's proportionate share of the net pension liability	\$ 11,563,446	\$ 8,562,832	\$ 6,499,469
District's covered payroll	\$ 6,709,744	\$ 7,023,108	\$ 6,413,002
District's proportionate share of the net pension liability as a percentage of its covered payroll	172.3%	121.9%	101.3%
Plan fiduciary net position as a percentage of the total pension liability	73.9%	79.4%	83.4%

See accompanying note to required supplementary information.

**ALBANY UNIFIED SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALSTRS
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Contractually required contribution	\$ 2,461,916	\$ 2,077,951	\$ 1,684,606
Contributions in relation to the contractually required contribution*	(2,461,916)	(2,077,951)	(1,684,606)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 19,651,607	\$ 19,338,526	\$ 18,920,491
Contributions as a percentage of covered payroll	12.53%	10.75%	8.90%

*Amounts do not include on behalf contributions

**ALBANY UNIFIED SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALPERS
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Contractually required contribution	\$ 956,300	\$ 832,166	\$ 754,444
Contributions in relation to the contractually required contribution	(956,300)	(832,166)	(754,444)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 6,709,744	\$ 7,023,108	\$ 6,413,002
Contributions as a percentage of covered payroll	14.25%	11.85%	11.76%

See accompanying note to required supplementary information.

**ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – PURPOSE OF SCHEDULES

Budgetary Comparison Schedule

This schedule is required by GASB Statement No. 34 as required supplementary information (RSI) for the General Fund and for each major special revenue fund that has a legally adopted annual budget. The budgetary comparison schedule presents both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the District's budgetary basis. A separate column to report the variance between the final budget and actual amounts is also presented, although not required.

Schedule of Funding Progress

This schedule is required by GASB Statement No. 45 for all sole and agent employers that provide other postemployment benefits (OPEB). The schedule presents, for the most recent actuarial valuation and the two preceding valuations, information about the funding progress of the plan, including, for each valuation, the actuarial valuation date, the actuarial value of assets, the actuarial accrued liability, the total unfunded actuarial liability (or funding excess), the actuarial value of assets as a percentage of the actuarial accrued liability (funded ratio), the annual covered payroll, and the ratio of the total unfunded actuarial liability (or funding excess) to annual covered payroll.

Schedule of the District's Proportionate Share of the Net Pension Liability

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's proportion (percentage) of the collective net pension liability, the District's proportionate share (amount) of the collective net pension liability, the District's covered payroll, the District's proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered payroll, and the pension plan's fiduciary net position as a percentage of the total pension liability.

Schedule of District Contributions

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's statutorily or contractually required employer contribution, the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the difference between the statutorily or contractually required employer contribution and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the District's covered payroll, and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution as a percentage of the District's covered payroll.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION, continued
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 2 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2017, the District incurred excesses of expenditures over appropriations in individual major funds presented in the Budgetary Comparison Schedule by major object code as follows:

	Expenditures and Other Uses		
	Budget	Actual	Excess
General Fund			
Certificated salaries	\$ 20,639,034	\$ 20,676,252	\$ 37,218
Classified salaries	\$ 5,440,431	\$ 5,451,166	\$ 10,735
Services and other operating expenditures	\$ 3,966,262	\$ 4,419,882	\$ 453,620
Capital outlay	\$ 119,418	\$ 122,094	\$ 2,676

**SUPPLEMENTARY
INFORMATION**

**ALBANY UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017**

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster</u>	<u>CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
U. S. DEPARTMENT OF EDUCATION:				
<i>Passed through California Department of Education:</i>				
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	\$ 258,127	\$ -
Title II, Part A, Teacher Quality	84.367	14341	45,739	-
Title III				
Title III, English Learner Student Program	84.365	14346	58,326	-
Title III, Immigrant Education Program	84.365	15146	9,126	-
Subtotal Title III			<u>67,452</u>	<u>-</u>
Department of Rehabilitation: Workability II, Transitions Partnership Program	84.126	10006	660	-
Special Education Cluster				
IDEA Basic Local Assistance Entitlement, Part B, Sec 611	84.027	13379	4,350,611	3,815,322
IDEA Mental Health Average Daily Attendance (ADA) Allocation, Part B, Sec 611	84.027A	15197	294,894	252,589
IDEA Preschool Grants, Part B, Section 619 (Age 3-4-5)	84.173	13430	118,214	102,901
IDEA Preschool Local Entitlement, Part B, Section 611 (AGE 3-4-5)	84.027A	13682	340,514	296,406
IDEA Preschool Staff Development, Part B, Sec 619	84.173A	13431	1,191	-
Subtotal Special Education Cluster			<u>5,105,424</u>	<u>4,467,218</u>
IDEA Early Intervention Grants, Part C	84.181	23761	131,610	102,934
Title I, Part G, Advanced Placement Test Fee Reimbursement	84.330B	14831	2,812	-
Total U. S. Department of Education			<u>5,611,824</u>	<u>4,570,152</u>
U. S. DEPARTMENT OF AGRICULTURE:				
<i>Passed through California Department of Education:</i>				
Child Nutrition Cluster				
School Breakfast Program - Needy	10.553	13526	41,054	-
National School Lunch Program	10.555	13391	242,857	-
USDA Commodities	10.555	*	59,131	-
Subtotal Child Nutrition Cluster			<u>343,042</u>	<u>-</u>
CACFP Claims - Centers and Family Day Care	10.558	13393	70,132	-
Total U. S. Department of Agriculture			<u>413,174</u>	<u>-</u>
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:				
<i>Passed through California Department of Education:</i>				
Family Child Care	93.596	13609	97,388	-
Total U. S. Department of Health & Human Services			<u>97,388</u>	<u>-</u>
Total Federal Expenditures			<u>\$ 6,122,386</u>	<u>\$ 4,570,152</u>

* - Pass-Through Entity Identifying Number not available or not applicable

**ALBANY UNIFIED SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE (ADA)
FOR THE YEAR ENDED JUNE 30, 2017**

	Second Period Report	Annual Report
SCHOOL DISTRICT		
TK/K through Third		
Regular ADA	1,025.68	1,024.07
Extended Year Special Education	0.98	1.22
Total TK/K through Third	1,026.66	1,025.29
Fourth through Sixth		
Regular ADA	825.00	825.66
Extended Year Special Education	0.41	0.61
Special Education - Nonpublic Schools	1.03	0.80
Extended Year Special Education - Nonpublic Schools	0.10	0.10
Total Fourth through Sixth	826.54	827.17
Seventh through Eighth		
Regular ADA	603.10	602.71
Extended Year Special Education	-	0.09
Total Seventh through Eighth	603.10	602.80
Ninth through Twelfth		
Regular ADA	1,160.09	1,140.64
Extended Year Special Education	0.51	0.72
Special Education - Nonpublic Schools	3.90	4.22
Extended Year Special Education - Nonpublic Schools	0.63	0.63
Total Ninth through Twelfth	1,165.13	1,146.21
TOTAL SCHOOL DISTRICT	3,621.43	3,601.47

See accompanying note to supplementary information.

**ALBANY UNIFIED SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
FOR THE YEAR ENDED JUNE 30, 2017**

Grade Level	Minutes Requirement	2016-17	Number of Days	Status
		Actual Minutes		
Kindergarten	36,000	51,300	180	Complied
Grade 1	50,400	53,750	180	Complied
Grade 2	50,400	53,750	180	Complied
Grade 3	50,400	53,750	180	Complied
Grade 4	54,000	54,675	180	Complied
Grade 5	54,000	54,675	180	Complied
Grade 6	54,000	55,930	180	Complied
Grade 7	54,000	65,300	180	Complied
Grade 8	54,000	65,300	180	Complied
Grade 9	64,800	64,901	180	Complied
Grade 10	64,800	64,901	180	Complied
Grade 11	64,800	64,901	180	Complied
Grade 12	64,800	64,901	180	Complied

See accompanying note to supplementary information.

**ALBANY UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017**

	2018 (Budget)	2017	2016	2015
General Fund - Budgetary Basis**				
Revenues And Other Financing Sources	\$ 43,374,646	\$ 45,554,286	\$ 47,164,599	\$ 40,034,326
Expenditures And Other Financing Uses	45,648,576	45,306,450	45,888,153	41,352,664
Net change in Fund Balance	\$ (2,273,930)	\$ 247,836	\$ 1,276,446	\$ (1,318,338)
Ending Fund Balance	\$ 6,278,954	\$ 8,552,884	\$ 8,305,048	\$ 7,029,184
Available Reserves*	\$ 5,408,175	\$ 6,774,167	\$ 6,140,865	\$ 6,457,038
Available Reserves As A Percentage Of Outgo	11.85%	14.95%	13.38%	15.61%
Long-term Debt	\$ 110,608,429	\$ 114,526,402	\$ 75,034,172	\$ 68,775,517
Average Daily Attendance At P-2	3,565	3,621	3,711	3,757

The General Fund balance has increased by \$1,523,700 over the past two years. The fiscal year 2017-18 budget projects a decrease of \$2,273,930. For a District this size, the State recommends available reserves of at least 3% of General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred operating surpluses in two of the past three years and anticipates incurring an operating deficit during the 2017-18 fiscal year. Total long-term obligations have increased by \$45,750,885 over the past two years.

Average daily attendance has decreased by 136 ADA over the past two years. A further decrease of 56 ADA is anticipated during the 2017-18 fiscal year.

*Available reserves consist of all unassigned fund balance within the General Fund.

**The actual amounts reported in this schedule are for the General Fund only, and do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances because the amounts on that schedule include the financial activity of the Special Reserve Fund for Other Than Capital Outlay Projects in accordance with the fund type definitions promulgated by GASB Statement No. 54.

**ALBANY UNIFIED SCHOOL DISTRICT
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

	General Fund	Building Fund	Special Reserve Fund for Other Than Capital Outlay Projects
June 30, 2017, annual financial and budget report fund balance	\$ 8,552,884	\$ 32,616,338	\$ 764,862
Adjustments and reclassifications:			
Increase (decrease) in total fund balances:			
Understatement of accounts payable accrual	-	(207,813)	-
Fund balance transfer (GASB 54)	764,862	-	(764,862)
Net adjustments and reclassifications	764,862	(207,813)	(764,862)
June 30, 2017, audited financial statement fund balance	<u>\$ 9,317,746</u>	<u>\$ 32,408,525</u>	<u>\$ -</u>

See accompanying note to supplementary information.

ALBANY UNIFIED SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2017

The District did not sponsor any charter schools during the year ended June 30, 2017.

ALBANY UNIFIED SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 JUNE 30, 2017

	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Capital Facilities Fund	County School Facilities Fund	Non-Major Governmental Funds
ASSETS						
Cash and investments	\$ 47,365	\$ 35,519	\$ 23,260	\$ 8,194	\$ -	\$ 114,338
Accounts receivable	115,593	95,545	-	8,986	-	220,124
Stores inventory	-	4,724	-	-	-	4,724
Total Assets	\$ 162,958	\$ 135,788	\$ 23,260	\$ 17,180	\$ -	\$ 339,186
LIABILITIES						
Accrued liabilities	\$ 74,462	\$ 29,880	\$ 1,450	\$ 2,353	\$ -	\$ 108,145
Unearned revenue	7,126	-	-	-	-	7,126
Total Liabilities	81,588	29,880	1,450	2,353	-	115,271
FUND BALANCES						
Non-spendable	-	4,724	-	-	-	4,724
Restricted	2,447	101,184	-	14,827	-	118,458
Committed	-	-	21,810	-	-	21,810
Assigned	80,923	-	-	-	-	80,923
Unassigned	(2,000)	-	-	-	-	(2,000)
Total Fund Balances	81,370	105,908	21,810	14,827	-	223,915
Total Liabilities and Fund Balance	\$ 162,958	\$ 135,788	\$ 23,260	\$ 17,180	\$ -	\$ 339,186

See accompanying note to supplementary information.

**ALBANY UNIFIED SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017**

	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Capital Facilities Fund	County School Facilities Fund	Non-Major Governmental Funds
REVENUES						
LCFF sources	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ 250,000
Federal sources	167,520	283,911	-	-	-	451,431
Other state sources	646,757	18,066	-	-	-	664,823
Other local sources	1,513,724	739,508	1,253	187,088	2,019	2,443,592
Total Revenues	2,328,001	1,041,485	251,253	187,088	2,019	3,809,846
EXPENDITURES						
Current						
Instruction	1,713,424	-	-	-	-	1,713,424
Pupil services						
Food services	-	991,280	-	-	-	991,280
All other pupil services	8,603	-	-	-	-	8,603
General administration						
All other general administration	126,059	48,381	-	-	-	174,440
Plant services	96,361	-	61,726	134,198	-	292,285
Facilities acquisition and maintenance	-	-	440,839	55,700	607,443	1,103,982
Community services	463,280	-	-	-	-	463,280
Total Expenditures	2,407,727	1,039,661	502,565	189,898	607,443	4,747,294
NET CHANGE IN FUND BALANCE	(79,726)	1,824	(251,312)	(2,810)	(605,424)	(937,448)
Fund Balance - Beginning	161,096	104,084	273,122	17,637	605,424	1,161,363
Fund Balance - Ending	\$ 81,370	\$ 105,908	\$ 21,810	\$ 14,827	\$ -	\$ 223,915

See accompanying note to supplementary information.

**ALBANY UNIFIED SCHOOL DISTRICT
LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
JUNE 30, 2017**

The Albany Unified School District was established in the early 1900's and is comprised of an area of approximately one square mile. There were no changes to the boundaries of the District during the current year. The District serves the City of Albany and offers instruction for Grades TK-12. The District is currently operating three elementary schools, one middle school, one comprehensive high school, one continuation high school, and one child development program.

GOVERNING BOARD

Member	Office	Term Expires
Paul Black	President	November 2018
Ross Stapleton-Gray	Vice President	November 2018
Charles Blanchard	Member	November 2018
Jacob Clark	Member	November 2020
Kim Trutane	Member	November 2020

DISTRICT ADMINISTRATORS

Val Williams
Superintendent

Allan Garde
Chief Business Official

Cynthia Attiyeh
Director III, Human Resources

Peter Parenti
Director III, Curriculum, Instruction & Assessment

Marie Williams
Director III, Educational & Student Services

Diane Marie
Director of Special Education

Jackie Manibusan
Communications Manager

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY INFORMATION
JUNE 30, 2017

NOTE 1 – PURPOSE OF SCHEDULES

Schedule of Expenditures of Federal Awards

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

The District passes through certain Federal assistance received to other governments (subrecipients). The subrecipient agencies have certain compliance responsibilities related to administering these Federal programs. The District is responsible for monitoring subrecipients to help assure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements, and that performance goals are achieved.

The District has not elected to use the 10 percent de minimis indirect cost rate.

Schedule of Average Daily Attendance (ADA)

Average daily attendance (ADA) is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to school districts. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

Schedule of Instructional Time

This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of *Education Code Sections* 46200 through 46208. During the year ended June 30, 2017, the District participated in the Longer Day incentive funding program. As of June 30, 2017, the District had not yet met its target funding.

Schedule of Financial Trends and Analysis

This schedule discloses the District's financial trends by displaying past years' data along with current year budget information. These financial trend disclosures are used to evaluate the District's ability to continue as a going concern for a reasonable period of time.

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Annual Financial and Budget Report Unaudited Actuals to the audited financial statements.

ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY INFORMATION continued
JUNE 30, 2017

Schedule of Charter Schools

This schedule lists all Charter Schools chartered by the District, and displays information for each Charter School on whether or not the Charter School is included in the District audit.

Combining Statements – Non-Major Funds

These statements provide information on the District's non-major funds.

Local Education Agency Organization Structure

This schedule provides information about the District's boundaries and schools operated, members of the governing board, and members of the administration.

**OTHER INDEPENDENT
AUDITORS' REPORTS**

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS**

Independent Auditors' Report

Governing Board
Albany Unified School District
Albany, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Albany Unified School District, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Albany Unified School District's basic financial statements, and have issued our report thereon dated December 14, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Albany Unified School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Albany Unified School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Albany Unified School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Christy White, CPA

Michael Ash, CPA

Heather Rubio

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Albany Unified School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Christy White Associates

San Diego, California
December 14, 2017

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; AND REPORT
 ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
 GUIDANCE**

Independent Auditors' Report

Governing Board
 Albany Unified School District
 Albany, California

Report on Compliance for Each Major Federal Program

We have audited Albany Unified School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Albany Unified School District's major federal programs for the year ended June 30, 2017. Albany Unified School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Albany Unified School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Albany Unified School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Albany Unified School District's compliance.

Opinion on Each Major Federal Program

In our opinion, Albany Unified School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Management of Albany Unified School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Albany Unified School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Albany Unified School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Christy White Associates

San Diego, California

December 14, 2017

REPORT ON STATE COMPLIANCE

Independent Auditors' Report

Christy White, CPA

Michael Ash, CPA

Heather Rubio

Governing Board
Albany Unified School District
Albany, California

Report on State Compliance

We have audited Albany Unified School District's compliance with the types of compliance requirements described in the *2016-17 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, section 19810, that could have a direct and material effect on each of Albany Unified School District's state programs for the fiscal year ended June 30, 2017, as identified below.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Albany Unified School District's state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2016-17 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, section 19810. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the state programs noted below occurred. An audit includes examining, on a test basis, evidence about Albany Unified School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with the requirements referred to above. However, our audit does not provide a legal determination of Albany Unified School District's compliance with those requirements.

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Opinion on State Compliance

In our opinion, Albany Unified School District complied, in all material respects, with the types of compliance requirements referred to above that are applicable to the state programs noted in the table below for the year ended June 30, 2017.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is described in the accompanying schedule of findings and questioned costs as item #2017-001. Our opinion on state compliance is not modified with respect to this matter.

Albany Unified School District's response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and corrective action plan. Albany Unified School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Procedures Performed

In connection with the audit referred to above, we selected and tested transactions and records to determine Albany Unified School District's compliance with the state laws and regulations applicable to the following items:

PROGRAM NAME	PROCEDURES PERFORMED
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	Not Applicable
Continuation Education	No
Instructional Time	Yes
Instructional Materials	Yes
Ratios of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	Not Applicable
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	Not Applicable
Middle or Early College High Schools	Not Applicable
K-3 Grade Span Adjustment	Yes
Transportation Maintenance of Effort	Yes
Mental Health Expenditures	Yes
Educator Effectiveness	Yes
California Clean Energy Jobs Act	Yes

PROGRAM NAME	PROCEDURES PERFORMED
After School Education and Safety Program	Not Applicable
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not Applicable
Immunizations	Yes
Attendance; for charter schools	Not Applicable
Mode of Instruction; for charter schools	Not Applicable
Nonclassroom-Based Instruction/Independent Study; for charter schools	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction; for charter schools	Not Applicable
Annual Instructional Minutes – Classroom Based; for charter schools	Not Applicable
Charter School Facility Grant Program	Not Applicable

We did not perform testing for Continuation Education, because it did not meet the threshold required for testing.

Christy White Associates

San Diego, California
December 14, 2017

**SCHEDULE OF FINDINGS
AND QUESTIONED COSTS**

**ALBANY UNIFIED SCHOOL DISTRICT
SUMMARY OF AUDITORS' RESULTS
FOR THE YEAR ENDED JUNE 30, 2017**

FINANCIAL STATEMENTS

Type of auditors' report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Non-compliance material to financial statements noted?	<u>No</u>

FEDERAL AWARDS

Internal control over major program:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Type of auditors' report issued:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a)?	<u>No</u>
Identification of major programs:	

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>	
84.027, 84.173, 84.027A, 84.173A	Special Education Cluster	
Dollar threshold used to distinguish between Type A and Type B programs:	\$	<u>750,000</u>
Auditee qualified as low-risk auditee?		<u>Yes</u>

STATE AWARDS

Internal control over state programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>Yes</u>
Type of auditors' report issued on compliance for state programs:	<u>Unmodified</u>

ALBANY UNIFIED SCHOOL DISTRICT
FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2017

FIVE DIGIT CODE

20000

30000

AB 3627 FINDING TYPE

Inventory of Equipment

Internal Control

There were no financial statement findings for the year ended June 30, 2017.

ALBANY UNIFIED SCHOOL DISTRICT
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017

FIVE DIGIT CODE

50000

AB 3627 FINDING TYPE

Federal Compliance

There were no federal award findings and questioned costs for the year ended June 30, 2017.

**ALBANY UNIFIED SCHOOL DISTRICT
STATE AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017**

<u>FIVE DIGIT CODE</u>	<u>AB 3627 FINDING TYPE</u>
10000	Attendance
40000	State Compliance
41000	CalSTRS
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

FINDING #2017-001 – UNDUPLICATED LOCAL CONTROL FUNDING FORMULA PUPIL COUNTS (40000)

Criteria: Students classified as English Learners (EL) on the CALPADS 1.18 FRPM/English Learner/Foster Youth – Student List Report must have supporting documentation that indicates the student was eligible for the determination. Auditors are required to verify compliance with Education Code Section 42238.02(b)(3)(b) in Section W of the 2016-17 *Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*.

Condition: 4 of 60 students tested from the CALPADS 1.18 FRPM/English Learner/Foster Youth – Student List Report who were classified as English Learners (EL) were reclassified as English proficient during prior years. An additional 5 of 60 students tested Early Advance or higher and were not re-designated as English Proficient. Supporting documentation for designation was not provided to verify designation for 26 of 60 students selected for testing. Exceptions were noted on a total of 35 out of 60 students Upon extrapolation of the total population of 283, we calculated 130 additional students for a total of 170 students not properly designated.

Cause: Oversight by the District. Students were reclassified prior to 2016-17 academic year, and not updated in the CalPADS system

Effect: The District is not in compliance with State requirements.

Context: 165 of 3,353 (1,191 in 2014-15, 1,072 in 2015-16, and 1,090 in 2016-17) students reported in the District's Unduplicated Pupil Count did not have proper supporting documentation to support their EL designation.

Questioned Cost: \$47,129, as calculated on next page.

Recommendation: We recommend that the District ensure that all students listed as EL in the CALPADS 1.18 FRPM/English Learner/Foster Youth – Student List Report have proper documentation to support their CALPADS designation.

District Response: The school district will provide training to staff connected to classifying English Learners into the Student Information System in the Fall. Prior to certifying the data, staff connected to classifying English Learners will review each student to ensure accuracy.

**ALBANY UNIFIED SCHOOL DISTRICT
STATE AWARD FINDINGS AND QUESTIONED COSTS, continued
FOR THE YEAR ENDED JUNE 30, 2017**

**FINDING #2017-001 – UNDUPLICATED LOCAL CONTROL FUNDING FORMULA PUPIL COUNTS (40000)
(continued)**

UPP Audit Adjustment					
1	Total Adjusted Enrollment from the UPP exhibit as of P-2			11,403	
2	Total Adjusted Unduplicated Pupil Count from the UPP exhibit as of P-2			3,353	
3	Audit Adjustment - Number of Enrollment			-	
4	Audit Adjustment - Number of Unduplicated Pupil Count			(165)	
5	Revised Adjusted Enrollment			11,403	
6	Revised Adjusted Unduplicated Pupil Count			3,188	
7	UPP calculated as of P-2			0.2940	
8	Revised UPP for audit finding			0.2796	
9	Charter Schools Only: Determinative School District Concentration Cap			-	
10	Revised UPP adjusted for Concentration Cap			0.2796	
LCFF Target Supplemental Grant Funding Audit Adjustment		TK/K-3	4-6	7-8	9-12
9	Supplemental and Concentration Grant ADA	1,102.02	846.99	558.23	1,205.73
10	Adjusted Base Grant per ADA	\$7,820	\$7,189	\$7,403	\$8,578
11	Target Supplemental Grant Funding calculated as of P-2				\$1,715,910
12	Revised Target Supplemental Grant Funding for audit finding				\$1,631,866
13	Target Supplemental Grant Funding audit adjustment				(\$84,044)
LCFF Target Concentration Grant Funding Audit Adjustment					
14	Target Concentration Grant Funding calculated as of P-2				\$0
15	Revised Target Concentration Grant Funding for audit finding				\$0
16	Target Concentration Grant Funding audit adjustment				\$0
Estimated Cost of Unduplicated Pupil Count Audit Adjustment for LEAs funded at LCFF Target					
18	Total Target Supplemental and Concentration audit adjustment				(\$84,044)
Estimated Cost of Unduplicated Pupil Count Audit Adjustment for LEAs funded on LCFF Floor and Gap					
19	Statewide Gap Funding Rate as of P-2				0.5607679980
20	Estimated Cost of Unduplicated Pupil Count audit adjustment				(\$47,129)

**ALBANY UNIFIED SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2017**

FINDING #2016-1: ASSOCIATED STUDENT BODY (ASB) FUNDS (30000)

Criteria: Maintaining sound internal control procedures over cash receipts, cash disbursements, bank reconciliations and minutes of council meetings reduces the opportunity for irregularities to go undetected. The Fiscal Crisis & Management Assistance Team (FCMAT) Associated Student Body Accounting Manual & Desk Reference outlines proper internal control procedures for associated student body accounts to follow.

Condition: Through our testing of the school site ASB accounts, we noted the following internal control deficiencies:

ALBANY MIDDLE SCHOOL

- Two (2) out of 10 cash receipts did not have adequate supporting documentation. The two cash receipts did not have an itemization or breakdown that shows the quantity sold and the cost of each item sold. The only supporting documentation provided were the cash receipts, cash count form, and deposit slip.

ALBANY HIGH SCHOOL

- Two (2) out of 10 cash receipts did not have adequate supporting documentation. The only documentation provided was the cash receipt, money deposit form and deposit slip. The cash receipts lacked an itemization or breakdown of the items sold, the quantity and the price per item.

ALBANY UNIFIED SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS, *continued*
FOR THE YEAR ENDED JUNE 30, 2017

FINDING #2016-1: ASSOCIATED STUDENT BODY (ASB) FUNDS (30000), (continued)

Cause: Insufficient controls over student body activities.

Effect: The potential for irregularities in accounting to go undetected.

Perspective: Testing was performed at a sample of the District's student body accounts.

Recommendation: We recommend that the District implement procedures to ensure that adequate supporting documentation is maintained for ASB cash collections. The District should utilize ticket logs, tally sheets and/or sales detail forms that indicate number of items sold and the prices to support student funds cash collection activities. The District should provide each student body account clerk with the latest FCMAT Associated Student Body Accounting Manual & Desk Reference and reinforce the importance for sound internal control procedures to be implemented.

District Response: Staff will attend training on ASB Compliance.

Current Status: Implemented.

ALBANY UNIFIED SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS, *continued*
FOR THE YEAR ENDED JUNE 30, 2017

FINDING #2016-2 – UNDUPLICATED LOCAL CONTROL FUNDING FORMULA PUPIL COUNTS (40000)

Criteria: Students classified as free or reduced price meal eligible (FRPM) and who are not directly certified on the CALPADS 1.18 FRPM/English Learner/Foster Youth – Student List Report must have supporting documentation that indicates the student was eligible for the determination. Auditors are required to verify compliance with Education Code Section 42238.02(b)(3)(b) in Section W of the *2015-16 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*.

Condition: 6 of 24 students tested from the CALPADS 1.18 FRPM/English Learner/Foster Youth – Student List Report who were classified as FRPM did not have proper supporting documentation to support their designation. Upon testing of 100% of the FRPM population, an additional 34 students were identified for a total of 40 ineligible students.

Cause: Incorrect classification of students.

Effect: The District is not in compliance with State requirements.

Context: 40 of 3,608 (1,305 in 2013-14, 1,191 in 2014-15, and 1,112 in 2015-16) students reported in the District’s Unduplicated Pupil Count did not have proper supporting documentation to support their FRPM designation.

Questioned Cost: \$10,959, as calculated on next page.

Recommendation: We recommend that the District ensure that all students listed as FRPM in the CALPADS 1.18 FRPM/English Learner/Foster Youth – Student List Report have proper documentation to support their CALPADS designation.

District Response: Food Service, Student Services, Technology, and Business will implement additional procedures prior to the certification of CALPADS to ensure compliance.

Current Status: Implemented for FRPM, but see Finding #2017-001 for Unduplicated LCFF Pupil Count exception related to EL.

ALBANY UNIFIED SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS, continued
FOR THE YEAR ENDED JUNE 30, 2017

FINDING #2016-2 – UNDUPLICATED LOCAL CONTROL FUNDING FORMULA PUPIL COUNTS (40000) (continued)

Questioned Cost: \$10,959, as calculated below.

UPP Audit Adjustment		Section 1: Regular UPP	Section 2: Alternate UPP*
1	Total Adjusted Enrollment from the UPP exhibit as of P-2	11,540	11,582
2	Total Adjusted Unduplicated Pupil Count from the UPP exhibit as of P-2	3,608	3,494
3	Number of Unduplicated Pupil Count audit adjustment		(40)
4	Revised Adjusted Unduplicated Pupil Count	3,568	3,454
5	UPP calculated as of P-2	0.3127	0.3017
6	Revised UPP for audit finding	0.3092	0.2982
7	Greater of Revised UPP for audit finding from Section 1 or 2		0.3092
8	Charter Schools Only: Determinative School District Concentration Cap		-
9	Revised UPP adjusted for Concentration Cap		0.3092
LCFF Target Base Grant Funding		Estimated Values	
10	Total Base Grant Funding as of P-2	\$29,788,422	
LCFF Target Supplemental Grant Funding Audit Adjustment			
11	Target Supplemental Grant Funding calculated as of P-2	\$1,862,968	
12	Revised Target Supplemental Grant Funding for audit finding	\$1,842,116	
13	Target Supplemental Grant Funding audit adjustment	(\$20,852)	
LCFF Target Concentration Grant Funding Audit Adjustment			
14	Target Concentration Grant Funding calculated as of P-2	\$0	
15	Revised Target Concentration Grant Funding for audit finding	\$0	
16	Target Concentration Grant Funding audit adjustment	\$0	
Estimated Cost of Unduplicated Pupil Count Audit Adjustment for LEAs funded at LCFF Target			
17	Total Target Supplemental and Concentration audit adjustment	(\$20,852)	
Estimated Cost of Unduplicated Pupil Count Audit Adjustment for LEAs funded on LCFF Floor and Gap			
18	Statewide Gap Funding Rate as of P-2	0.5255761597	
21	Estimated Cost of Unduplicated Pupil Count audit adjustment	(\$10,959)	

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP
Regular Meeting of January 23, 2018**

ITEM: 2016-2017 2008 MEASURE E PERFORMANCE AND FINANCIAL AUDIT REPORT

PREPARED BY: ALLAN GARDE, CHIEF BUSINESS OFFICIAL

TYPE OF ITEM: REVIEW AND ACTION

PURPOSE: In accordance with Proposition 39 and the 2008 Measure E Bond Authorization, the Board is to annually review and take action on bond activity.

BACKGROUND INFORMATION: On February 5, 2008, the voters of Albany approved the Measure E Bond Authorization for the Albany Unified School District. This bond has funded the construction of the Albany Aquatics Center containing both an indoor and outdoor pool and the addition of four Gen7 modular classrooms at the Albany High School. The audit firm, Christy White and Associates, performed the 2016-2017 audit service and prepared the report.

DETAILS: Michael Ash, Partner with the firm, will be present at the Board Meeting to discuss the audit report and answer any questions.

KEY QUESTIONS/ANSWERS:

1. What is a performance audit?
 - a. In addition to the auditing of expenditures, a performance audit reviews the expenditures were made solely within with the ballot language of the bond measure, internal controls are evaluated, bid procedures are reviewed, and a site walk of the project is conducted, if necessary.
2. What oversight committee is overseeing this bond?
 - a. The new appointments to the Citizens' Bond Oversight Committee will review all activity for the 2008 Measure E Authorization, 2016 Measure B Authorization, and the 2016 Measure E Authorization. Having one committee provide oversight over multiple authorizations provides efficiencies, but more importantly does not impact the restrictions and accountability measures each bond authorization has. Each bond authorization has its own performance and financial audit report.

FINANCIAL INFORMATION: The auditor has issued an unmodified "clean" report for the Albany Unified School District.

STRATEGIC GOALS ADDRESSED: This Board Item addresses



Objective #3: Communicate and Lead Together.

Goal: All stakeholders will collaborate and communicate about decisions that guide the sites and district.

RECOMMENDATION: Accept the 2016-2017 2008 Measure E Financial and Performance Audit Report

**MEASURE E BOND BUILDING FUND OF
ALBANY UNIFIED SCHOOL DISTRICT**

**FINANCIAL AND PERFORMANCE AUDIT REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2017**

San Diego

Los Angeles

**San Francisco
Bay Area**

christywhite
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**MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
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FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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**MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
INTRODUCTION AND CITIZENS' OVERSIGHT COMMITTEE MEMBER LISTING
JUNE 30, 2017**

The Albany Unified School District was established in the early 1900's and is comprised of an area of approximately one square mile. There were no changes to the boundaries of the District during the current year. The District serves the City of Albany and offers instruction for Grades TK-12. The District is currently operating three elementary schools, one middle school, one comprehensive high school, one continuation school, and one child development program.

On February 5, 2008, the voters of Alameda County passed ballot Measure E, authorizing the issuance of \$10,000,000 of general obligation bonds. The sale of the general obligation bonds (Series A) closed in August 2009, for a principal amount of \$10,000,000. The funds were deposited into the Alameda County Treasury. All warrants are pre-audited and processed by the Alameda County Office of Education. All Measure E bond building funds are accounted for in Fund 21 of the District's general ledger.

Measure E was a Proposition 39 Bond. The passage of Proposition 39 in November 2000 amended the California Constitution to include accountability measures.

Upon passage of Proposition 39, an accompanying piece of legislation, AB 1908 (Chapter 44, Statutes of 2000), was also enacted, which amended the Education Code to establish additional procedures which must be followed if a District seeks approval of a bond measure pursuant to the 55% majority authorized in Measure E including formation, composition and purpose of the Citizens' Oversight Committee, and authorization for injunctive relief against the improper expenditure of bond revenues.

As of June 30, 2017, the Citizens' Oversight Committee was comprised of the following members:

Name	Title	Representation
Matt Smith	President	Active in Business Organization
Howard McNenny	Representative	Senior Citizen
Vacant	Member	Bona Fide Taxpayer's Organization*
Jackie Kim	Member	Parent/Guardian
Kat Bliss	Member	Parent Teacher Association
B. Melange Matthews	Secretary	Public at Large
Gary Class	Member	Public at Large
Pareen Shah	Member	Public at Large
Barbara Wezelman	Member	Public at Large

*The Citizens' Oversight Committee has a vacant position, which the District is actively seeking to fill.

INDEPENDENT AUDITORS' REPORT

Governing Board Members and
 Measure E Citizens' Oversight Committee
 Albany Unified School District
 Albany, California

Christy White, CPA

Michael D. Ash, CPA

John Whitehouse, CPA

Heather Daud Rubio

Report on the Financial Statements

We have audited the accompanying financial statements of the Measure E Bond Building Fund of Albany Unified School District (the "District") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Measure E Bond Building Fund's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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 State Board of Accountancy*

Auditor's Responsibility (continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

As discussed in Note 1A, the financial statements present only the individual Proposition 39 Bond Building Fund, consisting of the net construction proceeds of the Measure E Bond Building Fund as issued by the District, through the County of Alameda, and are not intended to present fairly the financial position of the District in conformity with generally accepted accounting principles.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure E Bond Building Fund as of June 30, 2017 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2018 on our consideration of the Measure E Bond Building Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Measure E Bond Building Fund's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of Proposition 39, as incorporated in California Constitution Article 13A, we have also issued our performance audit report dated January 17, 2018 on our consideration of the Measure E Bond Building Fund's compliance with the requirements of Proposition 39. That report is an integral part of our audit of the Measure E Bond Building Fund for the fiscal year ended June 30, 2017 and should be considered in assessing the results of our financial audit.



San Diego, California
January 17, 2018

FINANCIAL SECTION

**MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
BALANCE SHEET
JUNE 30, 2017**

ASSETS

Cash in county treasury	\$	219,505
Accounts receivable		350
Total Assets	\$	<u>219,855</u>

FUND BALANCE

Restricted for Measure E Projects	\$	<u>219,855</u>
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Total Liabilities and Fund Balance	\$	<u>219,855</u>
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The accompanying notes are an integral part of the financial statements.

**MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

REVENUES	
Local revenues - interest	\$ 350
Total Revenues	<u>350</u>
EXPENDITURES	
Facilities acquisition and construction	<u>20,162</u>
Total Expenditures	<u>20,162</u>
Net Change in Fund Balance	(19,812)
Fund Balance, July 1, 2016	<u>239,667</u>
Fund Balance, June 30, 2017	<u>\$ 219,855</u>

The accompanying notes are an integral part of the financial statements.

**MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Albany Unified School District was established in the early 1900's and is comprised of an area of approximately one square mile. The District serves the City of Albany and offers instruction for Grades TK-12. The District is currently operating three elementary schools, one middle school, one comprehensive high school, one continuation high school, and one child development program.

On February 5, 2008, the voters of the District approved by 72% vote Measure E, authorizing the issuance of \$10,000,000 of general obligation bonds to reconstruct and replace the Albany School District Community Pool (including showers, lockers and related facilities) to provide students and the community with adequate swimming facilities for school; adult school; athletic competition; recreational and community use, including therapeutic and instructional swim, with additional high school classrooms. Because the Bond required only 55% of the vote in accordance with Proposition 39 (Article XIII of the California State Constitution), the District was required to establish a citizens' bond oversight committee and to conduct a financial and performance audit.

The Committee's oversight goals include ensuring expenditures are within the language of the ballot measure and advising the District's Governing Board on various projects. The citizens' oversight committee must include, among others, representation of a bona fide taxpayers association, a business organization, and a senior citizens organization. No District employees or vendors are allowed to serve on the citizens' oversight committee.

The fund financial statements are for the Measure E Bond Building Fund. Since this is just one component of the district, these financial statements are not intended to be a complete presentation of the District's financial position or results of operations. Accordingly, these fund statements do not include a government wide financial statement, management discussion and analysis or related organizational disclosures. The audited financial statements of Albany Unified School District include the Measure E Bond Building Fund activities, related debt and disclosures as well as the management discussion and analysis

An advisory committee to the District's Governing Board and Superintendent, the Measure E Citizens' Oversight Committee ("COC") was established pursuant to the requirements of state law and the provisions of Measure E. The purpose of the COC is to inform the public concerning the use of bond proceeds. The COC is required by state law to actively review and report on the proper expenditure of taxpayers' money for school construction. The COC provides oversight and advises the public as to whether the District is spending the Measure E Bond Building Funds for school capital improvements within the scope of projects outlined in the Measure E Project List. In fulfilling its duties, the COC reviews, among other things, the District's annual performance and financial audits of Measure E activity.

MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

A. **Reporting Entity (continued)**

The statements presented are for the individual Measure E General Obligation Bond as issued by the District, through the County of Alameda, and are not intended to be a complete presentation of the District's financial position or results of operations.

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

B. **Accounting Policies**

The District accounts for its financial transactions in accordance with the policies and procedures of the California Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board ("GASB") and the American Institute of Certified Public Accountants ("AICPA").

C. **Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

The financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

D. **Encumbrances**

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid.

MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Deposits and Investments

In accordance with Education Code Sections 15357 and 41001, the Measure E Bond Building Fund maintains its cash in the Alameda County Treasury. The county pools these funds with those of other districts in the county and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

G. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all government funds. By state law, the District's Governing Board must adopt a budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's Governing Board satisfied these requirements.

These budgets are revised by the District's Governing Board during the year to give consideration to unanticipated income and expenditures. Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

H. Fund Balance

Under GASB Statement No. 54, fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The fund balance in Measure E Bond Building Fund is considered restricted.

The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation.

MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017

NOTE 2 – CASH AND INVESTMENTS

Summary of Cash and Investments

Cash and investments as of June 30, 2017 consisted of \$219,505 held in cash in county treasury.

Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations. Investments of debt proceeds held by trustees are governed by the provisions of debt agreements rather than the general provisions of the California Government Code. These provisions allow for the acquisition of investment agreements with maturities up to 30 years.

Cash in County Treasury – The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

**MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS (continued)

General Authorizations

Except for investments by trustees of debt proceeds, the authority to invest District funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. The table below identifies examples of the investment types permitted in the investment policy:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are described below:

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury. The District maintains an investment with the Alameda County Investment Pool with a fair value of approximately \$219,519 and an amortized book value of \$219,505. The weighted average maturity for this pool as of June 30, 2017 is 393 days.

**MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS (continued)

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The county is restricted by Government Code Section 53635 pursuant to Section 53601 to invest only in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer’s investment pool, bankers’ acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk.

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government Code. District investments that are greater than 5 percent of total investments are in either an external investment pool or mutual funds and are therefore exempt.

Fair Value

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonable available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the Alameda County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The District's fair value measurements at June 30, 2017 were as follows:

	Uncategorized
Investment in county treasury	\$ 219,519
Total fair market value of investments	\$ 219,519

**MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2017 consisted of interest earned on investments totaling \$350.

NOTE 4 – MEASURE E GENERAL OBLIGATION BONDS

In July 2009, the District issued Election of 2008 General Obligation Bonds, Series A in the aggregate principal amount of \$10,000,000. The bonds are payable from the proceeds of *ad valorem* property taxes which the Board of Supervisors of the Alameda County are obligated to levy and collect on all taxable property in the District for the payment of and interest on the bonds. The bonds carry interest rates ranging from 2.0% to 5.0% and were fully matured as of June 30, 2016.

In March 2016, the District issued 2016 Refunding Bonds in the aggregate principal amount of \$13,055,000, a portion of which was used to refund the 2008 Series A bonds in their entirety.

Proceeds from the sale of the bonds may only be used for construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of such facilities; or for the acquisition or lease of real property for school facilities. In addition, proceeds may only be used for the projects listed in the Measure, which include the construction of a new swimming pool for student, adult school, athletic competition, and Albany community use; locker rooms and related facilities; and additional high school classrooms. Proceeds may not be used for any other purpose, such as teacher and administrator salaries nor operating expenses.

The bonded debt is paid through the *ad valorem* property taxes through Alameda County and the debt liability is carried on the Albany Unified School District's Government Wide financial statements.

The District's general obligation bonds represent general obligations payable solely from *ad valorem* property taxes. The general obligation debt for the Measure E bonds at June 30, 2017, was as follows:

Series	Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 01, 2016	Additions	Deductions	Bonds Outstanding June 30, 2017
2016 Refunding Bonds	3/1/2016	8/1/2027	2.0 - 5.0%	\$ 9,670,000	\$ 9,670,000	\$ -	\$ 170,000	\$ 9,500,000

The remaining bonds outstanding at June 30, 2017 related to Measure E were as follows:

2016 Refunding			
Year Ended June 30,	Principal	Interest	Total
2018	\$ -	447,300	\$ 447,300
2019	-	447,300	447,300
2020	-	447,300	447,300
2021	50,000	446,300	496,300
2022	1,070,000	418,550	1,488,550
2023 - 2027	6,885,000	1,209,475	8,094,475
2028	1,495,000	37,375	1,532,375
Total	\$ 9,500,000	\$ 3,453,600	\$ 12,953,600

MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017

NOTE 5 – COMMITMENTS AND CONTINGENCIES

A. Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2017.

B. Construction Commitments

The Measure E Bond Building Fund had no outstanding construction commitments as of June 30, 2017.

**OTHER INDEPENDENT
AUDITORS' REPORTS**

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Christy White, CPA

Michael D. Ash, CPA

John Whitehouse, CPA

Heather Daud Rubio

Governing Board Members and
Measure E Citizens' Oversight Committee
Albany Unified School District
Albany, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Measure E Bond Building Fund, as of and for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Measure E Bond Building Fund's basic financial statements, and have issued our report thereon dated January 17, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Measure E Bond Building Fund's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Measure E Bond Building Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Measure E Bond Building Fund's internal controls.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Measure E Bond Building Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



San Diego, California
January 17, 2018

INDEPENDENT AUDITORS' REPORT ON PERFORMANCE

Christy White, CPA

Michael D. Ash, CPA

John Whitehouse, CPA

Heather Daud Rubio

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State Board of Accountancy

Governing Board Members and
Measure E Citizens' Oversight Committee
Albany Unified School District
Albany, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Measure E Bond Building Fund, as of and for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Measure E Bond Building Fund's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Objectives

In connection with our audit, we also performed an audit of compliance as required in the performance requirements for the Measure E Bond Building Fund for the fiscal year ended June 30, 2017. The objective of the examination of compliance applicable to the District is to determine with reasonable assurance that:

- The proceeds of the sale of the Measure E Bonds were only used for the purposes set forth in the Measure E ballot language and not for any other purpose, such as teacher and administrative salaries.
- The Governing Board of the District, in establishing the approved projects set forth in the ballot measure, evaluated the remodeling, new construction and renovations of items which will improve learning and to accommodate growth in the District, with no funds expended on administrator salaries.

In performing our audit of compliance, we performed procedures including but not limited to those listed as follows:

Internal Control Evaluation

Procedures Performed:

Inquiries were made of management regarding internal controls to:

- Prevent fraud or waste regarding Measure E projects, including budgetary controls
- Ensure adequate separation of duties exists in the fiscal services department for Measure E funds
- Prevent material misstatements in the financial statements
- Ensure expenditures are allocated to the proper fund(s)
- To follow applicable regulations, including regulations related to bidding and contract management

We then performed substantive tests of financial statement balances to determine whether the controls designed by management were operating effectively, and to provide reasonable assurance that the fiscal year 2016-17 financial statement balances for the Measure E Bond Building Fund are not materially misstated.

Results of Procedures Performed:

The result of our audit tests show that internal control procedures appear to be working to meet the financial and compliance objectives required by generally accepted accounting standards and applicable laws and regulations. An unmodified opinion was expressed on the financial statements.

Facilities Site Walk

Procedures Performed:

Auditor did not deem site walk necessary as expenditures were limited and majority of project work was completed prior to the audit year.

Test of Expenditures

Procedures Performed:

We tested expenditures to determine whether Measure E funds were spent solely on voter and Board approved school facilities projects (as set forth in the District's Facilities Master Plan and the Measure E ballot measure language). The expenditure test included a sample of 2 payments totaling \$18,162 or 90% of total Measure E expenditures for 2016-17.

Results of Procedures Performed:

We found all expenditures tested to be in compliance with the terms of the Measure E Bond ballot measure and applicable state laws and regulations, without exception.

Test of Contracts and Bid Procedures

Procedures Performed:

For the fiscal year ended June 30, 2017, there were no newly awarded contracts or change orders.

Citizens' Oversight Committee

Procedures Performed:

In accordance with AB 1908 (Assembly Bill) and Ed Code Section 15278, the District is required to establish a bond oversight committee for Prop 39 bonds including one active member from each of the following sectors: a business organization, senior citizens' organization, bona fide taxpayers' association, and one parent/guardian of a child enrolled in the District and one parent/guardian of a child enrolled in the District who is also a member of a parent teacher association. The COC is to meet pursuant to Education Code Section 15280.

Results of Procedures Performed:

In our review of the minutes of the Citizens' Oversight Committee for Measure E, we found that there was adequate documentation of meetings held during fiscal year 2016-17. In addition, the District has submitted annual audit reports during the life of the Measure E Bond Building Fund. The District currently has a vacancy on the Citizens' Oversight Committee and is actively seeking to fill this position.

Our audit of compliance was made for the purposes set forth in the Objectives section of this report and would not necessarily disclose all instances of noncompliance.

Opinion

In our opinion, based on the fieldwork described above as well as the other tests that we conducted, the District complied with the compliance requirements for the Measure E Bond Building Fund as listed and tested above.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on accountability requirements pursuant to the passage of Proposition 39 and the enactment of AB 1908 (Chapter 44, Statutes of 2000). Accordingly, this report is not suitable for any other purpose.



San Diego, California
January 17, 2018

FINDINGS AND RESPONSES SECTION

**MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

This section identifies the deficiencies, significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

Our tests resulted in no findings and recommendations related to the financial and performance audit of the Measure E Bond Building Fund for the fiscal year ended June 30, 2017.

**MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

There were no findings related to the financial and performance audit of the Measure E Bond Building Fund for the fiscal year ended June 30, 2016.

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP
Regular Meeting of January 23, 2018**

ITEM: 2016-2017 2016 MEASURE B PERFORMANCE AND FINANCIAL AUDIT REPORT

PREPARED BY: ALLAN GARDE, CHIEF BUSINESS OFFICIAL

TYPE OF ITEM: REVIEW AND ACTION

PURPOSE: In accordance with the 2016 Measure B Bond Authorization, the Board is to annually review and take action on bond activity.

BACKGROUND INFORMATION: On June 7, 2016, the voters of Albany approved the Measure B Bond Authorization for the Albany Unified School District. This bond is to rebuild Marin and Ocean View elementary schools, relieve overcrowding, enhance school safety, accessibility, sustainability, and energy efficiency; and improve other school facilities. The audit firm, Christy White and Associates, performed the 2016-2017 audit service and prepared the report.

DETAILS: Michael Ash, Partner with the firm, will be present at the Board Meeting to discuss the audit report and answer any questions.

KEY QUESTIONS/ANSWERS:

1. What is a performance audit?
 - a. In addition to the auditing of expenditures, a performance audit reviews the expenditures were made solely within with the ballot language of the bond measure, internal controls are evaluated, bid procedures are reviewed, and a site walk of the project is conducted, if necessary.
2. What oversight committee is overseeing this bond?
 - a. The new appointments to the Citizens' Bond Oversight Committee will review all activity for the 2008 Measure E Authorization, 2016 Measure B Authorization, and the 2016 Measure E Authorization. Having one committee provide oversight over multiple authorizations provides efficiencies, but more importantly does not impact the restrictions and accountability measures each bond authorization has. Each bond authorization has its own performance and financial audit report.

FINANCIAL INFORMATION: The auditor has issued an unmodified "clean" report for the Albany Unified School District.

STRATEGIC GOALS ADDRESSED: This Board Item addresses



Objective #3: Communicate and Lead Together.

Goal: All stakeholders will collaborate and communicate about decisions that guide the sites and district.

RECOMMENDATION: Accept the 2016-2017 2016 Measure B Financial and Performance Audit Report

**MEASURE B BOND BUILDING FUND OF
ALBANY UNIFIED SCHOOL DISTRICT**

**FINANCIAL AND PERFORMANCE AUDIT REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2017**

San Diego

Los Angeles

**San Francisco
Bay Area**

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**MEASURE B BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
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FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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**MEASURE B BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
INTRODUCTION AND CITIZENS' OVERSIGHT COMMITTEE MEMBER LISTING
JUNE 30, 2017**

The Albany Unified School District was established in the early 1900's and is comprised of an area of approximately one square mile. There were no changes to the boundaries of the District during the current year. The District serves the City of Albany and offers instruction for Grades TK-12. The District is currently operating three elementary schools, one middle school, one comprehensive high school, one continuation school, and one child development program.

On June 7, 2016, the voters of Alameda County passed ballot Measure B, authorizing the issuance of \$70,000,000 of general obligation bonds. The sale of the general obligation bonds (Series A) closed in October 2016, for a principal amount of \$23,500,000. The funds were deposited into the Alameda County Treasury. All warrants are pre-audited and processed by the Alameda County Office of Education. All Measure B bond building funds are accounted for in Fund 21 of the District's general ledger.

Measure B was a Proposition 46 bond. The passage of Proposition 46 in June 1986 amended the California Constitution to restore the authority to issue general obligation bonds to counties, cities and school districts. Proposition 46 bonds must be approved by a 2/3 majority vote.

The ballot language of Measure B requires an independent Citizens' Oversight Committee and annual independent financial and performance audits until all bond proceeds have been spent.

As of June 30, 2017, the Citizens' Oversight Committee was comprised of the following members:

Name	Title	Representation
Matt Smith	President	Active in Business Organization
Howard McNenny	Representative	Senior Citizen
Vacant	Member	Bona Fide Taxpayer's Organization*
Jackie Kim	Member	Parent/Guardian
Kat Bliss	Member	Parent Teacher Association
B. Melange Matthews	Secretary	Public at Large
Gary Class	Member	Public at Large
Pareen Shah	Member	Public at Large
Barbara Wezelman	Member	Public at Large

*The Citizens' Oversight Committee has a vacant position, which the District is actively seeking to fill.

INDEPENDENT AUDITORS' REPORT

Governing Board Members and
Measure B Citizens' Oversight Committee
Albany Unified School District
Albany, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Measure B Bond Building Fund of Albany Unified School District (the "District") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Measure B Bond Building Fund's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Christy White, CPA

Michael D. Ash, CPA

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Auditor's Responsibility (continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

As discussed in Note 1A, the financial statements present only the Measure B Bond Building Fund, consisting of the net construction proceeds of the Measure B Bond Building Fund as issued by the District, through the County of Alameda, and are not intended to present fairly the financial position of the District in conformity with generally accepted accounting principles.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure B Bond Building Fund as of June 30, 2017 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2018 on our consideration of the Measure B Bond Building Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Measure B Bond Building Fund's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Measure B ballot language, we have also issued our performance audit report dated January 17, 2018 on our consideration of the Measure B Bond Building Fund's compliance with the requirements of the Measure B ballot language. That report is an integral part of our audit of the Measure B Bond Building Fund for the fiscal year ended June 30, 2017 and should be considered in assessing the results of our financial audit.



San Diego, California
January 17, 2018

FINANCIAL SECTION

**MEASURE B BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
BALANCE SHEET
JUNE 30, 2017**

ASSETS

Cash in county treasury	\$	23,565,758
Accounts receivable		<u>36,000</u>
Total Assets	\$	<u>23,601,758</u>

LIABILITIES AND FUND BALANCE**LIABILITIES**

Accounts payable	\$	207,813
Total Liabilities		<u>207,813</u>

FUND BALANCE

Restricted for Measure B Projects		<u>23,393,945</u>
-----------------------------------	--	-------------------

Total Liabilities and Fund Balance	\$	<u>23,601,758</u>
---	----	-------------------

The accompanying notes are an integral part of the financial statements.

**MEASURE B BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

REVENUES	
Local revenues - interest	\$ 101,758
Total Revenues	<u>101,758</u>
EXPENDITURES	
Facilities acquisition and construction	<u>207,813</u>
Total Expenditures	<u>207,813</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(106,055)</u>
OTHER FINANCING SOURCES	
Proceeds from long-term debt	<u>23,500,000</u>
Total Other Financing Sources	<u>23,500,000</u>
Net Change in Fund Balance	23,393,945
Fund Balance, July 1, 2016	<u>-</u>
Fund Balance, June 30, 2017	<u>\$ 23,393,945</u>

The accompanying notes are an integral part of the financial statements.

**MEASURE B BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Albany Unified School District was established in the early 1900's and is comprised of an area of approximately one square mile. The District serves the City of Albany and offers instruction for Grades TK-12. The District is currently operating three elementary schools, one middle school, one comprehensive high school, one continuation high school, and one child development program.

On June 7, 2016, the voters of the District approved by 69% vote Measure B, authorizing the issuance of \$70,000,000 of general obligation bonds to rebuild Marin and Ocean View Elementary Schools with seismically safe school facilities, support modern learning standards in various subjects and improve other school facilities. The Bond required a 2/3 yes vote in accordance with Proposition 46. The Measure B ballot language required the District to establish a citizens' bond oversight committee and to conduct annual financial and performance audits.

The Committee's oversight goals include ensuring expenditures are within the language of the ballot measure and advising the District's Governing Board on various projects. The citizens' oversight committee must include, among others, representation of a bona fide taxpayers association, a business organization, and a senior citizens organization. No District employees or vendors are allowed to serve on the citizens' oversight committee.

The fund financial statements are for the Measure B Bond Building Fund. Since this is just one component of the district, these financial statements are not intended to be a complete presentation of the District's financial position or results of operations. Accordingly, these fund statements do not include a government wide financial statement, management discussion and analysis or related organizational disclosures. The audited financial statements of Albany Unified School District include the Measure B Bond Building Fund activities, related debt and disclosures as well as the management discussion and analysis

An advisory committee to the District's Governing Board and Superintendent, the Measure B Citizens' Oversight Committee ("COC") was established pursuant to the provisions of Measure B. The purpose of the COC is to inform the public concerning the use of bond proceeds. The COC is required by state law to actively review and report on the proper expenditure of taxpayers' money for school construction. The COC provides oversight and advises the public as to whether the District is spending the Measure B Bond Building Funds for school capital improvements within the scope of projects outlined in the Measure B Project List. In fulfilling its duties, the COC reviews, among other things, the District's annual performance and financial audits of Measure B activity.

**MEASURE B BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Reporting Entity (continued)

The statements presented are for the individual Measure B General Obligation Bond as issued by the District, through the County of Alameda, and are not intended to be a complete presentation of the District's financial position or results of operations.

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

B. Accounting Policies

The District accounts for its financial transactions in accordance with the policies and procedures of the California Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board ("GASB") and the American Institute of Certified Public Accountants ("AICPA").

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

The financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

D. Encumbrances

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid.

**MEASURE B BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Deposits and Investments

In accordance with Education Code Sections 15357 and 41001, the Measure B Bond Building Fund maintains its cash in the Alameda County Treasury. The county pools these funds with those of other districts in the county and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

G. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all government funds. By state law, the District's Governing Board must adopt a budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's Governing Board satisfied these requirements.

These budgets are revised by the District's Governing Board during the year to give consideration to unanticipated income and expenditures. Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

H. Fund Balance

Under GASB Statement No. 54, fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The fund balance in Measure B Bond Building Fund is considered restricted.

The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation.

**MEASURE B BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS

Summary of Cash and Investments

Cash and investments as of June 30, 2017 consisted of \$23,565,758 held in cash in county treasury.

Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations. Investments of debt proceeds held by trustees are governed by the provisions of debt agreements rather than the general provisions of the California Government Code. These provisions allow for the acquisition of investment agreements with maturities up to 30 years.

Cash in County Treasury – The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

**MEASURE B BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS (continued)

General Authorizations

Except for investments by trustees of debt proceeds, the authority to invest District funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. The table below identifies examples of the investment types permitted in the investment policy:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are described below:

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury. The District maintains an investment with the Alameda County Investment Pool with a fair value of approximately \$23,567,303 and an amortized book value of \$23,565,758. The weighted average maturity for this pool as of June 30, 2017 is 393 days.

**MEASURE B BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS (continued)

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The county is restricted by Government Code Section 53635 pursuant to Section 53601 to invest only in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer’s investment pool, bankers’ acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk.

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government Code. District investments that are greater than 5 percent of total investments are in either an external investment pool or mutual funds and are therefore exempt.

Fair Value

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonable available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the Alameda County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The District's fair value measurements at June 30, 2017 were as follows:

	Uncategorized
Investment in county treasury	\$ 23,567,303
Total fair market value of investments	\$ 23,567,303

**MEASURE B BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2017 consisted of interest earned on investments totaling \$36,000.

NOTE 4 – ACCRUED LIABILITIES

Accrued liabilities at June 30, 2017 consisted of construction related payables totaling \$207,813.

NOTE 5 – MEASURE B GENERAL OBLIGATION BONDS

In October 2016, the District issued Election of 2016 General Obligation Bonds, Series A in the aggregate principal amount of \$23,500,000. The bonds are payable from the proceeds of *ad valorem* property taxes which the Board of Supervisors of the Alameda County are obligated to levy and collect on all taxable property in the District for the payment of and interest on the bonds. The bonds carry interest rates ranging from 2.0% to 4.0% and mature August 1, 2045.

Proceeds from the sale of the bonds may only be used for construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of such facilities; or for the acquisition or lease of real property for school facilities. In addition, proceeds may only be used for the projects listed in the Measure, which include rebuilding Marin and Ocean View Elementary Schools with seismically safe school facilities, supporting modern learning standards in various subjects and improving other school facilities. Proceeds may not be used for any other purpose, such as teacher and administrator salaries nor operating expenses.

The bonded debt is paid through the *ad valorem* property taxes through Alameda County and the debt liability is carried on the Albany Unified School District's Government Wide financial statements.

The District's general obligation bonds represent general obligations payable solely from *ad valorem* property taxes. The general obligation debt for the Measure B bonds at June 30, 2017, was as follows:

Series	Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds			Bonds
					Outstanding July 01, 2016	Additions	Deductions	Outstanding June 30, 2017
2016 Series A	10/4/2016	8/1/2045	2.0 - 4.0%	\$ 23,500,000	\$ -	\$ 23,500,000	\$ -	\$ 23,500,000

**MEASURE B BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 5 – MEASURE B GENERAL OBLIGATION BONDS (continued)

The remaining bonds outstanding at June 30, 2017 related to Measure B were as follows:

2016 Series A			
Year Ended June 30,	Principal	Interest	Total
2018	\$ 940,000	\$ 769,606	\$ 1,709,606
2019	-	760,206	760,206
2020	-	760,206	760,206
2021	-	760,206	760,206
2022	-	760,206	760,206
2023 - 2027	820,000	3,750,780	4,570,780
2028 - 2032	2,740,000	3,464,065	6,204,065
2033 - 2037	4,575,000	2,777,500	7,352,500
2038 - 2042	6,930,000	1,699,775	8,629,775
2043 - 2046	7,495,000	467,475	7,962,475
Total	\$ 23,500,000	\$ 15,970,025	\$ 39,470,025

NOTE 6 – MEASURE B BOND EXPENDITURES BY SITE

The expenditure amount of \$207,813 for the fiscal year ended June 30, 2017 was all related to Albany Middle School.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

A. Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2017.

B. Construction Commitments

The Measure B Bond Building Fund had construction commitments outstanding of \$407,437 as of June 30, 2017.

**OTHER INDEPENDENT
AUDITORS' REPORTS**

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Christy White, CPA

Michael D. Ash, CPA

John Whitehouse, CPA

Heather Daud Rubio

Governing Board Members and
Measure B Citizens' Oversight Committee
Albany Unified School District
Albany, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Measure B Bond Building Fund, as of and for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Measure B Bond Building Fund's basic financial statements, and have issued our report thereon dated January 17, 2018.

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Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Measure B Bond Building Fund's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Measure B Bond Building Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Measure B Bond Building Fund's internal controls.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Measure B Bond Building Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



San Diego, California
January 17, 2018

INDEPENDENT AUDITORS' REPORT ON PERFORMANCE

Christy White, CPA

Michael D. Ash, CPA

John Whitehouse, CPA

Heather Daud Rubio

SAN DIEGO

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Governing Board Members and
Measure B Citizens' Oversight Committee
Albany Unified School District
Albany, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Measure B Bond Building Fund, as of and for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Measure B Bond Building Fund's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Objectives

In connection with our audit, we also performed an audit of compliance as required in the performance requirements for the Measure B Bond Building Fund for the fiscal year ended June 30, 2017. The objective of the examination of compliance applicable to the District is to determine with reasonable assurance that:

- The proceeds of the sale of the Measure B Bonds were only used for the purposes set forth in the Measure B ballot language and not for any other purpose, such as teacher and administrative salaries.
- The Governing Board of the District, in establishing the approved projects set forth in the ballot measure, evaluated the remodeling, new construction and renovations of items which will improve learning and to accommodate growth in the District, with no funds expended on administrator salaries.

In performing our audit of compliance, we performed procedures including but not limited to those listed as follows:

Internal Control Evaluation

Procedures Performed:

Inquiries were made of management regarding internal controls to:

- Prevent fraud or waste regarding Measure B projects, including budgetary controls
- Ensure adequate separation of duties exists in the fiscal services department for Measure B funds
- Prevent material misstatements in the financial statements
- Ensure expenditures are allocated to the proper fund(s)
- To follow applicable regulations, including regulations related to bidding and contract management

We then performed substantive tests of financial statement balances to determine whether the controls designed by management were operating effectively, and to provide reasonable assurance that the fiscal year 2016-17 financial statement balances for the Measure B Bond Building Fund are not materially misstated.

Results of Procedures Performed:

The result of our audit tests show that internal control procedures appear to be working to meet the financial and compliance objectives required by generally accepted accounting standards and applicable laws and regulations. An unmodified opinion was expressed on the financial statements.

Facilities Site Walk

Procedures Performed:

Auditor did not deem a site walk necessary as the expenditures in 2016-17 related to the design phase of the project at Albany Middle School.

Test of Expenditures

Procedures Performed:

We tested expenditures to determine whether Measure B funds were spent solely on voter and Board approved school facilities projects (as set forth in the District's Facilities Master Plan and the Measure B ballot measure language). The expenditure test included a sample of 2 payments totaling \$207,813 or 100% of total Measure B expenditures for 2016-17.

Results of Procedures Performed:

We found all expenditures tested to be in compliance with the terms of the Measure B Bond ballot measure and applicable state laws and regulations, without exception.

Test of Contracts and Bid Procedures

Procedures Performed:

For the fiscal year ended June 30, 2017, there were no newly awarded contracts or change orders.

Citizens' Oversight Committee

Procedures Performed:

In accordance with the Measure B ballot language, the District is required to establish a bond oversight committee including one active member from each of the following sectors: a business organization, senior citizens' organization, bona fide taxpayers' association, and one parent/guardian of a child enrolled in the District and one parent/guardian of a child enrolled in the District who is also a member of a parent teacher association. The COC is to meet pursuant to Education Code Section 15280.

Results of Procedures Performed:

In our review of the minutes of the Citizens' Oversight Committee for Measure B, we found that there was adequate documentation of meetings held during fiscal year 2016-17. In addition, the District has submitted annual audit reports during the life of the Measure B Bond Building Fund. The District currently has a vacancy on the Citizens' Oversight Committee but are actively seeking to fill this position.

Our audit of compliance was made for the purposes set forth in the Objectives section of this report and would not necessarily disclose all instances of noncompliance.

Opinion

In our opinion, based on the fieldwork described above as well as the other tests that we conducted, the District complied with the compliance requirements for the Measure B Bond Building Fund as listed and tested above.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on accountability requirements pursuant to the Measure B ballot language. Accordingly, this report is not suitable for any other purpose.



San Diego, California
January 17, 2018

FINDINGS AND RESPONSES SECTION

**MEASURE B BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

This section identifies the deficiencies, significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

Our tests resulted in no findings and recommendations related to the financial and performance audit of the Measure B Bond Building Fund for the fiscal year ended June 30, 2017.

**MEASURE B BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

This was the first financial and performance audit of the Measure B Bond Building Fund. Prior year audit findings are not applicable.

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP
Regular Meeting of January 23, 2018**

ITEM: 2016-2017 2016 MEASURE E PERFORMANCE AND FINANCIAL AUDIT REPORT

PREPARED BY: ALLAN GARDE, CHIEF BUSINESS OFFICIAL

TYPE OF ITEM: REVIEW AND ACTION

PURPOSE: In accordance with Proposition 39 and the 2016 Measure E Bond Authorization, the Board is to annually review and take action on bond activity.

BACKGROUND INFORMATION: On June 7, 2016, the voters of Albany approved the Measure E Bond Authorization for the Albany Unified School District. This bond is to relieve overcrowding at the Albany Middle School, construct classrooms, science labs, and flexible learning spaces; and acquire technology and equipment at all schools. The audit firm, Christy White and Associates, performed the 2016-2017 audit service and prepared the report.

DETAILS: Michael Ash, Partner with the firm, will be present at the Board Meeting to discuss the audit report and answer any questions.

KEY QUESTIONS/ANSWERS:

1. What is a performance audit?
 - a. In addition to the auditing of expenditures, a performance audit reviews the expenditures were made solely within with the ballot language of the bond measure, internal controls are evaluated, bid procedures are reviewed, and a site walk of the project is conducted, if necessary.
2. What oversight committee is overseeing this bond?
 - a. The new appointments to the Citizens' Bond Oversight Committee will review all activity for the 2008 Measure E Authorization, 2016 Measure B Authorization, and the 2016 Measure E Authorization. Having one committee provide oversight over multiple authorizations provides efficiencies, but more importantly does not impact the restrictions and accountability measures each bond authorization has. Each bond authorization has its own performance and financial audit report.

FINANCIAL INFORMATION: The auditor has issued an unmodified "clean" report for the Albany Unified School District.

STRATEGIC GOALS ADDRESSED: This Board Item addresses



Objective #3: Communicate and Lead Together.

Goal: All stakeholders will collaborate and communicate about decisions that guide the sites and district.

RECOMMENDATION: Accept the 2016-2017 2016 Measure E Financial and Performance Audit Report

**MEASURE E (2016) BOND BUILDING FUND OF
ALBANY UNIFIED SCHOOL DISTRICT**

**FINANCIAL AND PERFORMANCE AUDIT REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2017**

San Diego

Los Angeles

**San Francisco
Bay Area**

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**MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
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FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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**MEASURE E BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
INTRODUCTION AND CITIZENS' OVERSIGHT COMMITTEE MEMBER LISTING
JUNE 30, 2017**

The Albany Unified School District was established in the early 1900's and is comprised of an area of approximately one square mile. There were no changes to the boundaries of the District during the current year. The District serves the City of Albany and offers instruction for Grades TK-12. The District is currently operating three elementary schools, one middle school, one comprehensive high school, one continuation school, and one child development program.

On June 7, 2016, the voters of Alameda County passed ballot Measure E (2016), authorizing the issuance of \$25,000,000 of general obligation bonds. The sale of the general obligation bonds (Series A) closed in October 2016, for a principal amount of \$9,000,000. The funds were deposited into the Alameda County Treasury. All warrants are pre-audited and processed by the Alameda County Office of Education. All Measure E (2016) bond building funds are accounted for in Fund 21 of the District's general ledger.

Measure E (2016) was a Proposition 39 Bond. The passage of Proposition 39 in November 2000 amended the California Constitution to include accountability measures.

Upon passage of Proposition 39, an accompanying piece of legislation, AB 1908 (Chapter 44, Statutes of 2000), was also enacted, which amended the Education Code to establish additional procedures which must be followed if a District seeks approval of a bond measure pursuant to the 55% majority authorized in Measure E (2016) including formation, composition and purpose of the Citizens' Oversight Committee, and authorization for injunctive relief against the improper expenditure of bond revenues.

As of June 30, 2017, the Citizens' Oversight Committee was comprised of the following members:

Name	Title	Representation
Matt Smith	President	Active in Business Organization
Howard McNenny	Representative	Senior Citizen
Vacant	Member	Bona Fide Taxpayer's Organization*
Jackie Kim	Member	Parent/Guardian
Kat Bliss	Member	Parent Teacher Association
B. Melange Matthews	Secretary	Public at Large
Gary Class	Member	Public at Large
Pareen Shah	Member	Public at Large
Barbara Wezelman	Member	Public at Large

*The Citizens' Oversight Committee has a vacant position, which the District is actively seeking to fill.

INDEPENDENT AUDITORS' REPORT

Governing Board Members and
Measure E (2016) Citizens' Oversight Committee
Albany Unified School District
Albany, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Measure E (2016) Bond Building Fund of Albany Unified School District (the "District") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Measure E (2016) Bond Building Fund's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Christy White, CPA

Michael D. Ash, CPA

John Whitehouse, CPA

Heather Daud Rubio

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Auditor's Responsibility (continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

As discussed in Note 1A, the financial statements present only the individual Proposition 39 Bond Building Fund, consisting of the net construction proceeds of the Measure E (2016) Bond Building Fund as issued by the District, through the County of Alameda, and are not intended to present fairly the financial position of the District in conformity with generally accepted accounting principles.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure E (2016) Bond Building Fund as of June 30, 2017 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2018 on our consideration of the Measure E (2016) Bond Building Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Measure E (2016) Bond Building Fund's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of Proposition 39, as incorporated in California Constitution Article 13A, we have also issued our performance audit report dated January 17, 2018 on our consideration of the Measure E (2016) Bond Building Fund's compliance with the requirements of Proposition 39. That report is an integral part of our audit of the Measure E (2016) Bond Building Fund for the fiscal year ended June 30, 2017 and should be considered in assessing the results of our financial audit.



San Diego, California
January 17, 2018

FINANCIAL SECTION

**MEASURE E (2016) BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
BALANCE SHEET
JUNE 30, 2017**

ASSETS

Cash in county treasury	\$	8,785,370
Accounts receivable		14,000
Total Assets	\$	<u>8,799,370</u>

LIABILITIES AND FUND BALANCE**LIABILITIES**

Accounts payable	\$	4,653
Total Liabilities		<u>4,653</u>

FUND BALANCE

Restricted for Measure E Projects		<u>8,794,717</u>
-----------------------------------	--	------------------

Total Liabilities and Fund Balance	\$	<u>8,799,370</u>
---	----	------------------

The accompanying notes are an integral part of the financial statements.

**MEASURE E (2016) BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

REVENUES	
Local revenues - interest	\$ 39,056
Total Revenues	<u>39,056</u>
EXPENDITURES	
Facilities acquisition and construction	<u>244,339</u>
Total Expenditures	<u>244,339</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(205,283)</u>
OTHER FINANCING SOURCES	
Proceeds from long-term debt	<u>9,000,000</u>
Total Other Financing Sources	<u>9,000,000</u>
Net Change in Fund Balance	8,794,717
Fund Balance, July 1, 2016	<u>-</u>
Fund Balance, June 30, 2017	<u>\$ 8,794,717</u>

The accompanying notes are an integral part of the financial statements.

**MEASURE E (2016) BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Albany Unified School District was established in the early 1900's and is comprised of an area of approximately one square mile. The District serves the City of Albany and offers instruction for Grades TK-12. The District is currently operating three elementary schools, one middle school, one comprehensive high school, one continuation high school, and one child development program.

On June 7, 2016, the voters of the District approved by 74% vote Measure E (2016), authorizing the issuance of \$25,000,000 of general obligation bonds to relieve Albany Middle School overcrowding, construct classrooms, science labs, and flexible spaces that met seismic safety and accessibility codes. In addition, they will replace portables with modern classrooms and acquire technology and equipment to support various subjects. Because the Bond required only 55% of the vote in accordance with Proposition 39 (Article XIII of the California State Constitution), the District was required to establish a citizens' bond oversight committee and to conduct a financial and performance audit.

The Committee's oversight goals include ensuring expenditures are within the language of the ballot measure and advising the District's Governing Board on various projects. The citizens' oversight committee must include, among others, representation of a bona fide taxpayers association, a business organization, and a senior citizens organization. No District employees or vendors are allowed to serve on the citizens' oversight committee.

The fund financial statements are for the Measure E (2016) Bond Building Fund. Since this is just one component of the district, these financial statements are not intended to be a complete presentation of the District's financial position or results of operations. Accordingly, these fund statements do not include a government wide financial statement, management discussion and analysis or related organizational disclosures. The audited financial statements of Albany Unified School District include the Measure E (2016) Bond Building Fund activities, related debt and disclosures as well as the management discussion and analysis

An advisory committee to the District's Governing Board and Superintendent, the Measure E (2016) Citizens' Oversight Committee ("COC") was established pursuant to the requirements of state law and the provisions of Measure E (2016). The purpose of the COC is to inform the public concerning the use of bond proceeds. The COC is required by state law to actively review and report on the proper expenditure of taxpayers' money for school construction. The COC provides oversight and advises the public as to whether the District is spending the Measure E (2016) Bond Building Funds for school capital improvements within the scope of projects outlined in the Measure E (2016) Project List. In fulfilling its duties, the COC reviews, among other things, the District's annual performance and financial audits of Measure E (2016) activity.

**MEASURE E (2016) BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Reporting Entity (continued)

The statements presented are for the individual Measure E (2016) General Obligation Bond as issued by the District, through the County of Alameda, and are not intended to be a complete presentation of the District's financial position or results of operations.

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

B. Accounting Policies

The District accounts for its financial transactions in accordance with the policies and procedures of the California Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board ("GASB") and the American Institute of Certified Public Accountants ("AICPA").

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

The financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

D. Encumbrances

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid.

**MEASURE E (2016) BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Deposits and Investments

In accordance with Education Code Sections 15357 and 41001, the Measure E (2016) Bond Building Fund maintains its cash in the Alameda County Treasury. The county pools these funds with those of other districts in the county and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

G. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all government funds. By state law, the District's Governing Board must adopt a budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's Governing Board satisfied these requirements.

These budgets are revised by the District's Governing Board during the year to give consideration to unanticipated income and expenditures. Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

H. Fund Balance

Under GASB Statement No. 54, fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The fund balance in Measure E (2016) Bond Building Fund is considered restricted.

The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation.

**MEASURE E (2016) BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS

Summary of Cash and Investments

Cash and investments as of June 30, 2017 consisted of \$8,785,370 held in cash in county treasury.

Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations. Investments of debt proceeds held by trustees are governed by the provisions of debt agreements rather than the general provisions of the California Government Code. These provisions allow for the acquisition of investment agreements with maturities up to 30 years.

Cash in County Treasury – The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

**MEASURE E (2016) BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS (continued)

General Authorizations

Except for investments by trustees of debt proceeds, the authority to invest District funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. The table below identifies examples of the investment types permitted in the investment policy:

<u>Authorized Investment Type</u>	<u>Maximum Remaining Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are described below:

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury. The District maintains an investment with the Alameda County Investment Pool with a fair value of approximately \$8,785,946 and an amortized book value of \$8,785,370. The weighted average maturity for this pool as of June 30, 2017 is 393 days.

**MEASURE E (2016) BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS (continued)

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The county is restricted by Government Code Section 53635 pursuant to Section 53601 to invest only in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk.

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government Code. District investments that are greater than 5 percent of total investments are in either an external investment pool or mutual funds and are therefore exempt.

Fair Value

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonable available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the Alameda County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The District's fair value measurements at June 30, 2017 were as follows:

	Uncategorized
Investment in county treasury	\$ 8,785,946
Total fair market value of investments	\$ 8,785,946

**MEASURE E (2016) BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2017 consisted of interest earned on investments totaling \$14,000.

NOTE 4 – ACCRUED LIABILITIES

Accrued liabilities at June 30, 2017 consisted of construction related payables totaling \$4,653.

NOTE 5 – MEASURE E (2016) GENERAL OBLIGATION BONDS

In October 2016, the District issued Election of 2016 General Obligation Bonds, Series A in the aggregate principal amount of \$9,000,000. The bonds are payable from the proceeds of *ad valorem* property taxes which the Board of Supervisors of the Alameda County are obligated to levy and collect on all taxable property in the District for the payment of and interest on the bonds. The bonds carry interest rates ranging from 2.0% to 4.0% and mature August 1, 2035.

Proceeds from the sale of the bonds may only be used for construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of such facilities; or for the acquisition or lease of real property for school facilities. In addition, proceeds may only be used for the projects listed in the Measure, which include projects to relieve Albany Middle School overcrowding, construct classrooms, science labs, and flexible spaces that met seismic safety and accessibility codes. In addition, they will replace portables with modern classrooms and acquire technology and equipment to support various subjects. Proceeds may not be used for any other purpose, such as teacher and administrator salaries nor operating expenses.

The bonded debt is paid through the *ad valorem* property taxes through Alameda County and the debt liability is carried on the Albany Unified School District's Government Wide financial statements.

The District's general obligation bonds represent general obligations payable solely from *ad valorem* property taxes. The general obligation debt for the Measure E (2016) bonds at June 30, 2017, was as follows:

Series	Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds			Bonds
					Outstanding July 01, 2016	Additions	Deductions	Outstanding June 30, 2017
2016 Series A	10/4/2016	8/1/2035	2.0 - 4.0%	\$ 9,000,000	\$ -	\$ 9,000,000	\$ -	\$ 9,000,000

**MEASURE E (2016) BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED
JUNE 30, 2017**

NOTE 5 – MEASURE E (2016) GENERAL OBLIGATION BONDS (continued)

The remaining bonds outstanding at June 30, 2017 related to Measure E (2016) were as follows:

2016 Series A			
Year Ended June 30,	Principal	Interest	Total
2018	\$ 190,000	\$ 257,412	\$ 447,412
2019	340,000	252,112	592,112
2020	-	248,713	248,713
2021	155,000	245,612	400,612
2022	180,000	240,713	420,713
2023 - 2027	1,885,000	1,093,687	2,978,687
2028 - 2032	3,150,000	704,502	3,854,502
2033 - 2036	3,100,000	234,928	3,334,928
Total	\$ 9,000,000	\$ 3,277,679	\$ 12,277,679

NOTE 6 – MEASURE E (2016) – BOND EXPENDITURES BY SITE

The following table presents the expenditure amounts by site for the fiscal year ended June 30, 2017:

Site	Amount
District - Debt Issuance	\$ 22,750
Albany Middle School	221,589
	\$ 244,339

NOTE 7 – COMMITMENTS AND CONTINGENCIES

A. Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2017.

B. Construction Commitments

The Measure E (2016) Bond Building Fund had construction commitments of \$309,036 as of June 30, 2017 and related to the Albany Middle School Projects.

**OTHER INDEPENDENT
AUDITORS' REPORTS**

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Christy White, CPA

Michael D. Ash, CPA

John Whitehouse, CPA

Heather Daud Rubio

Governing Board Members and
Measure E (2016) Citizens' Oversight Committee
Albany Unified School District
Albany, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Measure E (2016) Bond Building Fund, as of and for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Measure E (2016) Bond Building Fund's basic financial statements, and have issued our report thereon dated January 17, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Measure E (2016) Bond Building Fund's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Measure E (2016) Bond Building Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Measure E (2016) Bond Building Fund's internal controls.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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LOS ANGELES
SAN FRANCISCO/BAY AREA

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State Board of Accountancy

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Measure E (2016) Bond Building Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



San Diego, California
January 17, 2018

INDEPENDENT AUDITORS' REPORT ON PERFORMANCE

Christy White, CPA

Michael D. Ash, CPA

John Whitehouse, CPA

Heather Daud Rubio

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Governing Board Members and
Measure E (2016) Citizens' Oversight Committee
Albany Unified School District
Albany, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Measure E (2016) Bond Building Fund, as of and for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Measure E (2016) Bond Building Fund's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Objectives

In connection with our audit, we also performed an audit of compliance as required in the performance requirements for the Measure E (2016) Bond Building Fund for the fiscal year ended June 30, 2017. The objective of the examination of compliance applicable to the District is to determine with reasonable assurance that:

- The proceeds of the sale of the Measure E (2016) Bonds were only used for the purposes set forth in the Measure E (2016) ballot language and not for any other purpose, such as teacher and administrative salaries.
- The Governing Board of the District, in establishing the approved projects set forth in the ballot measure, evaluated the remodeling, new construction and renovations of items which will improve learning and to accommodate growth in the District, with no funds expended on administrator salaries.

In performing our audit of compliance, we performed procedures including but not limited to those listed as follows:

Internal Control Evaluation

Procedures Performed:

Inquiries were made of management regarding internal controls to:

- Prevent fraud or waste regarding Measure E (2016) projects, including budgetary controls
- Ensure adequate separation of duties exists in the fiscal services department for Measure E (2016) funds
- Prevent material misstatements in the financial statements
- Ensure expenditures are allocated to the proper fund(s)
- To follow applicable regulations, including regulations related to bidding and contract management

We then performed substantive tests of financial statement balances to determine whether the controls designed by management were operating effectively, and to provide reasonable assurance that the fiscal year 2016-17 financial statement balances for the Measure E (2016) Bond Building Fund are not materially misstated.

Results of Procedures Performed:

The result of our audit tests show that internal control procedures appear to be working to meet the financial and compliance objectives required by generally accepted accounting standards and applicable laws and regulations. An unmodified opinion was expressed on the financial statements.

Facilities Site Walk

Procedures Performed:

Auditor did not deem site walk necessary as most expenditures were architectural and planning related.

Test of Expenditures

Procedures Performed:

We tested expenditures to determine whether Measure E (2016) funds were spent solely on voter and Board approved school facilities projects (as set forth in the District's Facilities Master Plan and the Measure E (2016) ballot measure language). The expenditure test included a sample of 5 payments totaling \$105,377 and 43% of total Measure E (2016) expenditures for 2016-17.

Results of Procedures Performed:

We found all expenditures tested to be in compliance with the terms of the Measure E (2016) Bond ballot measure and applicable state laws and regulations, without exception.

Test of Contracts and Bid Procedures

Procedures Performed:

For the fiscal year ended June 30, 2017, there were no newly awarded contracts or change orders.

Citizens' Oversight Committee

Procedures Performed:

In accordance with AB 1908 (Assembly Bill) and Ed Code Section 15278, the District is required to establish a bond oversight committee for Prop 39 bonds including one active member from each of the following sectors: a business organization, senior citizens' organization, bona fide taxpayers' association, and one parent/guardian of a child enrolled in the District and one parent/guardian of a child enrolled in the District who is also a member of a parent teacher association. The COC is to meet pursuant to Education Code Section 15280.

Results of Procedures Performed:

In our review of the minutes of the Citizens' Oversight Committee for Measure E (2016), we found that there was adequate documentation of meetings held during fiscal year 2016-17. In addition, the District has submitted annual audit reports during the life of the Measure E (2016) Bond Building Fund. The District currently has a vacancy on the Citizens' Oversight Committee but are actively seeking to fill this position.

Our audit of compliance was made for the purposes set forth in the Objectives section of this report and would not necessarily disclose all instances of noncompliance.

Opinion

In our opinion, based on the fieldwork described above as well as the other tests that we conducted, the District complied with the compliance requirements for the Measure E (2016) Bond Building Fund as listed and tested above.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on accountability requirements pursuant to the passage of Proposition 39 and the enactment of AB 1908 (Chapter 44, Statutes of 2000). Accordingly, this report is not suitable for any other purpose.



San Diego, California

January 17, 2018

FINDINGS AND RESPONSES SECTION

**MEASURE E (2016) BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

This section identifies the deficiencies, significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

Our tests resulted in no findings and recommendations related to the financial and performance audit of the Measure E (2016) Bond Building Fund for the fiscal year ended June 30, 2017

**MEASURE E (2016) BOND BUILDING FUND
ALBANY UNIFIED SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

This was the first financial and performance audit of the Measure E (2016) Bond Building Fund. Prior year audit findings are not applicable.

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP**

Regular Meeting of January 23, 2018

ITEM: **INDEPENDENT CONTRACTOR AGREEMENT WITH SVA ARCHITECTS FOR FURNITURE AND EQUIPMENT SPECIFICATIONS OF THE ALBANY MIDDLE SCHOOL (AMS) ANNEX PROJECT**

PREPARED BY: **ALLAN GARDE, CHIEF BUSINESS OFFICIAL TYPE OF**

ITEM: **REVIEW AND DISCUSSION**

PURPOSE: To approve SVA Architects, Architect of Record for the AMS Annex Project, to work with school site and district staff on developing a furniture specifications bid package to procure the furniture through a formal bidding process. The goal is to ensure the Albany Middle School Annex is fully furnished by the time of its grand opening in early 2019.

BACKGROUND INFORMATION: At the [October 10, 2017 Regular Board Meeting](#), the Board approved an amendment with Rodan Builders for the Construction Phase of AMS Annex Project. At the [August 22, 2017 Regular Board Meeting](#), the Board received an update on the final design of the Albany Middle School Annex Project and approved the Albany Middle School Annex Educational Specifications. At the [June 27, 2017 Regular Board Meeting](#), the Board received an update on the Albany Middle School Annex Project. At the [February 28, 2017 Regular Board Meeting](#), the Board approved the agreement with Rodan Builders for the Albany Middle School Annex Project.

DETAILS:

The scope of services is detailed in Exhibit A, but summarized below:

Phase I

- Preliminary Design Services – Programming Requirements
- Schematic Design Services – Mock-Ups and Discussions
- Design Development Services – Finishes, Upholstery, and Budget Estimates

Phase II

- Furniture Specification Services – Bid Package Development

Phase III

- Furniture Administration Services – Assist as needed through receipt of furniture

The timeline is as follows:

- Phase I – January to March 2018
- Phase II – April to May 2018
 - *District will place order for furniture from May to June 2018*
- Phase III – May to early 2019

KEY QUESTIONS/ANSWERS:

1. Why is this contract needed?
 - a. This year, two 21st Century furniture classrooms were planned for AMS so that staff would gain daily experience with new types of furniture and ultimately select furniture they can use on a daily basis for the new annex. It became apparent after multiple delays

and changes throughout the ordering process, a formal bid process is needed to cost effectively ensure the furniture for the new AMS Annex meets the programmatic requirements of the school site.

FINANCIAL INFORMATION:

\$20,000 – Measure E (2016) Bond

STRATEGIC GOALS ADDRESSED: This Board Item addresses



Objective #3: Communicate and Lead Together.

Goal: All stakeholders will collaborate and communicate about decisions that guide the sites and district.

RECOMMENDATION: Approve Independent Contractor Agreement with SVA Architects for Furniture Specifications of the Albany Middle School (AMS) Annex Project

**ALBANY UNIFIED SCHOOL DISTRICT
INDEPENDENT CONTRACTOR SERVICES AGREEMENT**

This agreement is hereby entered into this ____ day of _____, _____ in the County of Alameda, State of California, by and between the Albany Unified School District, hereinafter referred to as "DISTRICT," and SVA Architects

CONTRACTOR

3 Macarthur Place, Suite 850

MAILING ADDRESS

Santa Ana	CA	92707
CITY	STATE	ZIP

hereinafter referred to as 'CONTRACTOR.' DISTRICT and CONTRACTOR shall be collectively referred to as the Parties.

1. Contractor Services. Contractor agrees to provide the following services to District (collectively, the "Services"):

SVA Architects serves as the Architect of Record for the Albany Middle School Annex Project. This agreement is to work with School Site and District staff on selecting furniture based on program requirements of the AMS Annex.

The scope of work is outlined further in "Exhibit A" - SVA Architects Furniture Package Proposal dated October 20, 2017.

2. Contractor Qualifications. Contractor represents and warrants to District that Contractor and all of Contractor's employees, agents or volunteers (the "Contracted Parties") have in effect and shall maintain in full force throughout the Term of this Agreement all licenses, credentials, permits and any other legal qualifications required by law to perform the Services and to fully and faithfully satisfy all of the terms set forth in this Agreement. If any of the Services are performed by any of Contractor's Parties, such work shall only be performed by competent personnel under the supervision of and in the employment of Contractor.

3. Term. CONTRACTOR shall:

Provide services under this AGREEMENT on the following specific date's _____, _____, _____, _____, _____, _____, _____, and complete performance no later than _____;

OR

Commence providing services under this AGREEMENT on January 24, 2018 and complete performance no later than June 30, 2019.

There shall be no extension of the Term of this Agreement without the express written consent from all parties. Written notice by the District Superintendent or designee shall be sufficient to stop further performance of the Services by Contractor or the Contracted Parties. In the event of early termination, Contractor shall be paid for satisfactory work performed to the date of termination. Upon payment by District, District shall be under no further obligation to Contractor, monetarily or otherwise, and District may proceed with the work in any manner District deems proper.

4. Termination. Either party may terminate this Agreement at any time by giving thirty (30) days advance written notice to the other party; however the parties may agree in writing to a shorter time period for the effectiveness of such termination. Notwithstanding the foregoing, District may terminate this Agreement at any time by giving written notice to Contractor if Contractor materially violates any of the terms of this Agreement, any act or omission by Contractor or the Contracted Parties exposes District to potential liability or may cause an increase in District's insurance premiums, Contractor is adjudged a bankrupt, Contractor makes a general assignment for the benefit of creditors or a receiver is appointed on account of Contractor's insolvency. Such termination shall be effective immediately upon Contractor's receipt of said notice.

5. Compensation. DISTRICT agrees to pay the CONTRACTOR for services satisfactorily rendered pursuant to this AGREEMENT. DISTRICT shall pay CONTRACTOR according to the following terms and conditions:

- a. Such compensation shall be based on:
- An hourly rate of \$ _____ for a total amount of _____ hours.
- A daily rate of \$ _____ for a total amount of _____ days.
- \$ 20,000 Lump sum
- b. Payment method shall be:
- Upon Completion.
- Date of Service
- Other (Specify):** _____

Any work performed by Contractor in excess of said amount shall not be compensated.

Payment shall be made upon approval of DISTRICT and receipt of an invoice from CONTRACTOR one copy clearly marked original. CONTRACTOR's invoice shall be sent to: Albany Unified School District, Attention: Accounts Payable, 1051 Monroe Street, Albany, CA, 94706.

6. Equipment and Materials. Contractor at its sole cost and expense shall provide and furnish all tools, labor, materials, equipment, transportation services and any other items (collectively, "Equipment") which are required or necessary to perform the Services in a manner which is consistent with generally accepted standards of the profession for similar services. Notwithstanding the foregoing, District shall not be responsible for any damages to persons or property as a result of the use, misuse or failure of any Equipment used by Contractor of the Contracted Parties, even if such Equipment is furnished, rented or loaned to Contractor or the Contracted Parties by District. Furthermore, any Equipment or workmanship that does not conform to the regulations of this Agreement may be rejected by District and in such case must be promptly remedied or replaced by Contractor at no additional cost to District and subject to District's reasonable satisfaction.
7. California Residency. Contractor and the Contracted Parties shall be residents of the State of California.
8. Indemnity. Contractor shall defend, indemnify, and hold harmless District and its agents, representatives, officers, consultants, employees, Board of Education, members of the Board of Education (collectively, the "District Parties"), from and against any and all claims, demands, liabilities, damages, losses, suits and actions, and expenses (including, but not limited to attorney fees and costs including fees of consultants) of any kind, nature and description (collectively, the "Claims") directly or indirectly arising out of, connected with, or resulting from the performance of this Agreement, including but not limited to Contractor's or the Contracted Parties' use of the site; Contractor's or the Contracted Parties' performance of the Services; Contractor's or the Contracted Parties' breach of any of the representations or warranties contained in this Agreement; injury to or death of persons or damage to property or delay or damage to District or the District Parties; or for any act, error, omission, negligence, or willful misconduct of Contractor, the Contracted Parties or their respective agents, subcontractors, employees, material or equipment suppliers, invitees, or licensees. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity,

which would otherwise exist as to a party, person, or entity described in this paragraph.

9. Insurance. Without in any way limiting Contractor's liability or indemnification obligations set forth in Paragraph 8 above, District reserves the right to require contractor to procure and maintain throughout the Term of this Agreement the following insurance: (i) comprehensive general liability insurance with limits not less than \$1,000,000.00 each occurrence and \$1,000,000.00 in the aggregate; (ii) commercial automobile liability insurance with limits not less than \$100,000.00 each occurrence and \$100,000.00 in the aggregate; if applicable; and neither Contractor nor any of the Contracted Parties shall commence performing any portion of the Services until all required insurance has been obtained and certificates indicating the required coverage have been delivered to and approved by District. All insurance policies shall include an endorsement stating that District and District Parties are named additional insured. All of the policies shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days' prior written notice has been given to District. If any of the required insurance is not reinstated, District may, at its sole option, terminate this Agreement. All of the policies shall also include an endorsement stating that it is primary to any insurance or self-insurance maintained by District and shall waive all rights of subrogation against District and/or the District Parties.
10. Independent Contractor Status. Contractor, in the performance of this Agreement, shall be and act as an independent contractor. Contractor understands and agrees that s/he and the Contracted Parties shall not be considered officers, employees, agents, partners, or joint ventures of District, and are not entitled to benefits of any kind or nature normally provided to employees of District and/or to which District's employees are normally entitled.
11. Taxes. All payments made by District to Contractor pursuant to this Agreement shall be reported to the applicable federal and state taxing authorities as required. District will not withhold any money from compensation payable to Contractor, including FICA (social security), state or federal unemployment insurance contributions, or state or federal income tax or disability insurance. Contractor shall assume full responsibility for payment of all federal, state and local taxes or contributions, including unemployment insurance, social security and income taxes with respect to Contractor and the Contracted Parties and otherwise in connection with this Agreement.
12. Fingerprinting/Criminal Background Investigation Certification. Contractor and the Contracted Parties shall at all times comply with the fingerprinting and criminal background investigation requirements of the California Education Code ("Education Code") section 45125.1. Accordingly, by checking the applicable boxes below, Contractor hereby represents and warrants to District the following:

Contractor and the Contracted Parties shall **only have limited or no contact** (as determined by District) with District students at all times during the Term of this Agreement.

The following Contracted Parties have **more than limited contact** (as

determined by District) with District students during the Term of this Agreement:

[Attach and sign additional pages, as needed.]

All of the Contracted Parties noted above, at no cost to District, have completed background checks and have been fingerprinted under procedures established by the California Department of Justice and the Federal Bureau of Investigation, and the results of those background checks and fingerprints reveal that none of these Contracted Parties have been arrested or convicted of a serious or violent felony, as defined by the California Penal Code.

Contractor further agrees and acknowledges that if at any time during the Term of this Agreement Contractor learns or becomes aware of additional information, including additional personnel, which differs in any way from the representations set forth above, Contractor shall immediately notify District and prohibit any new personnel from having any contact with District students until the fingerprinting and background check requirements have been satisfied and District determines whether any such contact is permissible.

13. Tuberculosis Certification. Contractor and the Contracted Parties shall at all times comply with the tuberculosis ("TB") certification requirements of Education Code section 49406. Accordingly, by checking the applicable boxes below, Contractor hereby represents and warrants to District the following:

Contracted Parties shall **only have limited or no contact** (as determined by District) with District students at all times during the Term of this Agreement.

The following Contracted Parties shall have **more than limited contact** (as determined by District) with District students during the Term of this Agreement and, at no cost to District, have received a TB test in full compliance with the requirements of Education Code section 49406:

Contractor shall maintain on file the certificates showing that the Contracted Parties were examined and found free from active TB. These forms shall be regularly maintained and updated by Contractor and shall be available to District upon request or audit.

Contractor further agrees and acknowledges that all new personnel hired after the Effective Date of this Agreement are subject to the TB certification requirements and shall be prohibited from having any contact with District students until the TB certification requirements have been satisfied and District determines whether any such contact is permissible.

14. Confidential Information. Contractor shall maintain the confidentiality of and protect from unauthorized disclosure any and all individual student information received from the District, including but not limited to student names and other identifying

- information. Contractor shall not use such student information for any purpose other than carrying out the obligations under this agreement. Upon termination of this Agreement, Contractor shall turn over to District all educational records related to the services provided to any District student pursuant to this Agreement.
15. Assignment. Contractor shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations under this Agreement without the prior written consent of District.
 16. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Contractor and District and their respective successors and assigns.
 17. Severability. If any provision of this Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Agreement.
 18. Amendments. The terms of this Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written agreement signed by both parties.
 19. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California and venue shall be in the appropriate court in Alameda County, California.
 20. Non-Discrimination. Contractor shall not discriminate on the basis of a person's actual or perceived race, religious creed, color, national origin, ancestry, age, marital status, pregnancy, physical or mental disability, medical condition, genetic information, veteran status, gender, gender identity, gender expression, sex, or sexual orientation in employment or operation of its programs.
 21. Written Notice. Written notice shall be deemed to have been duly served if delivered in person to Contractor at the address located next to the party signatures below, or if delivered at or sent by registered or certified mail to the last business address known to the person who sends the notice.
 22. Compliance with Law. Each and every provision of law and clause required by law to be inserted into this Agreement shall be deemed to be inserted herein and this Agreement shall be read and enforced as though it were included therein. Contractor shall comply with all applicable federal, state, and local laws, rules, regulations and ordinances, including but not limited to fingerprinting under Education Code section 45125.1, confidentiality of records, Education Code section 49406 and others. Contractor agrees that it shall comply with all legal requirements for the performance of duties under this agreement and that failure to do so shall constitute material breach.
 23. Attorney Fees. If any legal action is taken to enforce the terms of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and other reasonable costs and expenses incurred in connection with that legal action.

- 24. Liability of District. Notwithstanding anything stated herein to the contrary, District shall not be liable for any special, consequential, indirect or incident damages, including but not limited to lost profits in connection with this Agreement.
- 25. Entire Agreement. This Agreement is intended by the parties as the final expression of their agreement with respect to such terms as are included herein and as the complete and exclusive statement of its terms and may not be contradicted by evidence of any prior agreement or of a contemporaneous oral agreement, nor explained or supplemented by evidence of consistent additional terms.
- 26. Subject To Approval of Board. This Agreement confers no legal or equitable rights until it is approved by the District Board of Education at a lawfully conducted public meeting.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

DISTRICT:

CONTRACTOR: SVA Architects

ALBANY UNIFIED SCHOOL DISTRICT

Tax Identification Number: _____

By: _____
Name: _____
Title: _____

By _____
Name: _____
Title: _____

Address for District Notices:

Albany Unified School District
1051 Monroe Street
Albany, CA 94706

Address for Contractor Notices:

3 MacArthur Place

Suite 850

Santa Ana, CA 92707

Date of Board Approval: _____



Exhibit A

3 MacArthur Place, Suite 850
Santa Ana, California 92707
T 949.809.3380

info@sva-architects.com
www.sva-architects.com

October 20, 2017

Mr. Allan Garde
Chief Business Official
Albany Unified School District
1051 Monroe Street
Albany, CA 94706

Re: Proposal for Albany Middle School Annex Furniture Package

Dear Mr. Garde:

This Letter of Understanding (the "LOU") shall serve as confirmation between **Albany Unified School District** ("District") and **SVA Architects, Inc.** ("SVA") of our mutual understanding of the work to be performed for the **Albany Middle School Annex Furniture Package** ("Project") located at 1259 Brighton Avenue, Albany, CA 94706.

I. Scope of Services – Furniture Design & Selection

A. Preliminary Design Services

1. Programming: Review the space plan and provide one (1) meeting with District to determine the program requirements for furnishings for the Project.
2. Designs for the 21st Century: Review current industry standards and design ideas toward selecting furnishings that support emerging trends in educational design and support the design of progressive classrooms, laboratories and offices for the 21st century.

B. Schematic Design Services

1. Provide up to three (3) alternate recommendations for furnishings for District's review. Mock-up demonstrations will be arranged of selected furnishings for review by the District, as requested. Provide one (1) to two (2) meetings, as requested, to review the presented materials with District and will provide comments accordingly.

C. Design Development Services

1. Provide alternate recommendations for finishes and upholstery to coordinate with the interior design of the Project. Budget estimates will be provided for the purchasing and installation of District selected furnishings. Provide one (1) to two (2) meeting(s), as requested, to review proposed materials alternatives and furniture estimates.



D. Furniture Specification Services

1. Specifications: Upon approval of the final furniture selections, quantities, finishes, and budget estimate by the District, SVA will prepare a coded furniture plan and outline specifications of approved furnishings for use by the District's selected furniture dealer or purchasing agent in the purchase of all furnishings.
2. If the specifications are to be submitted for public bid, SVA will assist the District in preparing appropriate bid documents and assist in the review of submitted bids.
3. A record materials board will be prepared illustrating the finishes selected for the furnishings.

E. Furniture Administration Services

1. Furniture Administration: Be available to the District to answer questions and provide clarifications regarding the design during the ordering process and will review furniture submittals, delivery and installation schedules with the District. Upon installation, SVA will assist the District in preparing a punchlist indicating work that is incomplete or deficient.

II. Compensation

- A. The District agrees to compensate Architect, in accordance with the terms and conditions of this Agreement, for services rendered hereunder of a fee equal to Twenty Thousand Dollars (\$20,000.00).
- B. Payment to SVA will be made monthly in the proportion to services performed.
- C. Reimbursement for any direct expenses will be at 1.15 times the actual expense. Reimbursable expenses will include, but be limited to, computer plots, printing and reproduction, photo work, artist renderings (if requested by District), overnight delivery, messenger services, and travel expenses. SVA's in-house progress sets are excluded from reimbursement.
- D. SVA's hourly rates are as follows:
 - Partners at the fixed rate of Two Hundred Twenty-Five Dollars (\$225) per hour
 - Principals at the fixed rate of Two Hundred Ten Dollars (\$210) per hour
 - Senior Project Architect/Manager at the fixed rate of One Hundred Ninety-Five Dollars (\$195) per hour
 - Senior Project Designer at the fixed rate of One Hundred Ninety-Five Dollars (\$195) per hour
 - Project Architect/Manager at the fixed rate of One Hundred Seventy-Five Dollars (\$175) per hour
 - Project Designer at the fixed rate of One Hundred Seventy-Five Dollars (\$175) per hour
 - Job Captain at the fixed rate of One Hundred Fifty-Five Dollars (\$155) per hour

Albany Unified School District
Albany Middle School Furniture Package
October 20, 2017
Page 3



- Intermediate Designer and Intermediate Draftsman at the fixed rate of One Hundred Twenty-Five Dollars (\$125) per hour
- Junior Designer and Junior Draftsman at the fixed rate of One Hundred Dollars (\$100) per hour
- Administrative Staff at the fixed rate of Seventy-Five Dollars (\$75) per hour

If the above is agreeable and consistent with our mutual understanding, please sign one original of this Letter of Understanding and return it to us as soon as possible. Please note that the requirements of Section 5536.22 of the Business and Professions Code of the state of California require an executed written agreement by both parties prior to proceeding with any work. The attached terms and conditions are hereby fully referenced and incorporated.

Sincerely,

SVA Architects, Inc.

Robert M. Simons, AIA
President & Partner
License No.: C18301

AGREED AND ACCEPTED:

Albany Unified School District

Signature

Name & Title

Date

cc: Adam Bayer, DCI

Attachment: Terms and Conditions

- A. Standard of Care: Architect shall not be responsible for the performance of the construction contract(s) or contract documents, project site safety, work or products, coordination, or any defects, deficiencies of effects resulting therefrom, by any design/builder, contractor, manufacturer, supplier, fabricator, consultant retained by design/builder, or any other third party (including anyone working or acting on behalf of any of them) except to the extent directly arising out of Architect's sole negligent acts, errors or omissions or willful acts.
- B. Additional Services: All work requested by Client that is outside of the Work described hereunder, shall be compensated to Architect on an hourly basis at the rates described herein.
- C. Revisions to the drawings or changes in the Work that are required as a result of: (1) unforeseen changes in construction; (2) the enactment of changes to applicable laws or building codes; (3) alterations requested by Client that are inconsistent with previous decisions or approvals, including revisions made necessary from changes in Client's program or budget; (4) Client's failure to render decisions in a timely manner; (5) any other circumstance beyond the control of Architect; or (6) changes in interpretation by any governing agency shall be billed as an additional services if Architect demonstrates to Client that an increase in Architect's cost has been incurred.
- D. Ownership of Documents: Any and all documents prepared as a result of the Services are and shall remain the property of Architect.
- E. Termination: Either party may terminate this Agreement on seven (7) days' written notice, provided only that such notice is based upon a good faith belief that the other party has materially breached this Agreement through no fault of the party initiating the termination.
- F. Limitation of Liability: Notwithstanding anything to the contrary set forth herein, it is hereby agreed, with respect to any claims and liability of Architect, that:
- The sole and exclusive remedy shall be against Architect and its corporate assets;
 - No officer, director or shareholder of Architect shall be sued or named as a party in any suit or action;
 - No judgment shall be taken against any officer, director or shareholder of Architect;
 - No writ of execution will ever be levied against the assets of any officer, director or shareholder of Architect;
 - The covenants and agreements contained in this section are enforceable by Architect and by any of Architect's officers, directors or shareholders.
- G. No Third Party Beneficiaries: there shall be no third party beneficiaries to this Agreement.

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP**

Regular Meeting of January 23, 2018

ITEM: **AMENDMENT TO DERIVI CASTELLANOS ARCHITECTS
AGREEMENT TO PROVIDE COMMISSIONING AGENT
SERVICES FOR THE ALBANY MIDDLE SCHOOL (AMS)
ANNEX**

PREPARED BY: **ALLAN GARDE, CHIEF BUSINESS OFFICIAL**

TYPE OF ITEM: **REVIEW AND ACTION**

PURPOSE: To review and approve the amendment agreement with Derivi Castellanos Architects (DCA) to provide CHPS (Collaborative for High Performing Schools) Commissioning Agent services for the Albany Middle School (AMS) Annex to reach CHPS Verified status which facilitates an optimal learning environment.

BACKGROUND INFORMATION:

Collaborative for High Performance Schools:

At the [May 9, 2017 Regular Board Meeting](#), the Board adopted Board Policy 3510: Green School Operations. At the [August 9, 2016 Regular Board Meeting](#), the Board adopted Board Resolution: 2016-17-01: Sustainability & the Design and Construction of High Performance Schools. At the [June 21, 2016 Regular Board Meeting](#), the Albany Unified School District Integrated Design / Sustainability Committee presented an update based on their work and recommended the Board adopt a resolution to follow the guidelines and best practices of CHPS, a non-profit organization founded in 1999 dedicated to making schools better places to learn by providing resources on all aspects of school design, construction, and operation.

Program Management Services Related to the Albany Middle School Annex on San Gabriel:

At the [November 8, 2016 Regular Board Meeting](#), the Board approved the amendment agreement to add Project Management Services for the construction of the Albany Middle School Annex Project. At the [March 10, 2015 Regular Board Meeting](#), the Board approved the amendment agreement to add the Schematic Design and Design Development Phases to the San Gabriel Site Project. At the [October 28, 2014 Regular Board Meeting](#), the original Program Management Services Agreement included the initial Scope Refinement Phase of the San Gabriel Site Project.

Development of the Initial Program Management Services Agreement:

At the [March 25, 2014 Regular Board Meeting](#), the Board approved the Facilities Master Plan. A public bid and follow-up interviews were conducted in September and October 2014. At the [October 28, 2014 Regular Board Meeting](#), the Board approved the Program Management Services Agreement with Derivi Castellanos Architects.

DETAILS: The Albany Middle School Annex will be a CHPS Verified Project based on Board Policy 3510: Green School Operations and Board Resolution 2016-17-01: Sustainability & the Design and Construction of High Performance Schools.

An informal bidding process occurred during the months of November and December 2017. Three experienced and highly qualified vendors responded. Derivi Castellanos Architects is being brought forward as the lowest responsive bid.

Scope of Services expected through December 2018:

- All services below will be performed in accordance with CHPS guidelines
- Collect and review design documents, drawings, other information
- Provide notes clarifying the commissioning scope of work to be incorporated into the construction documents
- Develop commissioning plan and generate assignments
- Conduct commissioning kick-off meeting
- Prepare Pre-functional Testing and Functional Performance Testing requirements (43 individual pieces and lighting)
- Review submittals
- Coordinate with contractors, vendors to develop installation verification checklists
- Coordinate with contractors, vendors to complete equipment start-up verification
- Coordinate with contractors, vendors to complete building envelope systems verification
- Site observation, witness installation
- Participate in Test and Balance planning
- Participate in lighting control set-up and test planning
- Pre-functional testing
- Functional performance testing
- Prepare training and verification agenda and schedule
- Commissioning report
- Prepare systems manual
- Post occupancy 11-month warranty review

KEY QUESTIONS/ANSWERS:

1. Why have the Project Manager also serve as the Commissioning Agent?
 - a. Typically, the Project Manager does not have the expertise and experience to also serve as the commissioning agent. However, the background of Adam Bayer allows the school district to reduce costs and capitalize on this opportunity by having Mr. Bayer serve both roles for the school district.

FINANCIAL INFORMATION:

Other Projects – Albany Middle School Annex

1. \$30,000 – AMS Annex CHPS Commissioning Agent Services
Total Fee Authorized with Amendment: – \$30,000 – Fund 21 Measure E Bond

STRATEGIC GOALS ADDRESSED: This Board Item addresses



Objective #3: Communicate and Lead Together.

Goal: All stakeholders will collaborate and communicate about decisions that guide the sites and district.

RECOMMENDATION: Approve the amendment agreement with Derivi Castellanos Architects for the addition of Commission Agent Services for the Albany Middle School Annex under Exhibit “F”

**AMENDMENT TO AGREEMENT FOR PROGRAM MANAGEMENT SERVICES
BETWEEN ALBANY UNIFIED SCHOOL DISTRICT (“DISTRICT”) AND DERIVI
CASTELLANOS ARCHITECTS (“PROGRAM MANAGER”)**

The Program Management Agreement between Albany Unified School District (“District”) and Derivi Castellanos Architects (“Program Manager”) shall be amended as follows:

- I. Exhibit “F” – Other Projects
 - a. In addition to the other projects noted in the table and in accordance with Article I, Article II, and Exhibit D of the agreement, the District is authorizing:
 - i. Albany Middle School Annex – CHPS (Collaborative for High Performing Schools) Commissioning Agent Services

Third-Party Commissioning Agent Services for the project to be designated as CHPS Verified.

Total Fee Amendment: \$30,000

PROGRAM MANAGER:

DISTRICT:

Derivi Castellanos Architects

Albany Unified School District

By:

By:

Its: _____

Its: _____

Date: _____

Date: _____

Exhibit A

December 15, 2017

Mr. Allan Garde
Chief Business Official
ALBANY UNIFIED SCHOOL DISTRICT
1051 Monroe Street
Albany, CA 94706

Re: **PROPOSAL FOR PROFESSIONAL CONSULTING SERVICES**
Commissioning Services Required for CHPS Verification
Albany Middle School Annex
Revision #1

Dear Mr. Garde:

Thank you for asking Derivi Castellanos Architects (DCA) to provide a Proposal for Commissioning Services required for CHPS Verification of the new Albany Middle School Annex project.

PROJECT BACKGROUND

As part of its policy on sustainability and environmental stewardship, the Albany Unified School District Board has recommended that the new Albany Middle School Annex project go through CHPS Verification. CHPS Verification requires that the District procure a third-party to oversee the commissioning of the new building systems according to CHPS guidelines. DCA is proposing to provide the required third-party commissioning services in accordance with CHPS guidelines. The commissioning process would begin immediately upon receiving a notice to proceed, would continue throughout the construction phase and would conclude upon completion of the project and successful startup and acceptance of the building systems. The proposed commissioning services will ensure that all building systems are working properly, as designed, prior to acceptance by the District and that operating and energy efficiency is maximized as the new building is put into service.

SCOPE OF SERVICES TO BE PROVIDED BY DCA

- All services below will be performed in accordance with CHPS guidelines
- Collect and review design documents, drawings, other information
- Provide notes clarifying the commissioning scope of work to be incorporated into the construction documents
- Develop commissioning plan and generate assignments
- Conduct commissioning kick-off meeting
- Prepare Pre-functional Testing and Functional Performance Testing requirements (43 individual pieces and lighting)
- Review submittals

- Coordinate with contractors, vendors to develop installation verification checklists
- Coordinate with contractors, vendors to complete equipment start-up verification
- Coordinate with contractors, vendors to complete building envelope systems verification
- Site observation, witness installation
- Participate in Test and Balance planning
- Participate in lighting control set-up and test planning
- Pre-functional testing
- Functional performance testing
- Prepare training and verification agenda and schedule
- Commissioning report
- Prepare systems manual
- Post occupancy 11-month warranty review

TIMELINE

The commissioning process would begin immediately upon receiving a notice to proceed, would continue throughout the construction phase and would conclude upon completion of the project and successful startup and acceptance of the building systems (expected in December 2018). This proposal is valid for 30 days.

COMPENSATION

The basis of Client payments to DCA shall be Lump Sum by Percent Complete as set forth below.

- | | |
|---------------------------------------|----------|
| 1. Commissioning Services as Proposed | \$30,000 |
|---------------------------------------|----------|

Notes:

- a. Reimbursables expenses are not included in the above figures*
- b. We recommend a reimbursables allowance of: \$3,500*
- c. Additional Services requested by Client shall be provided at T&M rates*
- d. Assumes all tasks above will be completed in one phase (if project is broken up into multiple phases, Client will incur additional costs)*

Terms of payment to the Consultant: Client will be billed monthly. Invoiced amounts are payable and due within thirty (30) days from receipt of invoice. DCA Hourly Rate Schedule dated January 1, 2017 is attached.

ASSUMPTIONS & CLARIFICATIONS

1. Project Management services are not included in this proposal.
2. DCA will not be responsible for project cost or schedule.
3. DCA will not be responsible for the performance of District vendors or contractors.

- 4. DCA will accept no responsibility for existing site conditions, deficiencies, violations, hazardous materials, contamination that may exist on the site.
- 5. DCA will not work with hazardous or contaminated materials.
- 6. District will be responsible for any permit, agency or utility company fees, including CHPS.
- 7. District is advised to investigate any uncertified projects on this site prior to proceeding with this work. DSA can assist the District with certification of old/uncertified projects at T&M rates.
- 8. Any other services or scope of work not specifically included above will incur additional cost at T&M Rates.
- 9. DCA provides the following standard insurance coverages; if additional coverages are requested by District, they will be provided upon acceptance by District of additional premium:
 - a. General Liability: \$1 million per occurrence/\$2 million aggregate
 - b. Auto: \$1 million per occurrence/\$2 million aggregate
 - c. Workers Comp: per statute
 - d. Professional Errors & Omissions: \$1 million per occurrence/\$2 million aggregate

NON-DISCRIMINATION

DCA, its employees and consultants do not discriminate on the basis of a persons’ actual or perceived race, religious creed, color, national origin, ancestry, age, marital status, pregnancy, physical or mental disability, medical condition, genetic information, veteran status, gender, gender identity, gender expression, sex, or sexual orientation.

TERMINATION OF AGREEMENT

This agreement may be terminated by either party upon not less than twenty one days’ written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

THIS PROPOSAL IS RESPECTFULLY SUBMITTED

THIS PROPOSAL IS ACCEPTED AS PRESENTED

DERIVI CASTELLANOS ARCHITECTS

ALBANY UNIFIED SCHOOL DISTRICT


 Juan G. Barroso
 Managing Partner

Signature of Authorized Representative

Printed Name and Title

Date

HOURLY RATE SCHEDULE
Effective January 1, 2017

Managing Partner	\$200.00
------------------	----------

ARCHITECTURAL SERVICES

Principal Architect	\$170.00
Director of Engineering	\$170.00
Architect	\$150.00
Sr. Project Coordinator	\$120.00
Project Coordinator	\$110.00
Sr. Designer	\$100.00
Designer	\$90.00
Drafter	\$80.00
Intern	\$70.00
Clerical Assistant	\$55.00
Consultants	actual cost +10%

PROJECT MANAGEMENT/CONSULTING SERVICES:

Director of Engineering	\$170.00
Sr. Project Manager	\$170.00
Project Manager	\$150.00
Cost Estimator	\$150.00
Sr. Project Coordinator	\$120.00
Project Coordinator	\$110.00
Intern	\$70.00
Clerical Assistant	\$55.00
Consultants	actual cost +10%

Reimbursable costs shall be billed at actual cost plus 10% and include reproduction, office consumables, mileage, shipping, telephone, software services, meeting costs, travel time, lodging, other miscellaneous services and expenses required to accomplish the work. Mileage will be reimbursed at the IRS standard mileage rate. These expenses shall not be considered a part of the overall maximum fee. All invoices are due and payable within 30 days of invoice date. All invoices for which payment is not received within 45 days will be assessed a 1.5% per month late charge (18% Annual Percentage Rate). This Fee Schedule is subject to adjustment every year on January 1st.



Adam Bayer, P.E.
LEED AP, DBIA, CEM
Director of Engineering

“Under the expert leadership of Adam Bayer, the investigation into existing conditions helped the project save time and money and increase the certainty the project would be completed on schedule.”

*Jim Sowerbrower
CSU Chief of Construction*

Summary

With over 30 years of experience in education facilities, Adam has excelled on a wide-range of assignments, including: new construction, modernization, operations, energy efficiency/production, commissioning, sustainability and campus master planning. As a California Licensed Electrical and Mechanical Engineer, Adam has developed a unique set of skills to take on complex projects and guide them to successful completion with a high level of stakeholder engagement. As a member of DCA’s Senior Management team, Adam provides technical oversight and support to all DCA projects in a number of technical areas.

Commissioning & Sustainable Experience

- Oak Grove School District
HVAC Replacements at three Elementary Schools
150,000 SF of new roofing, HVAC, Electrical, Controls
Architect’s Commissioning Agent
- Dr. Martin Luther King, Jr. Library
500,000 SF joint use library (SJSU & City of San Jose)
Owner’s Commissioning Agent
LEED Silver
- SJSU Chilled Water Plant
6,000 Ton chiller plant serving 3,000,000 SF of
educational facilities in Downtown San Jose
Owner’s Commissioning Agent
- SJSU Marine Lab at Moss Landing
60,000 SF research lab, including seawater cooling
Owner’s Commissioning Agent
LEED Gold
- SJSU College of Business
3-story, 80,000 SF classroom building
Owner’s Commissioning Agent
- SJSU College of Engineering
5-story, 330,000 SF classroom and lab building
Owner’s Commissioning Agent
- SJSU Music Building
2-story, 62,000 SF music studio and classroom building
Owner’s Commissioning Agent
- SJSU New Student Union
Expansion and renovation of 240,000 SF Student Union
Owner’s Commissioning Agent
LEED Gold

Education & Professional

- M.Sc. Engineering
San Jose State University
- B.Sc. Marine Engineering
Cal Maritime Academy
- CA Registered Engineer, Mechanical
License No. M29700
- CA Registered Engineer, Electrical
License No. E16948
- Design Build Institute of America (DBIA)
Professional 4-9-2015
- Certified Energy Manager
Certificate # 5415
- LEED AP O&M



SJSU New Student Union

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP**

Regular Meeting of January 23, 2018

ITEM: **AMENDMENT TO DERIVI CASTELLANOS ARCHITECTS
AGREEMENT TO PROVIDE PROGRAM MANAGEMENT
SERVICES FOR THE ALBANY HIGH SCHOOL ADDITION**

PREPARED BY: **ALLAN GARDE, CHIEF BUSINESS OFFICIAL**

TYPE OF ITEM: **REVIEW AND ACTION**

PURPOSE: To review and approve the amendment agreement with Derivi Castellanos Architects (DCA) to provide Program Management services for the Albany High School Addition.

BACKGROUND INFORMATION:

Program Management Services Related to the Albany High School Addition:

At the [March 22, 2016 Regular Board Meeting](#), the Board approved an amendment to the Derivi Castellanos Architects Program Management Services Agreement to the bid package development of removing the Albany High School Amphitheater.

Development of the Initial Program Management Services Agreement:

At the [March 25, 2014 Regular Board Meeting](#), the Board approved the Facilities Master Plan. One of the projects included the architectural development of Ocean View Elementary. At the [August 26, 2014 Regular Board Meeting](#), the Board directed staff to move forward with the selection of an architect for the Ocean View School Construction Project. At the [September 23, 2015 Regular Board Meeting](#), the Board directed staff to pursue a set of projects based on our current funding constraints. A public bid and follow-up interviews were conducted in September and October 2014. At the [October 28, 2014 Regular Board Meeting](#), the Board approved the Program Management Services Agreement with Derivi Castellanos Architects.

DETAILS:

Scope of Services expected through October 2019:

- Develop and provide regular updates to project schedule and budget
- Attend regular project meetings as directed by District
- Facilitate Supplemental Prequalification of previously shortlisted General Contractors in order to establish a shortlist of three Design/Build Teams to propose on this project
- Prepare a Request for Proposal (RFP) Package for Design/Build Teams, which will include Bridging Documents at a 100% Schematic Design level of detail prepared by Gould Evans
- Facilitate a procurement process for selection of a Design/Build Team
- Facilitate the completion of Construction Documents for submittal to DSA
- Facilitate Value Engineering
- Facilitate an expedited DSA review
- Assist District with coordination of funding strategies (CDE, OPSC)
- Assist coordination of District consultants (Geotech, Hazmat, Acoustic, IOR, Testing Lab, Technology, Funding, CHPS, Commissioning)
- Facilitate implementation of District Policy requiring Collaborative for High Performing Schools (CHPS) verification

- Facilitate the construction process (24 hours per week for onsite meetings and field visits)
- Assist District with cost, schedule and quality control during construction
- Assist District with Contract Administration and Applications for Payment
- Facilitate punchlist, closeout, DSA certification and final acceptance of the project
- Advise District on warranty issues
- Assist District with evaluation and resolution of technical issues that may arise during design, construction and closeout

KEY QUESTIONS/ANSWERS:

1. Why not hire staff internally for this work?
 - a. With many school district bond measures authorized by voters over the past two years and the impact to the talent pool due to the Great Recession, the availability for qualified construction managers with a focus on California school construction has diminished. The value of contracting with a firm specializing in this field is that we can:
 - i. Ensure the presence of qualified staff
 - ii. Only pay for sufficient work performed
 - iii. Require the firm to adjust staffing to meet the needs of the school district and the ebbs and flows of the project(s)

FINANCIAL INFORMATION:

Other Projects – Albany High School Addition

1. \$ 9,350 – (4 weeks) – Supplemental Prequalification
2. \$11,950 – (4 Weeks) – Development of Request for Proposals (RFP)
3. \$40,530 – (12 weeks) – Procurement of Design/Build Team
4. \$57,520 – (32 weeks) – Completion of Construction Documents, Division of the State Architect (DSA) Review/Approval
5. \$169,995 – (42 weeks) – Construction Phase
6. \$47,970 – (12 weeks) – Closeout, DSA Certification

Total Fee Authorized with Amendment: – \$337,315 – Fund 21 Measure B Bond

STRATEGIC GOALS ADDRESSED: This Board Item addresses



Objective #3: Communicate and Lead Together.

Goal: All stakeholders will collaborate and communicate about decisions that guide the sites and district.

RECOMMENDATION: Approve the amendment agreement with Derivi Castellanos Architects for the addition of the Albany High School Addition

**AMENDMENT TO AGREEMENT FOR PROGRAM MANAGEMENT SERVICES
BETWEEN ALBANY UNIFIED SCHOOL DISTRICT (“DISTRICT”) AND DERIVI
CASTELLANOS ARCHITECTS (“PROGRAM MANAGER”)**

The Program Management Agreement between Albany Unified School District (“District”) and Derivi Castellanos Architects (“Program Manager”) shall be amended as follows:

- I. Exhibit “F” – Other Projects
 - a. In addition to the other projects noted in the table and in accordance with Article I, Article II, and Exhibit D of the agreement, the District is authorizing:
 - i. Albany High School Addition – Supplemental Prequalification
 - 1. (4 Weeks) \$9,350
 - ii. Albany High School Addition – Development of Request for Proposals
 - 1. (4 Weeks) \$11,950
 - iii. Albany High School Addition – Procurement of Design/Build Team
 - 1. (12 Weeks) \$40,530
 - iv. Albany High School Addition – Completion of Construction Documents, DSA Review/Approval
 - 1. (32 Weeks) \$57,520
 - v. Albany High School Addition – Construction Phase
 - 1. (42 Weeks) July 2019 \$169,995
 - vi. Albany High School Addition – Closeout, DSA Certification
 - 1. (12 Weeks) \$47,970

Based on mutual agreement, fees associated with each phase noted above can be adjusted based on work required, but remain within the total Project Management Amendment Fee for the Albany High School Addition of \$337,315.

Total Fee Amendment: \$337,315

PROGRAM MANAGER:

DISTRICT:

Derivi Castellanos Architects

Albany Unified School District

By:

By:

Its: _____

Its: _____

Date: _____

Date: _____

Exhibit A

January 2, 2018

Mr. Allan Garde
 Chief Business Official
 ALBANY UNIFIED SCHOOL DISTRICT
 1051 Monroe Street
 Albany, CA 94706

Re: PROPOSAL FOR PROJECT MANAGEMENT SERVICES
 Albany High School New Classroom Building Project

Dear Mr. Garde:

Thank you for inviting Derivi Castellanos Architects (DCA) to provide a Proposal for Project Management Services related to your Albany High New Classroom Building Project.

PROJECT BACKGROUND

In order to address overcrowding at Albany High School, the Albany Unified School District began a design process in March 2016 for a New Classroom Building at Albany High School. This process has included numerous meetings with a Design Committee consisting of Students, Teachers, Administrators, Board Members, Sustainability Advocates and Community Members, who have collectively given the architect (Gould Evans) guidance on the design of the new Classroom Building. Presently, the District wishes to move forward with completion of the design and construction documents for submittal to the Division of State Architect leading to construction. The District is considering a Design/Build delivery method for this project. DCA is proposing to provide Project Management/Owner Representation services as outlined below.

SCOPE OF SERVICES TO BE PROVIDED BY DCA

- Develop and provide regular updates to project schedule and budget
- Attend regular project meetings as directed by District
- Facilitate Supplemental Prequalification of previously shortlisted General Contractors in order to establish a shortlist of three Design/Build Teams to propose on this project
- Prepare a Request for Proposal (RFP) Package for Design/Build Teams, which will include Bridging Documents at a 100% Schematic Design level of detail prepared by Gould Evans
- Facilitate a procurement process for selection of a Design/Build Team
- Facilitate the completion of Construction Documents for submittal to DSA
- Facilitate Value Engineering
- Facilitate an expedited DSA review
- Assist District with coordination of funding strategies (CDE, OPSC)
- Assist coordination of District consultants (Geotech, Hazmat, Acoustic, IOR, Testing Lab, Technology, Funding, CHPS, Commissioning)

- Facilitate implementation of District Policy requiring Collaborative for High Performing Schools (CHPS) verification
- Facilitate the construction process (24 hours per week for on site meetings and field visits)
- Assist District with cost, schedule and quality control during construction
- Assist District with Contract Administration and Applications for Payment
- Facilitate punchlist, closeout, DSA certification and final acceptance of the project
- Advise District on warranty issues
- Assist District with evaluation and resolution of technical issues that may arise during design, construction and closeout

TIMELINE

This Proposal is based on the following approximate durations:

- | | |
|--|----------|
| • Supplemental Prequalification | 4 weeks |
| • Development of RFP | 4 weeks |
| • Procurement of Design/Build Team | 12 weeks |
| • Completion of Construction Documents,
DSA Review/Approval | 32 weeks |
| • Construction Phase
Substantial Completion anticipated July 2019 | 42 weeks |
| • Closeout, DSA Certification | 12 weeks |

FEE AND COMPENSATION SCHEDULE

The basis of Client payments to DCA shall be Lump Sum by Percent Complete as set forth below:

- | | |
|---|---------------------|
| 1. Supplemental Prequalification | \$9,350.00 |
| 2. Development of RFP | \$11,950.00 |
| 3. Procurement of Design/Build Team | \$40,530.00 |
| 4. Completion of Construction Documents,
DSA Review/Approval | \$57,520.00 |
| 5. Construction Phase | \$169,995.00 |
| 6. Closeout, DSA Certification | \$47,970.00 |
| Total Fee | \$337,315.00 |

Notes:

- a. *Typical reimbursables (mileage, printing for our use only, site investigation) are included in the above figures*
- b. *Additional Services shall be provided upon request at T&M rates*
- c. *Fee Estimate Worksheet attached*

Terms of payment to the Consultant: Client will be billed monthly. Invoiced amounts are payable and due within thirty (30) days from receipt of invoice. DCA Hourly Rate Schedule dated January 1, 2017 is attached.

EXCLUSIONS & CLARIFICATIONS

1. Architectural, Engineering, Design Services
2. Coordination/approvals by local jurisdictions (Public Works, Parking/Traffic, Fire – typically part of Architect's scope of work)
3. Coordination with local utilities (typically part of Architect's scope of work)
4. Detailed cost estimates (to be prepared by Design/Builder)
5. Services typically provided by specialty consultants (Geotech, Hazmat, IOR, Testing Lab, Technology, Environmental/CEQA, Funding, CHPS, Commissioning)
6. Coordination of District's Furniture and Technology systems
7. Any guarantees of project schedules or budgets
8. Performance of District consultants, contractors or vendors
9. Responsibility for existing site conditions, deficiencies, violations, hazardous materials, contamination, uncertified projects that may exist on the site
10. DCA will not work with hazardous or contaminated materials
11. Any additional services requested by District and not specifically included above will incur additional costs at T&M Rates

NON-DISCRIMINATION

DCA, its employees and consultants do not discriminate against any person on account of race, color, religion, creed, sex, sexual orientation, age, marital status, national origin, ancestry, disability or upon any other unlawful basis.

TERMINATION OF AGREEMENT

This agreement may be terminated by either party upon not less than twenty one days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

THIS PROPOSAL IS RESPECTFULLY SUBMITTED

DERIVI CASTELLANOS ARCHITECTS



Juan G. Barroso
Managing Partner

THIS PROPOSAL IS ACCEPTED AS PRESENTED

ALBANY UNIFIED SCHOOL DISTRICT

Signature of Authorized Representative

Printed Name and Title

Date

FEE ESTIMATE WORKSHEET



CLIENT: ALBANY UNIFIED SCHOOL DISTRICT

PROJECT: Albany High School New Classroom Building
Project Management/Owner Representative Services

DELIVERABLES: Project Management/Owner Rep services to facilitate selection of Design/Build team, completion of design and construction documents for submittal to DSA leading to construction, oversight of the construction and closeout phases.

PREPARED BY: JUAN BARROSO
DATE: 1/2/18
REVISION: 0
DCA PROPOSAL NO.: P17.101

TASK 1: PROJECT MANAGEMENT/OWNER REP SERVICES																
Scope of Work Items	Duration (Weeks)	Estimated Staff Hours									Staff		Consult	Reimb	Total Cost	
		Managing Partner	Senior Proj Mgr	Senior Architect	Architect	Proj Mgr	Proj Coord	Designer	Drafter	Clerical	Hours	Cost				
Supplemental Prequalification	4	12.0	24.0				16.0				2.0	54.0	\$ 8,350		\$ 1,000	\$ 9,350
Development of RFP	4	8.0	32.0				30.0				2.0	72.0	\$ 10,450		\$ 1,500	\$ 11,950
Procurement of D/B Team	12	24.0	144.0				72.0				6.0	246.0	\$ 37,530		\$ 3,000	\$ 40,530
Completion of CDs, DSA Review/Approval	32	64.0	128.0				128.0				16.0	336.0	\$ 49,520		\$ 8,000	\$ 57,520
Construction Phase	42	84.0	336.0				672.0				21.0	1,113.0	\$ 148,995		\$ 21,000	\$ 169,995
Closeout, DSA Certification	12	24.0	48.0				288.0				6.0	366.0	\$ 44,970		\$ 3,000	\$ 47,970
Additional services not included above - T&M Upon Request.												-	\$ -			\$ -
												-	\$ -			\$ -
												-	\$ -			\$ -
												-	\$ -			\$ -
												-	\$ -			\$ -
Subtotals:		216.0	712.0	-	-	-	1,206.0	-	-	53.0		2,187.0				
Rate (\$/hr):		200	170	170	150	150	110	100	80	55						
Totals:		\$ 43,200	\$ 121,040	\$ -	\$ -	\$ -	\$ 132,660	\$ -	\$ -	\$ 2,915		\$ 299,815	\$ -	\$ 37,500	\$ 337,315	

HOURLY RATE SCHEDULE
Effective January 1, 2017

Managing Partner	\$200.00
ARCHITECTURAL SERVICES	
Principal Architect	\$170.00
Director of Engineering	\$170.00
Architect	\$150.00
Sr. Project Coordinator	\$120.00
Project Coordinator	\$110.00
Sr. Designer	\$100.00
Designer	\$90.00
Drafter	\$80.00
Intern	\$70.00
Clerical Assistant	\$55.00
Consultants	actual cost +10%
PROJECT MANAGEMENT/CONSULTING SERVICES:	
Funding Advisor	\$200.00
Sr. Project Manager	\$170.00
Project Manager	\$150.00
Cost Estimator	\$150.00
Sr. Project Coordinator	\$120.00
Project Coordinator	\$110.00
Intern	\$70.00
Clerical Assistant	\$55.00
Consultants	actual cost +10%

Reimbursable costs shall be billed at actual cost plus 10% and include reproduction, office consumables, mileage, shipping, telephone, software services, meeting costs, travel time, lodging, other miscellaneous services and expenses required to accomplish the work. Mileage will be reimbursed at the IRS standard mileage rate. These expenses shall not be considered a part of the overall maximum fee. All invoices are due and payable within 30 days of invoice date. All invoices for which payment is not received within 45 days will be assessed a 1.5% per month late charge (18% Annual Percentage Rate). This Fee Schedule is subject to adjustment every year on January 1st.

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP
Regular Meeting of January 23, 2018**

ITEM: **AMENDMENT TO BRIDGING ARCHITECTURAL SERVICE AGREEMENT WITH GOULD EVANS, INC. FOR THE ALBANY HIGH SCHOOL CLASSROOM ADDITION**

PREPARED BY: **ALLAN GARDE, CHIEF BUSINESS OFFICIAL**

TYPE OF ITEM: **REVIEW AND ACTION**

PURPOSE: To approve an amendment to the Gould Evans, Inc. Bridging Architectural Services Agreement for the Albany High School Classroom Addition to include support for General Contractor selection, Design Peer Review, and Construction Document Development Peer Review.

BACKGROUND INFORMATION: At the [March 22, 2016 Regular Board Meeting](#), the Board approved a Bridging Architectural Services agreement with Gould Evans, Inc. for the Albany High School Classroom Addition Project. At the [June 21, 2016 Regular Board Meeting](#), Gould Evans, Inc, presented a design meeting update to the Board.

DETAILS: The Albany High School Classroom Addition Project is planned to begin construction in the Fall of 2018 with the removal of the current amphitheater beginning in the Summer of 2018.

This amendment is based on Time & Material not-to-exceed 80 hours of work. The services provided include Program Confirmation, Contractor Selection Support, Design Peer Review, and Construction Document Develop Peer Review.

KEY QUESTIONS/ANSWERS:

1. What role does a “Bridging Architect” provide after the selection of a Design-Build Entity / General Contractor?
 - a. The Bridging Architect is the architect that conducted a visioning design process with school staff and community members through multiple design meetings. This understanding of the project priorities coupled with the technical expertise to review design and construction documents will ensure the Design-Build Entity / General Contractor carries out the priorities of the project.

FINANCIAL INFORMATION: Not-to-Exceed \$12,000 – 2016 Measure B Bond

STRATEGIC GOALS ADDRESSED: This Board Item addresses



Objective #3: Communicate and Lead Together.

Goal: All stakeholders will collaborate and communicate about decisions that guide the sites and district.

RECOMMENDATION: Approve Amendment of the Bridging Architectural Services Agreement with Gould Evans, Inc. for the Albany High School Classroom Addition

AMENDMENT TO AGREEMENT FOR PERFORMANCE OF BRIDGING ARCHITECTURAL SERVICES FOR THE CONSTRUCTION OF ALBANY HIGH SCHOOL NEW CLASSROOM BUILDING BETWEEN ALBANY UNIFIED SCHOOL DISTRICT (“DISTRICT”) AND GOULD EVANS, INC. (“ARCHITECT”)

The Bridging Architectural Services Agreement between Albany Unified School District (“District”) and Gould Evans, Inc. (“Architect”) shall be amended as follows:

- 1. Exhibit “A” – Scope of Services
 - a. In addition to Exhibit A of the agreement and in accordance with Article II, Section 3 of the agreement, the District is authorizing:
 - i. Additional Services Fee – Peer Review of Albany High School Project

Support the District’s bidding and selection process for a Design-Build Entity (DBE).

After a DBE is selected for the project, conduct peer review of architectural documents at the following three stages: 50% Design Development; 90% Design Development; and 50% Construction Document.

Review of Mechanical, Electrical, Plumbing, and Fire Protection system design.

Three additional meetings as requested by the District.

Invoicing based on Time & Material, up to 80 hours of work, up to \$12,000.

Total Fee of Amendment (Time and Materials): \$12,000

ARCHITECT:

Gould Evans, Inc.

By:

Its: _____

Date: _____

DISTRICT:

Albany Unified School District

By:

Its: _____

Date: _____

Exhibit A

30 November 2017

Mr. Allan Garde
 Albany Unified School District
 1051 Monroe Street
 Albany, CA 94706

SUBJECT: Additional Services Fee- Peer Review
 Albany High School Classroom Building

VIA: email agarde@ausdk12.org rbir@dcaia.com

Dear Allan:

Thank you for the continuing opportunity to work with Albany Unified School District (AUSD). Gould Evans is submitting Add Services for Bridging Architectural Services to provide support for AUSD's bidding and selection process for a Design-Build entity (DBE), as well as peer review services for the design and construction of the Albany High School Classroom Building. The project provides educational learning environments for the high school's basic curriculum including career pathway program opportunities.

These Additional Services include the following scope:

- Coordination of existing Bridging Documents that indicate the scope of work included in the DBE bid package with sufficient detail to enable preparation of an accurate proposal by a proposing Design-Build entity and which will guide the Design-Build entity to successfully design and construct the facility needed by the District within the planned budget and construction schedule. (It is assumed that Bridging Documents will not be altered in a significant way.)
- Assist and work with District counsel in preparation of request for proposals for selection of a Design-Build entity in accordance with California Education Code section 17250.25.
- Assist District in the procurement of a Design-Build entity, including evaluation of proposals received from Design-Build entities.
- Participate in up to twelve (12) meetings (with PM, District, and other interested parties) to ensure the successful completion of the Project.
- As requested by District, participate in a presentation to the District's governing board concerning the completed bridging documents to assist with obtaining Project approvals from the District's governing board.
- Perform additional duties as directed by the District, including potential design oversight under direction of PM following selection of Design-Build entity and commencement of finalization of Project design by Design-Build entity.

As previously stated, up to (12) meetings are proposed as part of peer review services. These will include:

Programming confirmation meetings

- Participate in (1) meeting with the school community to verify program requirements.

95 BRADY STREET
 SAN FRANCISCO, CA 94103
 415.503.1411

Design-Build entity team selection meetings

- o (1) interview session for three teams
- o Participation in up to one feedback sessions with each Design-Build entity team prior to final team selection. Assuming three teams are shortlisted, a total of (3) meetings
- o (1) Final Team selection meeting

Document review meetings

- o (3) meetings total: 50% DD, 90%DD and 50% CD's
- o Review of Mechanical, Electrical, Plumbing and Fire Protection system design by Bridging Document engineer (PAE)
- o (3) Additional meetings between Gould Evans and District

During the construction administration phase, Gould Evans will perform up to (80) hours of review or consultation on a time and materials basis as needed by the District. See hourly rates below.

Compensation for the services described will be as follows:

Architectural (DD through CD's)*	T&M Basis
(This includes time, if warranted, for Mechanical, Electrical, Plumbing and Fire Protection engineer and Landscape Architect to review)	

Reimbursables (does not include printing of bid documents)	\$ 200
--	--------

* Construction Administration/ Support	T&M Basis
(Assumes 80 maximum hours for an allowance in the range of \$10,000 - \$12,000)	

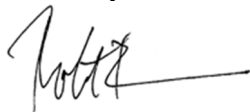
Hourly Rates

Principal	\$245.00
Associate Principal	\$195.00
Project Manager	\$175.00
Project Architect	\$150.00
Project Designer	\$125.00
Technical Staff	\$105.00
Jr. Technical Staff	\$ 80.00

Terms and conditions are assumed to be in conformance with the Architectural Service Agreement for Bridging Documents, unless noted otherwise herein.

Please let us know if you have any questions or need additional information.

Sincerely,



Robert Baum, AIA
CA License No. C12094

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP**

Regular Meeting of January 23, 2018

ITEM: **RESOLUTION: 2017-18-09: AUTHORIZING PROCUREMENT FOR WIRELESS ACCESS POINTS THROUGH PUBLIC CONTRACT CODE SECTION 20118.2**

PREPARED BY: **ALLAN GARDE, CHIEF BUSINESS OFFICIAL**

TYPE OF ITEM: **REVIEW AND ACTION**

PURPOSE: To approve resolution 2017-18-09: Authorizing procurement for wireless access points through Public Contract Code section 20118.2.

BACKGROUND INFORMATION: Public Contract Code section 20118.2 recognizes technology and related equipment and services can be highly specialized, unique, and rapidly evolving in nature. This section allows school districts to consider multiple factors when awarding contracts for technology and related equipment and services.

All AUSD classrooms and offices are covered by the AUSD Wi-Fi network, providing students and staff with reliable, high-speed access to the Internet and the AUSD network. The AUSD Wi-Fi network consists of hardware controllers (servers) that manage the wireless access points (WAPs) that provide Wi-Fi coverage to AUSD devices.

AUSD's current Wi-Fi equipment dates to 2013. This equipment is now two generations old. 90% of our current WAPs will not run on the latest and most secure software so the system is currently running on a legacy version of the software. AUSD will need additional WAPs for the AMS Annex and other upcoming facilities projects. New WAPs will not run on the legacy software required to run the current WAPs. AUSD cannot add new model WAPs to the current system.

An RFP was generated to receive bids and be eligible for E-rate category 2 funding. This will allow AUSD to purchase equipment for 2018-19 school year. Bids were due on December 11, 2017. Four bids were received by the deadline and were evaluated for cost, conformity with RFP specifications, proposed solution, and support and warranty terms. CDW-G submitted a low cost and top ranked bid to provide the Wi-Fi equipment. An Intent to Award the bid to CDW-G was posted on the AUSD website on 12/13/17.

DETAILS: Public Contract Code section 20118.2 requires the Board to make a finding that utilizing this procurement method is in the best interest of the District. Approval of Board Resolution 2017-18-09: Authorizing procurement for wireless access points through Public Contract Code section 20118.2 makes this finding.

The Request for Proposals, “District Wi-Fi Upgrade: Internal Connections E-Rate Year 2018; RFP No. 2018 WI-FI” was reviewed by legal counsel and attached as Exhibit A for reference.

KEY QUESTIONS/ANSWERS:

1. Why was the Board resolution not brought to the Board for action prior to issuing the RFP?
 - a. Prior authorization will be the practice going forward.

FINANCIAL INFORMATION: Approval of the Board Resolution allows for the approval of the following procurement agreement with CDW-G.
\$97,507.38 - General Fund less any funding received from E-Rate category 2
Hardware, Software, Licensing, and Support

STRATEGIC GOALS ADDRESSED:



Objective #3: Communicate and Lead Together.

Goal: All stakeholders will collaborate and communicate about decisions that guide the sites and district.

RECOMMENDATION: Approve Board Resolution 2017-18-09: Authorizing procurement for wireless access points through Public Contract Code section 20118.2

**RESOLUTION OF THE BOARD OF EDUCATION
OF THE ALBANY UNIFIED SCHOOL DISTRICT**

RESOLUTION: 2017-18-09

**AUTHORIZING PROCUREMENT FOR WIRELESS ACCESS POINTS
THROUGH PUBLIC CONTRACT CODE SECTION 20118.2**

WHEREAS, the Board of Education (“Board”) for the Albany Unified School District (“District”) desires to procure wireless access points and supporting equipment to improve the District's technology program (“Project”);

WHEREAS, due to the highly specialized, unique, and rapidly evolving nature of technology and related equipment and services, and in order to allow for the introduction of new technology into the operations of school districts, Public Contract Code section 20118.2 allows school districts to consider, in addition to price, factors such as financing, performance, reliability, standardization, life-cycle costs, capacity, qualifications, delivery timetables, support logistics, warranties, and similar factors in the award of contracts for technology and related equipment and services;

WHEREAS, Public Contract Code section 20118.2 requires the Board to make a finding that utilizing the procurement method set forth in the statute is in the best interest of the District for the Project; and

WHEREAS, the District issued a request for proposals for the Project, titled “District Wi-Fi Upgrade: Internal Connections E-Rate Year 2018; RFP No. 2018 WI-FI” attached hereto as **Exhibit A** (“the RFP”);

WHEREAS, undergoing request for proposal another time would not be in the interest of the District;

WHEREAS, District administrators, through a selective review process, have chosen to award the Project to CDW-G;

NOW, THEREFORE, THE BOARD OF EDUCATION OF THE [DISTRICT] DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. The above recitals are true and correct and incorporated herein.

Section 2. The Board finds that procurement of the network equipment qualifies for and is authorized under Public Contract Code section 20118.2.

Section 3. The Board finds that it was in the District’s best interest to utilize the procurement method outlined in Public Contract Code section 20118.2 to afford the District the flexibility and evaluation of factors permitted for the procurement of technology and related equipment and services for the Project.

Section 4. The Board ratifies the District’s use of the RFP pursuant to Public Contract Code section 20118.2.

Section 5. The Board awards the Project to CDW-G.

PASSED AND ADOPTED by the Governing Board of the Albany Unified School District on this 23rd day of January, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

I, _____, Clerk to the Board of Education of the Albany Unified School District, do hereby certify that the foregoing is a full, true, and correct copy of a resolution adopted by said Board at a regular meeting held on the ____ day of January, 2018.

Clerk to the Board of Education

ALBANY UNIFIED SCHOOL DISTRICT
1051 MONROE STREET
ALBANY, CA 94706

REQUEST FOR PROPOSAL

**DISTRICT WI-FI UPGRADE:
INTERNAL CONNECTIONS
E-RATE YEAR 2018**

RFP NO. 2018 WI-FI

LEGAL NOTICE

NOTICE TO VENDORS – REQUEST FOR PROPOSALS

Notice is hereby given that the Board of Education of the **ALBANY UNIFIED SCHOOL DISTRICT** (herein after referred to as the “District”) of Alameda County, California, will receive proposals for:

E-RATE YEAR 2018

**DISTRICT WI-FI UPGRADE:
INTERNAL CONNECTIONS, RFP NO. 2018 WI-FI**

Each proposal is to be in accordance with the format specified by the Business Office, copies of which may be viewed in the Purchasing website located at <http://www.ausdk12.org/apps/pages/procurement> or on the USAC EPC Portal site <http://www.usac.org/sl/tools/e-rate-productivity-center/default.aspx>.

Each proposal must be filed with the Business Department on or before ***3:00 P.M., on the 11th Day of December, 2017***. All proposals shall be submitted separately and sealed in a package plainly marked with the appropriate title for each proposal. The Board reserves the right to reject any or all proposals and to waive informality in any proposals received. No vendor may withdraw his proposal for a period of Ninety (90) calendar days after the date set for the receipt of proposals.

Vendor must participate in the E-Rate Program and must provide a Service Provider Identification Number (SPIN) and Federal Registration Number (FCC-FRN) with the proposal.

Date:

Albany, California

Published:

INDEX OF PROPOSAL DOCUMENTS

For

DISTRICT WI-FI UPGRADE: INTERNAL CONNECTIONS E-RATE YEAR 2018

RFP NO. 2018 Wi-Fi

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A. PURPOSE

The Albany Unified School District's ("District") purpose for this Request For Proposal ("RFP") is to solicit proposals from qualified vendors to provide a solution to meet the objective stated in the RFP. The solution is subject to all terms, conditions, and specifications in this RFP. All proposal(s) submitted will be reviewed and chosen based on the matrix included in the proposal documents.

The District reserves the right to procure these services based on the District's ability to fund their portion of the project.

B. OBJECTIVE

Albany Unified School District wishes to install a new, up-to-date, managed Wi-Fi system throughout the district. The district desires an on-site, controller-based system capable of managing at least 200 802.11ac wave 2 wireless access points (WAPs). The proposal shall cover hardware (controllers and WAPs), software licensing, and support costs only. Installation of supporting cabling will not be necessary as AUSD will utilize existing cabling where possible.

C. REQUEST FOR PROPOSAL (RFP) RESPONSE

All times listed in this RFP are stated as the time reference that is appropriate as of the date in question for Albany, CA.

To be considered a Vendor, the candidate must submit the complete original proposal, in the format stated below, and provide fully executed copies of any and all addenda[s] required to be returned, in a sealed envelope on or before 3:00 P.M., on the 11th Day of December, 2017, to the following address:

Albany Unified School District
Business Department
Attn: Dax Kajiwara
1051 Monroe Street
Albany, CA 94706

All proposals shall be sealed in a package plainly marked "***DISTRICT WI-FI UPGRADE: Internal Connections, RFP NO. 2018 Wi-Fi.***"

The Vendor is required to submit an Original plus three (3) bound copies and one (1) electronic copy of the proposal (email to: dkajiwara@ausdk12.org) and any required addenda(s). All proposals shall be prepared by and at the expense of the Vendor.

Each proposal submission package should be presented so that it can be readily reviewed and labeled in the following tab order:

A	Proposal Form Cover Sheet, Proposal Form and Proposal
B	Bid Bond
C	Non-Collusion Affidavit
D	Vendor's Certificate Regarding Workers' Compensation
E	Conduct Rules for Vendor's
F	Reference's
G	Policy Regarding Source Code
H	Addenda[s]
I	Specifications / Miscellaneous Info. (Indexed by each section – submit a hardcopy with your proposal):

PROPOSAL SUBMITTED IN ANY OTHER FORMAT WILL BE CONSIDERED NON-RESPONSIVE.

It is the sole responsibility of the Vendor to be sure that the proposal is delivered to the Business Department. Please be advised that if the submittal of the proposal is received in a department other than the Business Department located at 1051 Monroe Street, Albany, CA 94706, it is not the responsibility of that department to make sure that the proposal is received in the Business Department before the time indicated in the Notice to Vendor's.

Vendor should not assume that their past and/or current experience with the District demonstrates knowledge of the District's current needs or that the Albany Unified School District – DISTRICT Wi-Fi UPGRADE: Internal Connections Selection Committee possesses knowledge of this experience. The evaluation of each proposal will be based upon the evaluation criteria applied to their proposal submission.

The District reserves the right to reject any or all responses. The District also reserves the right to waive any minor irregularities or defects in any response shall a waiver be in its best interest. No Vendor may withdraw his proposal for a period of Ninety (90) calendar days after the date set for the receipt of proposals.

PROPOSAL SUBMITTED BY FAX ARE NOT ACCEPTABLE.

D. RESPONSE TIMELINE

EVENT	DATE
1. RFP Publications	11/09/2017
2. Post Form 470	11/09/2017
3. Advertisement No. 1	11/20/2017
4. Advertisement No. 2	11/27/2017
5. RFI-Pre-submittal of written questions/clarification email to: dkajiwara@ausdk12.org	12/04/2017 3:00 PM
6. Response to Questions – Posting on AUSD website and	12/06/2017

EPC web portal	3:00 PM
7. Request for Proposals Due Date and Time	12/11/2017 at 3:01 PM
9. RFP's Review & Selection Process	12/11/2017 3:02 PM
10. Intent to Award – Posting (AUSD Website)	12/13/2017
11. Board of Education Agenda Meeting	01/09/2018

E. REQUEST FOR INFORMATION (RFI) AND/OR CLARIFICATION

Request for information, regarding this proposal, must be submitted by email to Dax Kajiwara (dkajiwara@ausdk12.org) within the timeframe indicated in the response timeline. Questions received after the deadline will not be responded to.

The Business Department will not be responsible for RFI's sent to the wrong addressee, nor will it be the responsibility of the receiving addressee to forward your request to the Business Department.

All RFI's will be responded to in the form of an Addendum within the timeframe indicated in the timeline. Please reference general terms and conditions Section 8 "Interpretation of Documents" of the RFP for additional information.

F. REFERENCES

Provide at least three (3) references of similar size and scope, preferably school districts, with the following information:

- Name of Site, address and phone number
- Director of ITS Contract
- Brief description of project, including cost and demonstrate how the project met or exceeded all aspects of the Objective in Section B of this RFP.
- The ERATE SITE Billed Entity Number ("BEN") that was approved by SLD

G. EVALUATION PROCESS

No commitment will be made to select a Vendor's system solely on the basis of price. Selection will be made on a combination of factors that may include: price; the degree to which the proposed services to meet functional and service level requirements; the quality of the service architecture, particularly in regards to business continuity and achievement of service level objectives; support procedures and service levels; our ability to understand and work with service billing; competence and reputation of the vendor; as well as any other factors that the District deems appropriate and in the best interest of the District. Points will be awarded based on certain criteria for a total sum of 100 points. Reference the "Basis Selection" item in the General Terms and Conditions for the breakdown on the points system.

Proposals found to be incomplete may be rejected as non-responsive; any proposal not deemed to be competitive will be rejected.

The Albany Unified School District may choose to ask clarification questions or request additional information. All responses will be required in writing; incomplete or unclear responses will result in rejection of proposal.

Please reference general terms and conditions Section 9 “Basis of Selection” of the RFP for more information

GENERAL TERMS AND CONDITIONS

The following general terms and condition shall govern the submission of proposals and any agreement resulting from this procurement. Vendors, by virtue of submission of a proposal, acknowledge and accept these general terms and conditions. Vendors shall note that the use in the specifications of any term or phrase typically associated with particular commercially available systems is coincidental and not intended to imply preference or bias toward that system.

Proposals, which do not comply with instructions, may be eliminated from further consideration. All proposals must contain all forms furnished in this request and be in printed form. Failure to provide and execute all enclosed forms as required may result in disqualification.

1. Preparation of Proposal Form

The Albany Unified School District (“District”) invites proposals on the attached forms to be submitted at such time and place as is stated in the Notice to Vendors. Proposal shall be submitted on the prescribed proposal forms, completed in full. All proposal items and statements shall be properly filled out. Numbers shall be stated both in words and in figures where so indicated, and where there is a conflict in the words and the figures, the words shall govern.

All proposals shall be submitted in the format stated and in a sealed package bearing on the outside the name of the bidder, their address, and the name of the project for which the proposal is submitted. It is the sole responsibility of the Vendor to see that their proposal is received in proper time. In accordance with Government Code Section 53068 and Public Contract Code Section 4104.5, any proposal received after the scheduled closing time, for receipt of proposals or after any extension due to material changes, shall be returned to the Vendor unopened.

2. Form and Delivery of Proposal

The proposal shall be made on the proposal form provided, and the complete proposal, together with any and all additional materials as required by the proposal documents, shall be enclosed in a sealed envelope, addressed and delivered or mailed to the attention of Dax Kajiwara, at 1051 Monroe Street, Albany, CA 94706, and must be received on or before the time set forth in the Notice to Vendor’s. The envelope shall be plainly marked with the Vendor mailing address and the Proposal title and RFP No. **It is the Vendor’s sole responsibility to ensure that its proposal is received prior to the scheduled closing time for receipt of proposals.**

3. Signature(s)

Any signature required on the proposal forms must be signed in the name of the Vendor and must bear the signature in longhand of the person or person(s) duly authorized to sign the proposal on behalf of the bidder in permanent ink.

4. Modifications

Changes in or additions to the proposal form, recapitulations of the work proposed upon, alternative proposals, or any other modification of the proposed form which is not specifically called for in the contract documents may result in the District's rejection of the proposal as not being responsive. No oral or telephonic modification of any proposal submitted will be considered.

5. Erasures, Inconsistent or Illegible Proposals

The proposal submitted must not contain any erasures, interlineations, or other corrections unless each such correction creates no inconsistency and is suitably authenticated by affixing in the margin immediately opposite the correction the initials of the person(s) signing the proposal. In the event of inconsistency between words and figures in the proposal price, the words shall govern. In the event the District determines that any proposal is unintelligible, inconsistent or ambiguous, the District may reject such proposal as not being responsive.

6. Examination of Contract Documents

Bidders shall thoroughly examine and be familiar with the requirements and specifications. The failure or omission of any bidder to receive or examine any contract document, form, instrument, addenda, or the document, and acquaint himself with conditions there existing shall in nowise relieve any bidder from any obligation with respect to his bid or to the proposal.

By submitting a proposal, the prospective Vendor represents that it has thoroughly examined and become familiar with the work required under this RFP and that it is capable of providing the equipment and services to achieve the District's objective.

7. Withdrawal of Proposals

Any proposal may be withdrawn, either personally by written request at any time prior to the scheduled closing time for receipt of proposals. All requests for proposal withdrawal must be accompanied by proof acceptable to the District which authorizes the individual requesting the proposal withdrawal to so act on behalf of the Vendor. No amendment, addendum or modification will be accepted after the proposal has been submitted to the District. If a change to a proposal that has been submitted is desired, the submitted proposal must be withdrawn and the replacement proposal submitted to the District prior to the scheduled closing time for receipt of proposals. No Vendor may submit more than one proposal. No Vendor may withdraw any proposal for a period of ninety (90) calendar days after the date set for the receipt of proposals.

8. Interpretation of Documents

If any prospective Vendor is in doubt as to the true meaning of any part of the proposal documents, or finds discrepancies in, or omissions from the specifications, a written request for interpretation or correction thereof may be submitted to the District.

Note: All questions concerning this proposal must be submitted in writing and emailed to dkajiwara@ausdk12.org.

The Vendor submitting the request shall be responsible for its prompt delivery. Any interpretation or correction of the proposal documents will be made solely at District's discretion and only by written addendum duly issued by the District and a copy of such addendum will be posted on the district website: <http://www.ausdk12.org/apps/pages/procurement> and on the USAC EPC Portal site <http://www.usac.org/sl/tools/e-rate-productivity-center/default.aspx>. No person is authorized to make any oral interpretation of any provision in the proposal documents, nor shall any oral interpretation be binding on the District. Vendor shall become familiar with the specifications. ***SUBMITTAL OF A PROPOSAL WITHOUT CLARIFICATIONS SHALL BE INCONTROVERTIBLE EVIDENCE THAT THE VENDOR HAS DETERMINED THAT THE SPECIFICATIONS ARE SUFFICIENT FOR BIDDING AND COMPLETING THE JOB; THAT VENDOR IS CAPABLE OF READING, FOLLOWING AND COMPLETING THE JOB IN ACCORDANCE WITH THE SPECIFICATIONS; AND THAT THE SPECIFICATIONS FALL WITH AN ACCEPTABLE STANDARD FOR SPECIFICATIONS.***

9. Basis of Selection

No commitment will be made to select a Vendor's system solely on the basis of price. Selection will be made on a combination of factors, including: price; the degree to which the proposed services to meet functional and service level requirements; the quality of the service architecture, particularly in regards to business continuity and achievement of service level objectives; support procedures and service levels; our ability to understand and work with service billing; competence and reputation of the vendor; as well as any other factors that the District deems appropriate and in the best interest of the District. Points will be awarded based on the following for a total sum of 100 points; the vendor with the highest points total will be awarded the RFP:

No.	Factor	Total Points Available
1	Cost of eligible products and/or services	40
2	Conformity with RFP specifications	10
3	Technical specifications of proposed solution	35
4	Support/warranty terms	15
Total Points		100

10. Exception/Deviations.

Any exceptions to the requirements and terms in this RFP, including the language in the proposed Agreement, must be included in the proposal submitted by the prospective Vendor. Such exceptions must be segregated as a separate element of the proposal response and noted in the Cover Letter of the response. Significant exceptions may remove the prospective Vendor from further consideration.

11. Data

The district provides information herein to assist Vendors in formulating their proposals. Although the District is providing this information in good faith, the District makes no warranty or representation about its accuracy, and the District does not intend any Vendor to rely solely on the accuracy of the information in submitting their proposal.

12. Award of Contract

The Albany Unified School District will be the sole judge of the quality, methodology, and suitability of the service offered by the Vendor in the proposal. Pursuant to State of California Public Contract Code Section 20118.2, the award of the contract, if made by the District, will be by action of the governing board and be made to the Vendor whose proposal meets the evaluation standards set forth in this Request for Proposal and will be the most advantageous to the District with price and all other factors considered. Low bid does not constitute an award.

The District reserves the right to reject any or all proposals without identifying the cause of such rejection(s), or to waive any irregularities or informalities in any proposals or in the proposal process. The District reserves the right to withdraw this RFP at any time without prior notice. Further, the District makes no representations that an agreement will be awarded to any prospective Vendor responding to this Request for Proposal. The District also reserves the right to award its total requirements to one Vendor, or to apportion those requirements among several vendors, as the District may deem to be in its best interests. The District reserves the right to negotiate with other than the selected Vendor should negotiations with the selected Vendor be terminated, to negotiate with more than one Vendor simultaneously, or to cancel all or part of this RFP.

13. Vendor References and Information

The District expressly reserves the right to reject the proposal of any Vendor who, upon investigation, has been determined to fail to complete similar contracts in a timely fashion or in a satisfactory manner. Such rejection would, if applicable, be based upon the principle that the Vendor poses a substantial risk of being unable to complete the work in a cost-effective, professional and timely manner. In performing the above-described determination, the District reserves the right to utilize all possible sources of information in making its determination, including, but not limited to: inquiries to regulatory state boards and agencies; Dun and Bradstreet credit reports, inquiries to companies and public entities for which the Vendor has previously performed work, reference checks and examination of all public records.

14. Workers' Compensation

In accordance with the provisions of §3700 of the Labor Code, Vendor shall secure the payment of Compensation to his employees. Vendor shall sign and file with the District the following certificate prior

to performing the work under this contract: “I am aware of the provisions of §3700 of the Labor Code which require every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of the code, and I will comply with such provisions before commencing the performance of the work of the contract.” The form of such certificate is included as part of the proposal documents.

15. Non-Collusion Affidavit

The Vendor is required to submit an Affidavit of Non-collusion with their proposal. This form is included with the proposal documents and must be signed under the penalty of perjury, dated and notarized.

16. Anti-Discrimination

It is the policy of the District that in connection with all work performed under contracts, the Vendor shall not discriminate on the basis of a persons’ actual or perceived race, religious creed, color, national origin, ancestry, age, marital status, pregnancy, physical or mental disability, medical condition, genetic information, veteran status, gender, gender identity, gender expression, sex, or sexual orientation.

17. Hold Harmless

The Vendor shall protect and defend, indemnify and hold harmless, at its own expense, the District, its officers, agents, employees, representatives, consultants, Board of Education, members of the Board of Education, (collectively, the “District Parties”), from all liabilities, claims, actions, liens, judgments, demands, damages, losses, costs or expenses of any kind arises from death, personal injury, property damage or other causes based or asserted upon any act, omission, or breach connected with services called for in this proposal.

- a) Liability for damages for (1) death or bodily injury to persons; (2) injury to, loss or theft of property; or (3) any other loss, damage or expense arising under either (1) or (2) above, sustained by the Vendor or any person, firm or corporation employed by the Vendor upon or in connection with the services called for in the Contract Documents, except for liability resulting from the sole negligence, or willful misconduct of the District, its officers, employees, agents or independent contractors who are directly employed by the District, and except for liability resulting from the active negligence of the District.
- b) Any injury to or death of persons or damage to property caused by any act, neglect, default or omission of the Vendor, or any person, firm, or corporation employed by the Vendor, either directly or independent contract, including all damages due to loss or theft, sustained by any person, firm or corporation, including the District, arising out of, or in any way connected with the services covered by the Agreement, whether said injury or damage occurs either on or off school district property, if the liability arose from the negligence or willful misconduct of anyone employed by the Vendor, either directly or by independent contract, and not by the active negligence of the District.
- c) The Vendor, at Vendor’s own expense, cost and risk shall defend any and all actions, suits, or other proceedings that may be brought or instituted against the District, its officers, agents, employees, representatives, consultants, Board of Education, members of the Board of Education, (collectively, the “District Parties”), or any such claim or liability, and shall pay or satisfy any judgment that may

be rendered against the District, its officers, agents or employees in any action, suit or other proceedings as a result thereof.

18. Vendor's Proposal Costs

The Vendor shall solely bear any costs incurred: to prepare and submit a proposal in response to this RFP; to negotiate with the District regarding any matter related to this proposal; by the Vendor prior to the date of award. Vendor shall not include any such costs as part of the price as proposed in response to this RFP.

19. System Availability

The proposals submitted must describe a system where all elements are currently available and will not include "futures" or "drawing board" elements. "Futures" or "Drawing Board" elements, if included, must be explicitly labeled as such and may serve only for information purposes and not be used to satisfy a requirement stipulated in the RFP.

20. Communications

Vendors who contact any member of the Board of Education, District administrators, or staff without following the above listed protocol will be eliminated from further consideration. Oral communications of District employees concerning this RFP shall not be binding on the District and shall in no way excuse the Vendor of his/her obligations as set forth in the RFP.

21. Proposal Confidentiality

All proposals received shall remain confidential, to the extent permitted by law until negotiations between the District and Vendor are complete; thereafter, the proposals shall be deemed public records. In the event that a Vendor desires to have portions of its proposal remain confidential, it is incumbent upon the Vendor to identify those portions in its transmittal letter deposited with the proposal package. The transmittal letter must identify the page, the particular exemption(s) from disclosure and the contended justification of exemption upon which it is making its claim. Each page, or part thereof, claimed to be confidential must be clearly identified by the word "confidential" printed on the lower right hand corner of the page. The District will consider a Vendor's request(s) for confidentiality; however, the District will not be bound by the assertion that a page contains confidential material. An assertion by a Vendor that an entire volume of its proposal is confidential will not be honored. The District reserves the right to disclose all information in the proposal, even if the Vendor requests that it remain confidential, if the District determines that disclosure is not prohibited by law or court order. It is understood that the District is subject to the California Public Records Act (Gov. Code Section 6550, et seq.). If a public records request is made to view Vendor's proprietary and confidential information, the District shall notify Vendor of the request and the date that such records will be released to the requester unless Vendor obtains a court order enjoining that disclosure. If Vendor fails to obtain a court order enjoining that disclosure, the District will release requested information on the date specified. All materials submitted in response to this request will become the property of the District and will be returned only at the District's option and at the Vendor's expense.

22. Taxes

The District is subject to State of California Sales and Use Tax. Proposal prices shall include allowances for all taxes including but not limited to all Federal, State and Local taxes.

23. Subcontracting Procedure

No performance of the contract or any portion thereof shall be assigned or subcontracted by the Vendor without the expressed written consent of the District. Any attempt by the Vendor to assign or subcontract any performance of the terms of this contract without the expressed written consent of the District will constitute a breach of this contract. Whenever the Vendor is authorized by the District to subcontract or assign, he will include all the terms of this contract to each such subcontract or assignment.

Every subcontractor shall be bound by the terms of the contract as far as it is applicable to the performance of the work. Nothing herein shall create any contract between any subcontractor and the District, or any obligation of the part of the District to pay, or see to the payment of any sums to any subcontractor by the Vendor.

24. News Releases

News releases pertaining to the award resulting from this RFP shall not be made without prior written approval of the District's Superintendent.

25. Disposition of Proposal

All materials submitted in response to this request for proposal will become the property of the District and will be returned only at the District's option and at the Vendor's expense. The master copy shall be retained for official files and will become a public record as subject to the Public Records Act. However, confidential financial information submitted in support of the requirement to show Vendor's responsibility and proprietary information will not be made public and will be returned upon request. Confidential and proprietary information must be clearly identified as such.

26. System Performance

Not restricted by any other item, condition, disclaimer, warranty or guarantee, the Vendor represents and warrants that the system will perform the functions described in its product specifications and its proposal and the system will operate in the proposed configuration and the cost set forth.

27. Software Integrated Performance

Within the definition of the system described by the Vendor's proposal and resulting agreement, the vendor acknowledges that the nature of this procurement requires that each component function in accordance with its specification and be integrated and operate successfully with all other components of the system.

28. Cancellation for Insufficient or Non-Appropriated Funds

The Vendor hereby agrees and acknowledges that monies utilized by the District to purchase the services listed in this proposal are public money appropriated by the State of California, the Federal Government under the E-Rate Program, or acquired by the District from similar public sources and is subject to variation. The District fully reserves the right to cancel this proposal at any time and/or to limit quantities of items due to non-availability or non-appropriation of sufficient funds.

29. Assignment of Contract

The Vendor shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of the surety on the performance bond and the District.

30. Binding Effect

This agreement shall inure to the benefit of and shall be binding upon the Vendor and District and their respective successors and assigns.

31. Severability

If any provisions of this agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

32. Amendments

The terms of this agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written agreement signed by the parties.

33. Prevailing Law

In the event of any conflict or ambiguity between these instructions and State and Federal law or regulations, the latter shall prevail. Additionally, all equipment to be supplied or services to be performed under the proposal shall conform to all applicable requirements.

34. Governing Law and Venue

The final contract between Vendor and the District shall be assembled and all disputes hereunder shall be settled in accordance with the laws of the State of California. Pending final resolution of a dispute hereunder, Vendor shall proceed diligently with the performance of the final contract. Venue shall only be with the appropriate state or federal court located in Alameda County, California.

35. Clarifications and Corrections

The right is reserved, as the interests of the District may require, to revise or amend the RFP Documents prior to the date set for opening proposals. Such revisions and amendments, if any, will be announced by an addendum or addenda to this Request for Proposal. If the revisions and amendments are of a nature which require material changes, the date set for the opening of the proposals may be postponed by such

number of days as in the opinion of the District will enable Vendors to revise their proposals to account for such changes. In such cases, the addendum will include an announcement of the new date for opening proposals. Any clarifications or corrections to the RFP Documents will not be considered valid unless it is provided in writing by the District to all Vendors as a numbered Addendum.

36. Coordination

The Vendor shall coordinate delivery schedules with the District and their designated agent(s).

37. Guarantee

The District requires that the DISTRICT WI-FI UPGRADE: Internal Connections components provided by the Vendor shall be guaranteed for a minimum of one (*I*) year after acceptance by the District. All services necessary to repair malfunctions discovered shall be provided at no cost to the District during the guarantee period. Any defects shall be rectified by the successful Vendor(s) promptly to the satisfaction to the District without expense to the District.

38. Warranty

All warranties must be clear, concise and in writing. Warranties shall be specific as to what is and is not covered along with the exact term (in calendar days) of each covered item. Warranties shall cover all individual modules, supplies or created interfaces and any ancillary product that is purchased from the awarded Vendor. In addition, the awarded Vendor will warrant and guarantee the seamless integration and interface modules proposed herein.

Vendor(s) must warrant that the specifications, capabilities and performance characteristics are as stated in the proposal and accompanying documentation. Submission of a proposal will represent your agreement to these conditions.

45. Entire Agreement

This Agreement is intended by the parties as the final expression of their agreement with respect to such terms as are included herein and as the complete and exclusive statement of its terms and may not be contradicted by evidence of any prior agreement or of a contemporaneous oral agreement, nor explained or supplemented by evidence of consistent additional terms.

46. Subject to Approval of Board

This Agreement confers no legal or equitable rights until it is approved by the District Board of Education at a lawfully conducted public meeting.

TECHNICAL SPECIFICATIONS

RFP NO. 2018 WI-FI

Background

Albany Unified School District wishes to install a new, up-to-date, managed Wi-Fi system throughout the district. The district desires an on-site, controller-based system capable of managing at least 200 802.11ac wave 2 wireless access points (WAPs). The proposal shall cover hardware (controllers and WAPs), software licensing, and support costs only. Installation of supporting cabling will not be necessary as AUSD will utilize existing cabling where possible.

Upgrade Requirements

The New WIRELESS Infrastructure will be a **single manufacture Enterprise Grade** solution with the following key requirements.

- The solution must provide for two (2) on-site controllers (Ruckus SmartZone 100 or equivalent) running in primary/load balancing configurations. If the primary controller goes down or is offline, the secondary controller shall automatically resume controller functionality. Controllers must be compatible with specified wireless access points. Controllers shall be configurable via a web GUI.
- Solution must allow district IT support to troubleshoot wireless connection issues. Solution shall allow for event logging of at least 6 months. (Ruckus SCI or equivalent)
- One hundred thirty (130) wireless access points (WAPs). The WAPs shall be 802.11ac wave 2 compatible and have support for greater than 1 Gb/sec data transfer speeds on a single Ethernet port. WAPs must have demonstrably proven ability to stream video on greater than 50 client devices simultaneously. (Ruckus R720 or equivalent)
- WAPs must be mountable to standard T-bar drop ceiling supports. If not standard, mounting hardware must be included in proposal.
- Include technical support and all software licensing.
- Include a minimum of 1-year next day replacement warranty on all hardware.

The District Office IT Department will test equipment for functionality. If it is determined that the network configurations for project do not perform to District specifications, the vendor will be required to reconfigure a device or devices until functionality and performance are in working order, no change orders will be accepted.

As part of this RFP, it is required that the VENDOR assigns a project manager as a single point of contact for all District communications including but not limited to technical support for system troubleshooting.

Furthermore, after implementation has commenced, the single manufacture solution must provide a toll free number that the District IT staff can contact for any technical support query for all Wireless Software and Hardware components.

TRADE NAMES AND ALTERNATIVES

For convenience in designation on the plans or in the specifications, certain articles or materials to be incorporated in the work may be designated under a trade name or in the name of a manufacturer.

Whenever in specifications any materials, process, or article is indicated or specified by grade, patent, or proprietary name or by name of manufacturer, such specification shall be deemed to be used for the purpose of facilitating description of material, process or article desired and shall be deemed to be followed by the words "or equal," and service provider may, unless otherwise stated, offer any material, process or article which shall be substantially equal or better in every respect to that so indicated or specified. Burden of proof as to equality of any material, process or article shall rest with service provider. Service Provider shall submit request together with substantiating data for substitution of any "or equal" item within the response by the closing of bids. Provision authorizing submission of "or equal" justification data shall not in any way authorize an extension of time of bid response.

Please note: All "or equal" components must not void and must be supported by corresponding manufacturer warranty.

The District retains the right to be sole judge as to whether equivalency has been proven and whether alternatives will be accepted.

REQUEST FOR SUBSTITUTION

Bidder may, unless otherwise stated, offer any material, process, article, etc., which shall be materially equal or better in every respect to that so indicated or specified (Specified Item) and will completely accomplish the purpose of the Contract Document. If bidder desires to offer a substitution for a Specified Item, such bidder must make a request in writing identifying the below items. The Substitution Request must be accompanied by evidence as to whether the proposed substitution:

- (1) Is equal in quality service ability to the Specified Item;
- (2) Will entail no changes in detail, construction and scheduling of related work;
- (3) Will be acceptable in consideration of the required design and artistic effect;
- (4) Will provide no cost disadvantage to District;
- (5) Will require no excessive or more expensive maintenance, including adequacy and availability of replacement parts; and
- (6) Will require no change of the construction schedule.

ORDER TERM

District reserves the right to order quantities in any size lot or lots of quantities. Pricing must remain firm for the period of April 1, 2018 thru September 30, 2019. The start date of the project is predicated upon the receipt of the Funding Commitment Decision Letter (FCDL) from the Universal Services

Administrative Company. The District reserves the right to extend the intent to purchase for an additional annual term through September 30, 2020.

PRICING SUBMISSION INSTRUCTIONS

Please submit Quotations by school, as well as a summary page, and include the following:

Project Summary

Description	Part #	QTY	Price Per Item	E-Rate Eligible Price	E-Rate Ineligible Price	Total Price
Wireless Access Point		130				
		XX				
		XX				
		XX				
Tax						
Freight/Shipping						
Grand Total						

Albany High School

603 Key Route Blvd.

Description	Part #	QTY	Price Per Item	E-Rate Eligible Price	E-Rate Ineligible Price	Total Price
Wireless Access Point		35				
		XX				
		XX				
Tax						
Freight/Shipping						
Grand Total						

Albany Middle School
1259 Brighton Ave.

Description	Part #	QTY	Price Per Item	E-Rate Eligible Price	E-Rate Ineligible Price	Total Price
Wireless Access Point		35				
		XX				
		XX				
Tax						
Freight/Shipping						
Grand Total						

Cornell Elementary School
920 Talbot Ave.

Description	Part #	QTY	Price Per Item	E-Rate Eligible Price	E-Rate Ineligible Price	Total Price
Wireless Access Point		20				
		XX				
		XX				
Tax						
Freight/Shipping						
Grand Total						

Marin Elementary School
1001 Santa Fe Ave.

Description	Part #	QTY	Price Per Item	E-Rate Eligible Price	E-Rate Ineligible Price	Total Price
Wireless Access Point		12				
		XX				
		XX				
Tax						
Freight/Shipping						
Grand Total						

Ocean View Elementary School
1000 Jackson St.

Description	Part #	QTY	Price Per Item	E-Rate Eligible Price	E-Rate Ineligible Price	Total Price
Wireless Access Point		20				
		XX				
		XX				
Tax						
Freight/Shipping						
Grand Total						

Albany Children's Center
720 Jackson St.

Description	Part #	QTY	Price Per Item	E-Rate Eligible Price	E-Rate Ineligible Price	Total Price
Wireless Access Point		4				
		XX				
		XX				
Tax						
Freight/Shipping						
Grand Total						

District Office
1051 Monroe Street

Description	Part #	QTY	Price Per Item	E-Rate Eligible Price	E-Rate Ineligible Price	Total Price
Wireless Access Point		4				
		XX				
		XX				
Tax						
Freight/Shipping						
Grand Total						

End of Technical Specification**FIRM NAME:** _____**ADDRESS:** _____

TELEPHONE: (_____) _____ **FAX:** (_____) _____**E-MAIL ADDRESS:** _____

PROPOSAL FORM

FOR

DISTRICT WI-FI UPGRADE: INTERNAL CONNECTIONS E-RATE YEAR 2018

RFP NO. 2018 WI-FI

PROPOSAL FORM

TO: Albany Unified School District,

Acting by and through its Governing Board, herein called the "District":

1. Pursuant to and in compliance with your Notice to Vendor's and the other documents relating thereto, the undersigned bidder, having familiarized himself with the terms of the contract, the local conditions affecting the performance of contract and the cost of the work at the place where the services are to be done and with the specifications and other contract documents, hereby proposes and agrees to perform, within the time stipulated, the contract, including all of its component parts, and everything required to be performed, and to provide and furnish any and all of the labor, materials, tools, expendable equipment, and all applicable taxes, utility and transportation services necessary to perform the contract and complete in a workmanlike manner all of the services required in connection with the following:

DISTRICT WI-FI UPGRADE: INTERNAL CONNECTION E-RATE YEAR 2018

RFP NO. 2018 Wi-Fi

All in strict conformity with the specifications and other contract documents, the undersigned has thoroughly examined any and all addenda(s) issued during the proposal period and are thoroughly familiar with all contents thereof and acknowledges receipt of the following addenda[s]:

Addendum No. _____	Date Received _____
Addendum No. _____	Date Received _____
Addendum No. _____	Date Received _____

Bidder to list all addenda[s] (if any) on file at the office of the Business Department of said District.

For the lump sum of:

_____ (in words)
 (\$ _____)

Signature of Bidder further confirms that the bidder is binding specified product with no exceptions.

2. It is understood that the District reserves the right to reject this proposal and that this proposal shall remain open and not be withdrawn for the period specified in the Notice to Vendor's - Request for Proposal.
3. Each individual proposal term shall be determined from the specifications, and all other portions of the proposal documents, and shall include all items necessary to complete the services, including the assumption of all obligations, duties, and responsibilities necessary for the successful completion of the contract and the furnishing of all materials and equipment required to be incorporated in and form a permanent part of the service: complete system consisting of software, hardware (Vendor required to supply minimum specifications on hardware), installation, data conversion, software customization, training, maintenance and software support, including standard District, State & Federal reports; and bonds and insurances; all as per the requirements of the proposal documents, whether or nor expressly listed or designated.
4. In submitting this proposal, the Vendor acknowledges that the General Terms and Conditions for the DISTRICT WI-FI UPGRADE: Internal Connections are an integral part of the contract documents and that the General Terms and Conditions have been read, understood and accepted by bidder. The bidder understands and agrees not to disclaim knowledge of the meaning and effect of any term or provision of the General Conditions and agrees to strictly abide by their meaning and intent.
5. The required Non-Collusion Affidavit is hereto attached
6. The required Vendor's Certificate Regarding Workers' Compensation is hereto attached.
7. It is understood and agreed that if written notice of intent to award this proposal is mailed, telegraphed, or delivered to the undersigned after the evaluation of proposals within the time this proposal is required to remain open, or at any time thereafter before the proposal is withdrawn, the undersigned will execute and deliver to the District a contract in accordance with the documents as accepted, and that the work under the contract shall be commenced by the undersigned bidder, if awarded the contract, on the date to be stated in the District's notice to the Vendor to proceed, and shall be completed by the Vendor in the time specified in the contract documents.

8. All notices or other correspondence should be addressed to the undersigned at the address stated below.

9. The names of all persons interested in the foregoing proposal as principals are as follows:

(IMPORTANT NOTICE: If Vendor or other interested person is a **corporation**, state legal name of corporation, also names of the president, secretary treasurer, and manager thereof; if a **co-partnership**, state true name of firm, also names of all individual co-partners composing firm; if Vendor or other interested person is an **individual**, state first and last names in full).

10. If the Vendor is a corporation, the undersigned hereby represents and warrants that the corporation is duly incorporated and is in good standing in the State of _____ and that whose title is _____ and _____ whose title is _____ is/are authorized to act for and bind the corporation.

11. Service Provider Identification Number (**SPIN**) _____

Federal Registration Number (**FCC-FRN**) _____

I, the below-indicated bidder, declare under penalty of perjury under the laws of the State of California, that the information provided and representations made in the proposal are true and correct.

Name of Bidder Firm– please print

Proper Name of Bidder – please print

Address

By: _____
Signature of Bidder

Date: _____

(Corporate Seal)

NON-COLLUSION AFFIDAVIT

STATE OF CALIFORNIA

County of _____, _____, being first duly
(Print Name)

sworn, depose and says that he or she is _____ of the party
(Title)

making the foregoing bid that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other overhead, profit, or cost element of the bid price, or of that any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, of divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

I certify (or declare) under penalty or perjury under the laws of the State of California that the foregoing is true and correct.

Dated: _____
_____ Print name

Signature

State of California
County of _____

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

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

WITNESS my hand and official seal,

(Signature of Notary)

(Seal of Notary)

**VENDOR'S CERTIFICATE
REGARDING WORKER'S COMPENSATION**

Labor Code Section 3700 in relevant part provides:

“Every employer except the State shall secure the payment of compensation in one or more of the following ways:

- (a) By being insured against liability to pay compensation in one or more insurers duly authorized to write compensation insurance in this State.
- (b) By securing from the Director of Industrial Relations a certificate, consent to self-insure, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his employees.

I am aware of the provisions of Labor Code Section 3700 which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of this contract.

Proper Firm Name of Bidder

Proper Name of Bidder – print name

By: _____
Signature of Bidder

In accordance with Article 5 (commencing at Section 1860), Chapter 1, Part 7, Division 2 of the Labor Code, the above certificate must be signed and filed with the awarding body prior to performing any work under this contract.

REFERENCES

Provide at least three (3) current references, which include comparable work that has been performed as specified in RFP NO. XXX, preferably school districts utilizing the proposed DISTRICT WIRELESS UPGRADE AND CABLING: Internal Connections, include the following information:

1. Name of Site:
Name of Director of I.T.S. Contract:
Business Address:
Telephone Number:
Brief description of project including cost and demonstrate how the project met or exceeded all aspects of the Objective in Section B of this RFP:

2. Name of Site:
Name of Director of I.T.S. Contract:
Business Address:
Telephone Number:
Brief description of project including cost and demonstrate how the project met or exceeded all aspects of the Objective in Section B of this RFP:

3. Name of Site:
Name of Director of I.T.S. Contract:
Business Address:
Telephone Number:
Brief description of project including cost and demonstrate how the project met or exceeded all aspects of the Objective in Section B of this RFP:

ERATE SUPPLEMENTAL TERMS & CONDITIONS
RFP NO. 2018 WI-FI- ERATE 2018

Signed copy to be returned with proposal

The Telecommunications Act of 1996 established a fund by which Schools and Libraries across the Country could access discounts on eligible telecommunications products and services. The program is commonly known as the E-rate Program. The eligibility for discounts on internet access, telecommunications products and services, internal connection products, services and maintenance is determined by the Federal Communications Commission (FCC). Funding is made available upon application approval by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC), which was established by the Act. The amount of discount is based on the numbers of students receiving free and reduced price meals.

1) E-RATE CONTINGENCY

The project herein may be contingent upon the approval of funding from the Universal Service Fund's Schools and Libraries Program, otherwise known as E-rate. Even after award of contract(s) and/or E-rate funding approval is obtained, the District may or may not proceed with the project, in whole or in part. Execution of the project, in whole or in part, is solely at the discretion of the District.

2) SERVICE PROVIDER REQUIREMENTS

The District expects Service Providers to make themselves thoroughly familiar with any rules or regulations regarding the E-rate program.

- a. Service Providers are required to be in full compliance with all current requirements and future requirements issued by the SLD throughout the contractual period of any contract entered into as a result of this RFP.
- b. Service Providers are responsible for providing a valid SPIN (Service Provider Identification Number). More information about obtaining a SPIN may be found at this website: <http://www.usac.org/sl/service-providers/step01/default.aspx>
- c. Service Providers are responsible for providing a valid Federal Communications Commission (FCC) Registration Number (FRN) at the time the bid is submitted. More information about obtaining an FRN may be found at this website:
<https://fjallfoss.fcc.gov/coresWeb/publicHome.do>
- d. Service Providers are responsible for providing evidence of FCC Green Light Status at the time the bid is submitted. Any potential bidder found to be in Red Light Status will

be disqualified from participation in the bidding process and will be considered non-responsive. More information about FCC Red and Green Light Status may be found at this website: http://www.fcc.gov/debt_collection/welcome.html

- e. Products and services must be delivered before billing can commence. At no time may the Service Provider invoice before July 1, 2018.
- f. Prices must be held firm for the duration of the associated E-rate Funding Year(s) or until all work associated with the project is complete (including any contract and USAC approved extensions).
- g. Goods and services provided shall be clearly designated as "E-rate Eligible". Non-eligible goods and services shall be clearly called out as 100% non-eligible or shall be "cost allocated" to show the percentage of eligible costs per SLD guidelines.
- h. Service Providers must have a valid USAC Form 473 on file for the entire E-Rate funding year 2016, 2017 and 2018
- i. **Within one (1) week of award, the awarded Service Provider must provide the District a bill of materials using a completed USAC "Item 21 Template". Subsequent schedules of values and invoices for each site must match Item 21 Attachment or subsequent service substitutions.**
- j. In the event of questions during an E-rate pre-commitment review, post-commitment review and/or audit inquiry, the awarded Service Provider is expected to reply within 3 days to questions associated with its proposal.
- k. The awarded Service Provider is required to send copies of all forms and invoices to the District prior to invoicing USAC for pre-approval. Failure to comply with this requirement may result in the District placing the vendor on an "Invoice Check" with the USAC <http://www.usac.org/sl/applicants/step07/invoice-check.aspx>
- l. Services providers must comply with the FCC rules for Lowest Corresponding Price ("LCP"). Further details on LCP may be obtained at USAC's website: <http://www.usac.org/sl/service-providers/step02/lowest-corresponding-price.aspx>

3) SERVICE PROVIDER ACKNOWLEDGEMENTS

- a. The Service Provider acknowledges that no change in the products and/or services specified in this document will be allowed without prior written approval from the district and a USAC service substitution approval with the exception of a Global Service Substitutions.
- b. The Service Provider acknowledges that all pricing and technology infrastructure information in its bid shall be considered as public and non-confidential pursuant to §54.504 (2)(i)(ii).
- c. The Service Provider acknowledges that its offer is considered to be the lowest corresponding price pursuant to § 54.511(b). Should it not be the lowest corresponding price, the service provider must disclose the conditions leading to the applicant being charged in excess of lowest corresponding price.
- d. This offer is in full compliance with USAC's Free Services Advisory <http://www.usac.org/si/applicants/step02/free-services-advisory.aspx>. There are no free services offered that would predicate an artificial discount and preclude the applicant from paying its proportionate non-discounted share of costs. The service provider agrees to provide substantiating documentation to support this assertion should the applicant, USAC, or the FCC request it.

4) STARTING SERVICES/ADVANCE INSTALLATION


The annual E-rate Funding Year begins on July 1 and expires on June 30 of each calendar year. Regardless of the contract "effective date", E-rate eligible goods and/or services requested in this RFP shall be delivered no earlier than the start of the 2018 funding year (July 1, 2018). If Category 1 services (Telecommunication Services and Internet access) will begin on or shortly after July 1 of a funding year, the service provider, in some cases, may need to undertake some construction and installation work prior to the beginning of that funding year. Within the limitations indicated below, the infrastructure costs of a service provider can be deemed to be delivered at the same time that the associated Category 1 services begin. That is, if services begin on July 1, then the delivery of service provider infrastructure necessary for those services can be considered as also delivered on July 1.

EARLY FUNDING CONDITIONS

Category 1

There are four conditions that must be met in order for USAC to provide support in a funding year for Category 1 infrastructure costs incurred prior to that funding year.

- *Initiation of installation cannot take place before selection of the service provider pursuant to a posted Form 470 and in any event no earlier than six months prior to July 1 of the funding year.*
- *The Category 1 service must depend on the installation of the infrastructure.*
- *The underlying Category 1 service cannot have a service start date prior to July 1 of the funding year.*
- *No invoices can be submitted to USAC for reimbursement prior to July 1 of the funding year.*

For more information, please refer to the FCC Order involving the Nassau County Board of Cooperative Educational Services (DA 02-3365 , released December 6, 2002). This FCC decision only applies to Priority 1 services (telecommunications services and Internet access).


The complete text can be found at the following URL:

<http://www.usac.org/sl/applicants/step05/installation.aspx>

Category 2

There is one condition that allows USAC to provide support in a funding year for Category 2 installation costs incurred prior to that funding year.

- *We also amend our rules for category two non-recurring services to permit applicants to seek support for category two eligible services purchased on or after April 1, three months prior to the start of funding year on July 1. This will provide schools with the flexibility to purchase equipment in preparation for the summer recess and provide the maximum amount of time during the summer to install these critical networks.*

For more information, please refer to the FCC Report and Order and Further Notice of Proposed Rulemaking ([FCC 14-99](#) , released July 23, 2014). This FCC decision only applies to Category 2 services (Internal Connections).

5) INVOICING

- a. The Service Provider agrees to bill and receive a portion of the payment for the provisions of goods and services described herein directly from USAC via the Form 474 Service Provider Invoice (SPI). The District will only be responsible for paying its non-discounted share of costs and does not intend to use the BEAR process (Form 472). The maximum percentage the District will be liable for is the pre-discount amount minus the funded amount as shown on the FCC Form 471 Block 5 and any identified ineligible costs. Upon the successful receipt or posting of a Funding Commitment Decision Letter from the SLD and submission and certification of Form 486, the District shall pay only the discounted amount beginning with the billing cycle immediately following said approval. Alternatively, should the District decide that it is in the best interest of the District to file a Form 472, the District will inform the Service Provider of its intent.
- b. All Service Provider invoicing to USAC must be completed within 120 days from the last day of service. Should the Service Provider fail to invoice USAC in a timely manner, the District will only be responsible for paying its non-discounted share.

6) FCC/SLD AUDITABILITY

The E-rate program requires that all records be retained for at least ten (10) years from the last date of service provided on a particular funding request. Respondent hereby agrees to retain all books, records, and other documents relative to any Agreement resulting from this RFP for ten (10) years after final payment. The District, its authorized agents, and/or auditors reserves the right to perform or have performed an audit of the records of the Respondent and therefore shall have full access to and the right to examine any of said materials within a reasonable period of time during said period.

7) PROCUREMENT OF ADDITIONAL GOODS AND/OR SERVICES/COTERMINOUS EXPIRATION

During the term of any Agreement resulting from this RFP, the District may elect to procure additional or like goods and/or services offered by the Respondent. Such services shall be negotiated and obtained via an official amendment to this Agreement and approval by the District's Governing Board. All terms, conditions, warranties, obligations, maintenance and support of said goods or services shall have a coterminous expiration date with the original date of this Agreement. The District shall not enter into a separate Agreement for said goods or services. Respondents must state in their proposal that they acknowledge, accept and are in agreement with coterminous expiration conditions.

I, the undersigned, as an authorized agent of _____ (Service Provider Name), hereby certify that I have read the E-rate Supplemental Terms and Conditions, am fully compliant and intend to cooperate with the E-rate process as outlined above.

Signature: _____ **Title:** _____

Phone Number: _____ **Email:** _____

Service Provider Name: _____

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP**

Regular Meeting of January 23, 2018

**ITEM: AGREEMENT WITH CDW-G FOR PROCUREMENT OF WIRELESS
ACCESS POINTS AND NETWORK EQUIPMENT**

PREPARED BY: ALLAN GARDE, CHIEF BUSINESS OFFICIAL

TYPE OF ITEM: REVIEW AND ACTION

PURPOSE: To approve the contract for upgraded Wi-Fi network equipment.

BACKGROUND INFORMATION: All AUSD classrooms and offices are covered by the AUSD Wi-Fi network, providing students and staff with reliable, high-speed access to the Internet and the AUSD network. The AUSD Wi-Fi network consists of hardware controllers (servers) that manage the wireless access points (WAPs) that provide Wi-Fi coverage to AUSD devices.

AUSD's current Wi-Fi equipment dates to 2013. This equipment is now two generations old. 90% of our current WAPs will not run on the latest and most secure software so the system is currently running on a legacy version of the software. AUSD will need additional WAPs for the AMS Annex and other upcoming facilities projects. New WAPs will not run on the legacy software required to run the current WAPs. AUSD cannot add new model WAPs to the current system.

An RFP was generated to receive bids and be eligible for E-rate category 2 funding. This will allow AUSD to purchase equipment for 2018-19 school year. Bids were due on December 11, 2017. Four bids were received by the deadline and were evaluated for cost, conformity with RFP specifications, proposed solution, and support and warranty terms. CDW-G submitted a low cost and top ranked bid to provide the Wi-Fi equipment. An Intent to Award the bid to CDW-G was posted on the AUSD website on 12/13/17.

DETAILS: The updated Wi-Fi system will replace the existing with current model Ruckus controllers and WAPs. Over 90% of current computing devices in the district will benefit from the new Wi-Fi hardware: Increased speed, security, and classroom experience.

KEY QUESTIONS/ANSWERS:

1. Why purchase new wi-fi equipment now?
 - a. The current equipment in operation is almost five years and two generations of equipment old. The District cannot add new equipment planned for the Albany Middle School Annex to the current system and has been delaying technical upgrades until a systemwide upgrade is needed and most cost-effective.

FINANCIAL INFORMATION:

\$97,507.38 - General Fund less any funding received from E-Rate category 2
Hardware, Software, Licensing, and Support

STRATEGIC GOALS ADDRESSED:



Objective #3: Communicate and Lead Together.

Goal: All stakeholders will collaborate and communicate about decisions that guide the sites and district.

RECOMMENDATION: Approve procurement agreement with CDW-G for Wireless Access Points

CDW Government LLC
Purchase Agreement for E-Rate Customers
JLQD050
Contract #210224
Spin #143005588
FCC Registration #0012123287

This Purchase Agreement for E-rate Customers (this "Agreement") dated as of the date executed by CDW Government LLC (the "Effective Date") is by and between CDW Government LLC an Illinois corporation with an office at 230 N. Milwaukee Ave., Vernon Hills, Illinois 60061 ("Seller"), and ALBANY UNIFIED SCHOOL DISTRICT, a non-profit school or library eligible for Universal Service funding, with offices at 1051 MONROE ST, ALBANY, CA 94706 ("Customer").

Definitions:

As used in the Agreement, the following terms shall have the meanings set forth below:

"E-Rate" – The Education Rate funding provided by the 1996 Telecommunications Act designed to provide twenty to eight-five percent (20%-85%) discounts to schools and libraries for eligible products and services.

"E-Rate Eligible Products" or "Products" – Products which include but are not limited to caching servers, routers, switches, wireless access points, installation, and warranty maintenance and other items eligible for E-rate discounts in accordance with the rules adopted by the Federal Communications Commission.

"E-Rate Customer" or "Customer" – A non-profit school or library eligible for The Schools and Libraries Program of the Universal FUND, applying for an E-Rate discount on E-Rate Eligible Products.

"Program" - The Schools and Libraries Program of the Universal Service Fund, commonly known as "E-Rate," that is administered by the Universal Service Administrative Company (USAC) under the direction of the United States Federal Communications Commission ("FCC"), and that provides discounts to assist most United States schools and libraries to obtain affordable telecommunications and Internet access.

"SLD" – Schools and Libraries Division, a not-for-profit organization, established by the FCC, to administer the Program for schools and libraries.

"Funding Year" – The specific calendar period, as defined by the SLD, during which the Customer is approved for funding or discounts on E-Rate Eligible Products.

1. TERMS AND CONDITIONS

All orders submitted to Seller for Products under this Agreement are subject to the terms and conditions on the CalSAVE Technology Contract #527683. Unless otherwise agreed by the parties after award, any terms and conditions in the bid or elsewhere that are additional to or different from the terms and conditions of that agreement shall not apply to any transaction(s) that results from CDW-G's submission of its bid response.

2. PURCHASE AUTHORIZATIONS

A. E-Rate Status

Customer represents and warrants that it qualifies as eligible under the Program in order to receive E-Rate discounts. CUSTOMER FURTHER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT WHEN EXECUTED WILL CONSTITUTE A CONTRACT AS REQUIRED BY SLD. This Agreement is contingent upon evidence of award of E-Rate funding and Customer board approval, if applicable.

B. E-Rate Purchases

Customer represents and warrants that all purchases made under this Agreement shall be for its own use and that it is eligible for E-Rate discounts as specified by SLD guidelines. IN ACCORDANCE WITH FCC REQUIREMENTS, THE CUSTOMER SHALL SUBMIT A COMPLETED AND SIGNED FCC FORM 486 TO SLD. Form 486 shall be approved by SLD prior to order placement. The Form 486 informs SLD when the Customer and/or the eligible entity that Customer represents is receiving, is scheduled to receive, or has received service in the relevant Funding Year from the service provider(s). Receipt by SLD of a properly completed Form 486 triggers the process for the SLD to receive the invoice.

3. ORDERING AND ASSISTANCE

A. Ordering

Purchase orders shall be submitted directly to Seller at the following address or fax number:

CDW Government LLC
 Attn: E-Rate Sales K-12
 230 N. Milwaukee Ave.
 Vernon Hills, IL 60061

Phone: 800-328-4239
 Facsimile: Please fax Purchase Orders to your Account Manager

B. Required Information

All orders shall include 1) a contact name; 2) phone number; 3) purchase order number; 4) part number; 5) Product description; 6) original and discounted Product price 7) percentage Customer owes and percentage SLD owes (if applicable) 8) ship to location; 9) bill to location; and 10) FRN number for each part number. SEPARATE PURCHASE ORDERS SHALL BE SUBMITTED FOR PRODUCTS THAT ARE NOT ELIGIBLE FOR E-RATE FUNDING. ALL ORDERS SHALL BE SUBJECT TO ACCEPTANCE BY SELLER.

C. Assistance with Order

Customer may call 1-800-328-4239 to get assistance on any purchase order. Any terms or conditions stated in or on the Customer's purchase order which are not consistent with or in addition to the terms and conditions in this Agreement or the Product Sales Terms and Conditions shall be null and void and shall not be applicable hereto or binding on Seller. FOR THOSE PRODUCTS CHANGE AND THAT CHANGE OCCURS AFTER A CUSTOMER ORDER HAS BEEN ACCEPTED BY SELLER BUT BEFORE THE PRODUCT HAS SHIPPED, SELLER WILL MAKE REASONABLE EFFORTS TO MAKE AVAILABLE TO THE CUSTOMER A COMPARABLE OR BETTER PRODUCT AT THE SAME OR LESSER PRICE IF AVAILABLE, UPON SLD'S APPROVAL REGARDING PRODUCT SUBSTITUTION.

4. PRICE AND PAYMENT TERMS**A. Price**

The Price shall be as stated by Seller's Account Manager in the Product quotation attached hereto as Exhibit I. Prices are exclusive of federal, state, local, or other taxes, which shall be the responsibility of the Customer. Any taxes will be listed separately on the invoice.

B. Payment Terms (Customer must choose one)**1. Form 474 Service Provider Invoice (SPI) Method**

Seller will invoice Customer for their portion of the Products upon shipment of Product and Customer shall pay the invoiced amount (discounted amount owed by Customer) within thirty (30) days from date of invoice.

2. Form 472 Billed Entity Applicant Reimbursement (BEAR) Method

Seller will invoice Customer for their portion of the Products upon shipment of Product and Customer shall pay the invoiced amount (full amount owed by Customer) within thirty (30) days from the date of invoice.

All payments for both methods shall be submitted to the address presented below:

CDW Government LLC
Attn: Accounts Receivable
230 N. Milwaukee Ave.
Vernon Hills, IL 60061

Payment terms are subject to continuing credit approval by Seller. Seller may change credit or payment terms at any time when, in Seller's opinion, Customer's financial condition, previous payment record, or the nature of Customer's relationship with Seller so warrants.

Seller may discontinue performance under this Agreement (i) if Customer fails to pay any sum when due under this Agreement or any other agreement with Seller until payment is received or (ii) if Customer is in violation of applicable regulations.

NOTWITHSTANDING ANYTHING TO THE CONTRARY, CUSTOMER IS RESPONSIBLE FOR PAYMENT OF 100% OF THE PRODUCT PRICE IN THE EVENT THAT CUSTOMER PLACES AN ORDER FOR PRODUCTS FOR WHICH SLD DISALLOWS CUSTOMER'S REQUEST FOR DISCOUNT AND REFUSES PAYMENT TO SELLER OF THE DISCOUNTED AMOUNT FOR SUCH PRODUCTS. IF SLD DISALLOWS CUSTOMER'S REQUEST FOR DISCOUNT CUSTOMER IS IN NO WAY REQUIRED TO PLACE THE ORDER FOR PRODUCTS.

Customers that choose to order E-Rate Eligible Products prior to July 1 shall be required to use the BEAR Method.

5. NON-ASSIGNABILITY AGREEMENT

Customer shall not assign or otherwise transfer its rights or delegate its obligations under this Agreement without Seller's advance written consent. Any attempted assignment, transfer or delegation without such consent shall be void.

6. TERM & RENEWAL OF AGREEMENT

The term of this Agreement shall be for a period of one (1) year commencing on the Effective Date. Notwithstanding the foregoing, Seller may terminate this Agreement at any time for any reason upon thirty (30) days prior written notice to the Customer. In addition, the Customer may immediately terminate this Agreement upon written notice to Seller in the event that funds are not appropriated to Customer under this program ("Termination Notice"). In the event that Customer terminates this Agreement due to non-appropriation of funds, then Seller may immediately cease performance. However, the Customer shall still be liable for any Products that Seller has shipped in addition

to any support for which Customer has subscribed and/or purchased prior to Seller’s receipt of the Termination Notice. Customer will also pay Seller for any out-of-pocket costs resulting from any such termination.

The term of this Agreement may be renewed at any time upon the mutual signature by Seller and Customer. The renewal shall be based on an extension of funding from the SLD.

7. NOTICES

All notices and other communications required or permitted under this Agreement shall be served in person or sent by U.S. mail, Federal Express, or equivalent carrier at the following address:

If to Seller:

CDW Government LLC
 Attn.: Director, Program Sales
 2 Corporate Drive, Suite 800
 Shelton, CT 06484

If to Customer:

ALBANY UNIFIED SCHOOL DISTRICT

 1051 MONROE ST
 ALBANY, CA 94706

8. GENERAL

If any term or provision herein is determined to be illegal or unenforceable, the validity or enforceability of the remainder of the terms or provisions herein will remain in full force and effect.

9. DISCRIMINATION

Seller shall not discriminate on the basis of a person’s actual or perceived race, religious creed, color, national origin, ancestry, age, marital status, pregnancy, physical or mental disability, medical condition, genetic information, veteran status, gender, gender identity, gender expression, sex, or sexual orientation in employment or operation of its programs.

10. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between Seller and Customer, and supersedes and replaces any and all previous and contemporaneous communications, representations or agreements between the parties, whether oral or written, regarding transactions hereunder. No provision of this Agreement may be waived or modified except by an amendment signed by an authorized representative of each party.

11. GOVERNING LAW

This Agreement will be governed by the laws of the State of Illinois, without regard to conflicts of laws rules. Any litigation will be brought exclusively in Lake County, Illinois, and Customer consents to the jurisdiction of the federal and state courts located therein, submit to the jurisdiction thereof and waives the right to change venue. Customer further consents to the exercise of personal jurisdiction by any such court with respect to any such proceeding.

12. DOCUMENT RETENTION

All documents related to this Agreement will be kept on file by both Parties for 10 years after the project completion in accordance with the rules of the SLD.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written. **This contract is for Funding Year 21 (2018) which begins July 1, 2018 and extends until June 30, 2019.**

CDW Government LLC

Customer

(Authorized Signature)

(Authorized Signature)

Printed Name

Printed Name

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT I
Quote



QUOTE CONFIRMATION

DEAR DAX KAJIWARA,

Thank you for considering CDW•G for your computing needs. The details of your quote are below. [Click here](#) to convert your quote to an order.



ACCOUNT MANAGER NOTES: Please put quote # on your Purchase Order.
Please Fax PO to 312-705-8235

QUOTE #	QUOTE DATE	QUOTE REFERENCE	CUSTOMER #	GRAND TOTAL
JLQD050	12/14/2017	RUCKUS E-RATE CORRECTED	2585943	\$97,507.38

QUOTE DETAILS				
ITEM	QTY	CDW#	UNIT PRICE	EXT. PRICE
Ruckus End User WatchDog Premium Support - technical support - for Ruckus S Mfg. Part#: S01-0001-1LSC UNSPSC: 81112201 Electronic distribution - NO MEDIA Contract: CalSAVE Technology Contract 527683 (527683)	130	4344277	\$2.70	\$351.00
RUCKUS WATCHDOG END USER SCI SUP 1Y Mfg. Part#: S01-SCIP-1000 Electronic distribution - NO MEDIA Contract: CalSAVE Technology Contract 527683 (527683)	1	4344283	\$175.00	\$175.00
Ruckus ZoneFlex R720 - wireless access point Mfg. Part#: 901-R720-US00 UNSPSC: 43223108 Contract: CalSAVE Technology Contract 527683 (527683)	130	4643204	\$615.00	\$79,950.00
Ruckus SmartCell Insight - license - 1 instance Mfg. Part#: L09-SCIP-WW00 UNSPSC: 43232804 Electronic distribution - NO MEDIA Contract: CalSAVE Technology Contract 527683 (527683)	1	4301624	\$407.00	\$407.00
Ruckus SmartCell Insight - license - 1 access point Mfg. Part#: L09-0001-SCIW UNSPSC: 43232804 Electronic distribution - NO MEDIA Contract: CalSAVE Technology Contract 527683 (527683)	130	4301625	\$6.15	\$799.50
RUCKUS 1YR SLED PREMIUM AP SUP Mfg. Part#: S41-0001-1LSG Electronic distribution - NO MEDIA Contract: CalSAVE Technology Contract 527683 (527683)	130	3629019	\$13.50	\$1,755.00
Ruckus WatchDog Premium Support - extended service agreement - 1 year - shi Mfg. Part#: S41-S104-1000 UNSPSC: 81111812	2	3671227	\$668.00	\$1,336.00

QUOTE DETAILS (CONT.)

Electronic distribution - NO MEDIA				
Contract: CalSAVE Technology Contract 527683 (527683)				
Ruckus SmartZone 100 - network management device	2	3671016	\$2,250.00	\$4,500.00
Mfg. Part#: P01-S104-UN00				
UNSPSC: 43222634				
Contract: CalSAVE Technology Contract 527683 (527683)				
Ruckus SmartZone 100 - upgrade license - 1 access point	130	3616702	\$0.00	\$0.00
Mfg. Part#: L09-0001-SG00				
UNSPSC: 43233204				
Electronic distribution - NO MEDIA				
Contract: CalSAVE Technology Contract 527683 (527683)				

PURCHASER BILLING INFO	SUBTOTAL	\$89,273.50
Billing Address: ALBANY UNIFIED SCHOOL DISTRICT ACCTS PAYABLE 1051 MONROE ST ALBANY, CA 94706-2213 Phone: (510) 558-3750 Payment Terms: Request Terms	SHIPPING	\$0.00
	SALES TAX	\$8,233.88
	GRAND TOTAL	\$97,507.38
	DELIVER TO Shipping Address: ALBANY UNIFIED SCHOOL DISTRICT DAX KAJIWARA 1051 MONROE ST ALBANY, CA 94706-2213 Phone: (510) 558-3750 Shipping Method: DROP SHIP-GROUND	
Please remit payments to: CDW Government 75 Remittance Drive Suite 1515 Chicago, IL 60675-1515		

Need Assistance? CDW•G SALES CONTACT INFORMATION

	John Hart		(877) 554-4480		johnhar@cdwg.com
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This quote is subject to CDW's Terms and Conditions of Sales and Service Projects at <http://www.cdwg.com/content/terms-conditions/product-sales.aspx>
 For more information, contact a CDW account manager

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**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP**

Regular Meeting of January 23, 2018

ITEM: **RESOLUTION 2017-18-10: AUTHORIZING PROCUREMENT OF WIDE AREA NETWORK (WAN) SERVICES THROUGH PUBLIC CONTRACT CODE SECTION 20118.2**

PREPARED BY: **ALLAN GARDE, CHIEF BUSINESS OFFICIAL**

TYPE OF ITEM: **REVIEW AND ACTION**

PURPOSE: To approve resolution 2017-18-09: Authorizing procurement for wide area network (WAN) services through Public Contract Code section 20118.2.

BACKGROUND INFORMATION: Public Contract Code section 20118.2 recognizes technology and related equipment and services can be highly specialized, unique, and rapidly evolving in nature. This section allows school districts to consider multiple factors when awarding contracts for technology and related equipment and services.

All AUSD sites have access to the Internet via a single fiber optic connection from the Albany High School to the Alameda County Office of Education. The AUSD WAN consists of fiber optic lines connecting all other AUSD school sites to AHS so that the school sites can communicate with other sites and access the Internet.

The current contract for WAN services with Sunesys LLC expires 11/2018. A new contract is necessary at this time in order to apply for E-rate funding for next year.

AUSD prepared and published an RFP in October 2017. Bids were due on November 9, 2017. Two bids were received by the deadline and were evaluated for cost and other considerations. The Sunesys bid was the low bid and was selected to continue to provide WAN services. An Intent to Award the bid to Sunesys was posted on the AUSD website on 11/11/17.

DETAILS: Public Contract Code section 20118.2 requires the Board to make a finding that utilizing this procurement method is in the best interest of the District. Approval of Board Resolution 2017-18-10: Authorizing procurement for wide area network (WAN) services through Public Contract Code section 20118.2 makes this finding.

The Sunesys contract will start next school year and will run through June 30, 2022. An optional one year extension is available after the main term of the contract expires. Sunesys will provide the fiber optic connections between all school sites (excepting the District Office) and Albany High School with a

data rate of 1 Gbps (gigabit per second). A provision to increase the data rate is included in the contract in the event that AUSD has increased data needs during the term of the contract.

The Master License Agreement and Fiber License with Sunesys has been reviewed by legal counsel.

KEY QUESTIONS/ANSWERS:

1. How does this cost compare to the current agreement for WAN services?
 - a. The cost in this proposal is virtually the same.

FINANCIAL INFORMATION:

\$4,710 per month – General Fund

STRATEGIC GOALS ADDRESSED:



Objective #3: Communicate and Lead Together.

Goal: All stakeholders will collaborate and communicate about decisions that guide the sites and district.

RECOMMENDATION: Approve Resolution 2017-18-10: Authorizing procurement of wide area network (WAN) services through Public Contract Code section 20118.2

**RESOLUTION OF THE BOARD OF EDUCATION
OF THE ALBANY UNIFIED SCHOOL DISTRICT**

RESOLUTION: 2017-18-10

**AUTHORIZING PROCUREMENT FOR WIDE AREA NETWORK (WAN) SERVICES
THROUGH PUBLIC CONTRACT CODE SECTION 20118.2**

WHEREAS, the Board of Education (“Board”) for the Albany Unified School District (“District”) desires to procure wide area network (WAN) services to improve the District's technology program (“Project”);

WHEREAS, due to the highly specialized, unique, and rapidly evolving nature of technology and related equipment and services, and in order to allow for the introduction of new technology into the operations of school districts, Public Contract Code section 20118.2 allows school districts to consider, in addition to price, factors such as financing, performance, reliability, standardization, life-cycle costs, capacity, qualifications, delivery timetables, support logistics, warranties, and similar factors in the award of contracts for technology and related equipment and services;

WHEREAS, Public Contract Code section 20118.2 requires the Board to make a finding that utilizing the procurement method set forth in the statute is in the best interest of the District for the Project; and

WHEREAS, the District issued a request for proposals for the Project, titled “Multi-year Contract for E-rate Eligible Wide Area Network (WAN) Services; RFP No. 2018 WAN” attached hereto as **Exhibit A** (“the RFP”);

WHEREAS, undergoing request for proposal another time would not be in the interest of the District;

WHEREAS, District administrators, through a selective review process, have chosen to award the Project to Sunesys, LLC;

NOW, THEREFORE, THE BOARD OF EDUCATION OF THE [DISTRICT] DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. The above recitals are true and correct and incorporated herein.

Section 2. The Board finds that procurement of the network equipment qualifies for and is authorized under Public Contract Code section 20118.2.

Section 3. The Board finds that it was in the District’s best interest to utilize the procurement method outlined in Public Contract Code section 20118.2 to afford the District the flexibility and evaluation of factors permitted for the procurement of technology and related equipment and services for the Project.

Section 4. The Board ratifies the District’s use of the RFP pursuant to Public Contract Code section 20118.2.

Section 5. The Board awards the Project to Sunesys, LLC.

PASSED AND ADOPTED by the Governing Board of the Albany Unified School District on this 23rd day of January, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

I, _____, Clerk to the Board of Education of the Albany Unified School District, do hereby certify that the foregoing is a full, true, and correct copy of a resolution adopted by said Board at a regular meeting held on the ____ day of January, 2018.

Clerk to the Board of Education

Request for Proposal No. 2018-WAN

Multi-year Contract for E-rate Eligible Wide Area Network (WAN) Services

FCC FORM 470 No. 180001520

**Albany Unified School District
1051 Monroe Street
Albany, CA 94706
510.558.8195**

E-rate Funding Year 21 (2018-2019)

NOTICE TO BIDDERS

1. NOTICE IS HEREBY GIVEN The Albany Unified School District (“AUSD”, “Albany Unified”, “District”) wishes to receive proposals for Wide Area Network services for E-Rate Funding Year 21 (2018-2019). The District has 7 school and operational facilities that are currently connected by a fully managed private WAN connected via 1000 Mbps service to Albany High School, provided by Sunesys. The existing WAN contract expires on **November 30, 2018**.
2. The District wishes to receive vendor proposals covering the period of Three years and Seven Months plus One (1)- One Year Optional extension from December 1, 2018 to June 30, 2022.
3. The District will post the RFP, Prequalification documents, and Form 470 on the USAC EPC Portal site <http://www.usac.org/sl/tools/e-rate-productivity-center/default.aspx> and the District website: <http://www.ausdk12.org/apps/pages/procurement>. Questions must be provided in writing and emailed to dkajiwara@ausdk12.org. The subject line must read “**BID 2018-WAN– Questions**”. The responses will be provided in an addendum and posted on the District’s website and on USAC’s EPC portal site. The last day to ask questions is 3:00 PM on MONDAY, OCTOBER 30, 2017. In the event that there is a discrepancy in documentation posted in multiple locations, the controlling (master) document will always be located at the District’s website..
4. Sealed proposals should be delivered to ALBANY UNIFIED SCHOOL DISTRICT. Respondents will be required to mail or deliver three (3) bound copies, and One (1) electronic copy emailed to dkajiwara@ausdk12.org. Proposals must be received by the Albany Unified School District Business Department no later than **3:01 P.M. on THURSDAY, NOVEMBER 9, 2017.**

**ALBANY UNIFIED SCHOOL DISTRICT
BUSINESS DEPARTMENT
1051 MONROE STREET
ALBANY, CA 94706
Attn: Dax Kajiwara**

5. If awarded the contract, the successful Bidder shall be required to furnish
 - i. A 100% Performance Bond,
 - ii. Criminal Background Investigation/Fingerprinting Certification.
6. ALBANY UNIFIED reserves the right to reject any and all proposals and to waive any informality, technical defect or clerical error in any Bid Proposal Package, as the interest of the ALBANY UNIFIED SCHOOL DISTRICT may require. Any proposer may withdraw his/her proposal, either personally or by written request, at any time prior to the scheduled closing time for receipt of proposals.

ALBANY UNIFIED SCHOOL DISTRICT**RFP No. 2018-WAN****TABLE OF CONTENTS**

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**RFP No. 2018-WAN
PROJECTED CALENDAR OF EVENTS**

RFP Issue Date	10/9/2017
AUSD Internet Posting EPC web portal	10/9/2017
Run Date of Advertisement No.1	10/16/2017
Run Date of Advertisement No.2	10/23/2017
Questions Due	10/30/2017 (3:00 PM)
Submit Questions to: Dax Kajiwara dkajiwara@ausdk12.org	
Answers Posting (AUSD website, EPC web portal & emailed to bidders)	11/1/2017 (3:00 PM)
RFP Due Date and Time	11/9/2017 (3:01PM)
RFP Opening and Reading	11/9/2017 (3:02PM)
Intent to Award - Posting (AUSD Website)	11/14/2017 (3:00 PM)
Board of Education Agenda Meeting Date	11/28/2017

GENERAL TERMS AND CONDITIONS

General This information to Bidders is in addition to any instructions or conditions stated elsewhere in the Contract Document.

Bid Proposals To receive consideration, Bid Proposals shall be made in accordance with the following instructions:

Deadline for Receipt of Proposals Proposals will be received prior to **3:01 P.M. on Thursday, NOVEMBER 9, 2017** after which time the proposals will be opened and reviewed by the evaluation committee. Envelopes containing a proposal must be sealed, prominently marked with the RFP number, RFP title, RFP opening time/date and name of proposer, and submitted to:

**ALBANY UNIFIED SCHOOL DISTRICT
BUSINESS DEPARTMENT
1051 MONROE STREET
ALBANY, CA 94706
Attn: Dax Kajiwara**

Proposals must be received no later than the time and date designated above. Proposals received later than the designated time and date will not be accepted. **Facsimile (FAX) copies of the proposal will not be accepted.**

1. Questions must be sent to Albany Unified School District and must be received not less than **five working days** prior to the submittal date. **Questions received after that date will not be answered.** AUSD is required to post both this RFP and Form 470 on the USAC EPC Portal site <http://www.usac.org/sl/tools/e-rate-productivity-center/default.aspx>. Questions and responses will be posted on the district's website and the EPC portal site. In the event that there is a discrepancy between in documentation posted in multiple locations, the controlling (master) document will always be located at **www.ausdk12.org**
2. Proposals shall be received at the Albany Unified School District Business Department located at 1051 Monroe Street Albany, CA 94706, before **3:01 P.M. on Thursday, NOVEMBER 9, 2017**. Respondents will be required to mail or deliver three (3) bound copies, and One (1) electronic copy emailed to dkajiwara@ausdk12.org. Late submissions will not be accepted or considered.

THE BID – All items on the form should be stated in figures, and signatures of all individuals must be in long hand. The completed form should be without interlineations, alterations, or erasures. Retain one copy for your file and return one complete set sealed in the envelope provided with the bid. Unsigned bids will not be accepted.

FAX BIDS – Facsimile copies of bids will not be accepted for formal advertised bids.

DEFINITIONS – Responsible; a bidding party possessing the skill, judgment, integrity and financial ability necessary to timely perform and complete the contract being bid. Responsive; a bid which meets all of the specifications set forth in the request for bids.

NAME AND NATURE OF BIDDER'S LEGAL ENTITY – The bidder(s) shall specify in the bid and in the bond, if furnished as a guarantee, the name and nature of its legal entity and any fictitious name under which it does any business covered by the bond. The bid shall be signed under the correct firm name by an authorized officer.

WITHDRAWAL OF BID – Bid proposals may be withdrawn by the bidders prior to the time fixed for the opening of bids, but may not be withdrawn for a period of ninety (90) days after the opening of bids. A successful bidder shall not be relieved of the bid submitted without the District's consent or bidder's recourse to public Contract Code Sections 5100 et. seq.

ASSIGNMENT OF CONTRACT OR PURCHASE ORDER – The bidder(s) shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of the surety on the bond, if any, and the District.

BID NEGOTIATIONS – A bid response to any specific item of this bid with terms such as "negotiable" "will negotiate" or of similar intent, will be considered as nonresponse to the specific item.

PRICES – Prices should be typed and shown as instructed on the bid form for each item, in the amount of quantity specified in the bid form. Taxes shall not be included. Errors may be crossed off and corrections made prior to bid opening only, and must be initialed in ink by the person signing the bid or bidder's authorized representative. If during the contract period there should be a decrease in prices of the items bid, a corresponding decrease in prices on the balance of the deliveries shall be made to the District for as long as the lower prices are in effect, but at no time shall the prices charged the District exceed the prices bid. The District shall be given the benefit of any lower prices which may, for comparable quality and delivery be given by the contractor to any other school district or any other state, county, municipal or local governmental agency in Alameda County for products listed herein.

TAXES – Taxes shall not be included in unit prices. The District will pay only the State Sales and Use Tax; however, California Use Tax will be paid to out-of-state vendors only when their permit number is shown on both their bid and invoices. The successful bidder(s) shall list separately any taxes payable by the District and shall certify on the invoices that Federal Excise Tax is not included in the prices listed thereon. Federal Excise Tax is not applicable, as school districts are exempt therefrom. The District, upon request, shall furnish the contractor such Federal Tax Exemption Certificates as may be required,

PERFORMANCE GUARANTEE – The successful bidder(s) may be required to provide a performance guarantee. Such requirement shall be at the discretion of the District's Purchasing Agent. A continuous performance bond in the amount of 100% of the total amount of the award executed by a surety satisfactory to the District and filed with the Purchasing Agent is the preferred form of performance guarantee. Said bond, if required, shall be furnished within ten (10) calendar days from the date of Notice of Award. Failure to promptly submit a performance guarantee when requested may result in the rejection of an otherwise acceptable low bid.

BRAND NAME AND NUMBER – The bidder(s) shall state the brand name and number in the column provided. If none is indicated, it shall be understood that the bidder is quoting on the exact brand name and number specified in the bid form. Should any item for which bids are requested be patented, or otherwise protected or designated by the particular name of the maker and the bidder desires to bid on an item of equal character and quality, he may offer such substitute item by clearly indicating that such substitution is intended and specify the brand. Such substitution shall be accepted only if deemed by the Purchasing Agent to be equal in all respects to that specified. If samples are requested by the Purchasing Agent for this determination, they shall be submitted in accordance with Paragraph 12, except that they may be submitted after the bid opening.

QUANTITY AND QUALITY OF MATERIALS OR SERVICES – The successful bidder(s) shall furnish and deliver the quantities designated in the bid or purchase order. All materials, supplies or services furnished under the contract shall be in accordance with the bid specifications and the District's sample or the sample furnished by the bidder(s) and accepted by the District. Materials or supplies which, in the opinion of the Purchasing Agent, are not in accordance and conformity with said specifications and samples shall be rejected and removed from the District premises at the bidder's expense. When a sample is taken from a shipment and sent to a laboratory for testing and the test shows that the sample does not comply with the bid specifications, the cost of such test shall be paid by the bidder(s). In bidding, the bidder(s) certifies that all materials conform to all applicable requirements of CAL OSHA and all other requirements of law. All items of equipment and individual components, where applicable standards have been established, shall be listed by the Underwriter Laboratories, Inc., and bear the UL label.

DISTRICT REQUIREMENTS – The quantity shown is the estimate of consumption annually for the contract period. The needs of the District may be substantially more or less than such referenced quantities. The articles, supplies or services listed in the bid and required during the contract period shall be ordered and purchased from the successful bidder(s) during such period. The District shall have the right to issue purchase orders up to and including the last day of the contract period even though the time provided for delivery may extend beyond such period. The District reserves the right to acquire from other sources during the life of the contract such items as may be required for testing, evaluation or experimental purposes, or for special programs of an emergency nature, and purchases made by individual schools.

ACCEPTANCE OR REJECTION OF BIDS – The District may purchase an individual item or combination of items, whichever is in the best interest of the District, provided also that bidder(s) may specify that the District's acceptance of one item shall be contingent upon the District's acceptance of one or more additional items submitted in the same bid. Bids shall remain open and valid and subject to acceptance for ninety (90) calendar days after the bid opening.

BID EXCEPTIONS – All exceptions which are taken in response to this bid must be stated clearly. The taking of bid exceptions or providing false, incomplete or unresponsive statements may result in the disqualification of the bid. Allowance of exceptions will be determined by the governing board whose decisions shall be final. Any bid exceptions or additional conditions requested after bid closure, which are not detailed within the bid response, may result in disqualification of the bid. No oral or telegraphic modification of any bid submitted will be considered and a confirmation of the telegram duly signed by the bidder was placed in the mail prior to the opening of the bids.

AWARDS – The District reserves the right of determination that items bid meet or do not meet bid specifications. Further, the Board of Education reserves the right to accept or reject any or all bids and to waive any informality in the bidding.

EXECUTION OF CONTRACT – Issuance of a Purchase Order shall evidence the contractual agreement between the bidder(s) and the District and the bidder's acceptance of these Bid Instructions and Conditions.

DELIVERY – Time and manner of delivery are essential factors in proper performance under the contract. Unless otherwise specified, the successful bidder(s) shall be responsible for delivery and shall pay all costs, including drayage, freight and packing for delivery to locations in the District as may be specified in the bid form. Each item shall be securely and properly packed and clearly marked as to contents. All shipments shall be accompanied by a packing slip and the District purchase order number shall appear on all cases and packages.

MATERIAL SAFETY DATA SHEETS – For all products requiring a Material Safety Data Sheet – The District requires that a Material Safety Data Sheet accompany all orders at the time of delivery.

DEFAULT BY CONTRACTOR – The District shall hold the bidder(s) responsible for any damage, which may be sustained due to failure to comply with any terms or conditions, listed herein. It is specifically provided and agreed that time shall be of the essence in meeting the contract delivery requirements. If the successful bidder(s) fails or neglects to furnish or deliver any of the materials, supplies or services listed herein at the prices named and at the time and place herein stated or otherwise fails or neglects to comply with the terms of the bid, the District may, upon written notice to the bidder, cancel the contract/purchase order in its entirety or cancel or rescind any or all items affected by such default, and may, whether or not the contract is cancelled in whole or in part, purchase the

materials, supplies or services elsewhere without further notice to the bidder. The prices paid by the District at the time such purchases are made shall be considered the prevailing market price. Any extra cost incurred by such default may be collected by the District from the bidder, or deducted from any funds due the bidder.

INSURANCE – The successful bidder(s) shall maintain insurance adequate to protect him from claims under Workers’ Compensation Laws and from claims for damages for personal injury, including death and damage to property, which may arise from bidder’s operations under the contract. Also, the bidder may be required to file proof of such insurance, naming ALBANY UNIFIED SCHOOL DISTRICT as an additional insured by separate endorsement as follows: The bidder is required to provide proof of insurance to the Governing Board of a comprehensive general liability insurance policy providing occurrence based coverage to be in effect during the term of the contract. Insurance required is as follows:

1. General Liability: \$1,000,000 per occurrence / \$3,000,000 aggregate.
2. Workers’ Compensation: \$1,000,000 limit
3. Abuse/Molestation coverage: \$1,000,000 per occurrence / \$3,000,000 aggregate
4. Commerical Auto coverage: \$1,000,000.

INVOICES AND PAYMENTS – Unless otherwise specified, the successful bidder(s) shall render invoices in duplicate for materials delivered or services performed under the contract, to Accounts Payable, 1051 Monroe Street, Albany, CA 94706. Invoices shall be submitted under the same firm name as shown on the bid. The successful bidder(s) shall list separately any taxes PAYABLE BY THE District and shall certify on the invoices that Federal Excise Tax is not included in the prices listed thereon. The District shall make payment for materials, supplies, or services furnished under the contract within a reasonable and proper time after acceptance thereof and approval of the invoices by the authorized District Representative.

MISCELLANEOUS PROVISIONS:

- A. **Assignment of Contracts** – The Contractor shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of the surety on the performance bond and the District.
- B. **Binding Effect** – This Agreement shall inure to the benefit of and shall be binding upon the Contractor and District and their respective successors and assigns.
- C. **Severability** – If any provisions of this agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.
- D. **Amendments** – The terms of this Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written agreement signed by the parties.

- E. **Entire Agreement** – This Bid and all attachments thereto constitutes the entire agreement between the parties. There are no understandings, agreements, representations or warranties, express or implied, not specified in the Agreement. Bidder, by the execution of his/her signature on the Bid Form acknowledges that he/she has and read this Agreement, understands it, and agrees to be bound by its terms and conditions.
- F. **Force Majeure Clause** – The parties to the contract shall be excused from performance thereunder during the time and to the extent that they are prevented from obtaining, delivering or performing by act of God, fire, strike, loss or shortage of transportation facilities, lockout, or commandeering of materials, products, plants or facilities by the government, when satisfactory evidence thereof is presented to the other party, provided that it is satisfactorily established that the nonperformance is not due to the fault or neglect of the party not performing.
- G. **Hold Harmless Clause** – The successful bidder agrees to indemnify, defend and save harmless ALBANY UNIFIED, its governing board, related divisions and entities, officers, agents, and employees from and against any and all claims, demands, losses, defense costs, or liability of any kind or nature which the District, it's officers, agents, and employees may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with the bidder or bidder's agents, employees or subcontractor's performance under the terms of this contract, expecting only liability arising out of the sole negligence of the District.
- H. **Prevailing Law** – In the event of any conflict or ambiguity between these instructions and state or federal law or regulations, the latter shall prevail. Additionally, all equipment to be supplied or services to be performed under the bid proposal shall conform to all applicable requirements of local, state and federal law.
- I. **Governing Law and Venue** – In the event of litigation, the bid documents, specifications and related matters shall be governed by and construed only in accordance with the laws of the State of California. Venue shall only be with the appropriate state or federal court located in Alameda, CA.
- J. **Permits and Licenses** – The successful bidder(s) and all of his employees or agents shall secure and maintain in force such licenses and permits as are required by law, in connection with the furnishing of materials, articles or services herein listed. All operations and materials shall be in accordance with law.
- K. **Contract Documents** – The complete contract includes the following documents: The advertisement for bids, the bid instructions and conditions, specifications and drawings, if any, the bid and its acceptance by the District, the purchase order, and all amendments thereto. All of these documents shall be interpreted to include all provisions of the other documents as though fully set out therein.

- L. **Independent Contractor** – While engaged in carrying out and complying with terms and conditions of the contract, the bidder agrees by his/her signature on the Bid Form that he/she is an independent contractor and not an officer, employee or agent of the District.

- M. **Anti-discrimination** – It is the policy of the ALBANY UNIFIED SCHOOL DISTRICT Board of Education, that in connection with all work performed under Purchasing Contracts there shall be no discrimination against any prospective or active employee engaged in the work because of race, color, ancestry, national origin, sex, or religious creed. Therefore, the bidder agrees to comply with applicable Federal and California laws including, but not limited to, the California Fair Employment and Housing Act. In addition, the successful bidder(s) agrees to require like compliance by all subcontractors employed on the work by him.

- N. **Termination Without Cause** – This Agreement may be terminated by the District upon giving thirty days advance written notice of an intention to terminate.

- O. **Product Shortages** – If the successful bidder is unable to supply any product listed herein, the District may purchase such product at a fair market value from another source. The difference in cost and all delivery charges shall be the responsibility of the supplier listed on the original contract agreement.

Name of Company

Address

Signature

City State Zip Code

Print Name

Phone Number Fax Number

Title

Email Address

Federal Tax ID No.

SPIN No

Albany Unified School District**E-RATE SUPPLEMENTAL TERMS AND CONDITIONS**

Signed copy to be returned with bid response.

The Telecommunications Act of 1996 established a fund by which Schools and Libraries across the Country could access discounts on eligible telecommunications products and services. The program is commonly known as the E-rate Program. The eligibility for discounts on internet access, telecommunications products and services, internal connection products, services and maintenance is determined by the Federal Communications Commission (FCC). Funding is made available upon application approval by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC), which was established by the Act. The amount of discount is based on the numbers of students receiving free and reduced price meals.

1) E-RATE CONTINGENCY

The project herein may be contingent upon the approval of funding from the Universal Service Fund's Schools and Libraries Program, otherwise known as E-rate. Even after award of contract(s) and/or E-rate funding approval is obtained, the District may or may not proceed with the project, in whole or in part. Execution of the project, in whole or in part, is solely at the discretion of the District.

2) SERVICE PROVIDER REQUIREMENTS

The District expects Service Providers to make themselves thoroughly familiar with any rules or regulations regarding the E-rate program.

- a. Service Providers are required to be in full compliance with all current requirements and future requirements issued by the SLD throughout the contractual period of any contract entered into as a result of this RFP.
- b. Service Providers are responsible for providing a valid SPIN (Service Provider Identification Number). More information about obtaining a SPIN may be found at this website: <http://www.usac.org/sl/service-providers/step01/default.aspx>
- c. Service Providers are responsible for providing a valid Federal Communications Commission (FCC) Registration Number (FRN) at the time the bid is submitted. More information about obtaining an FRN may be found at this website: <https://fjallfoss.fcc.gov/coresWeb/publicHome.do>
- d. Service Providers are responsible for providing evidence of FCC Green Light Status at the time the bid is submitted. Any potential bidder found to be in Red Light Status will be disqualified from participation in the bidding

process and will be considered non-responsive. More information about FCC Red and Green Light Status may be found at this website:

http://www.fcc.gov/debt_collection/welcome.html

- e. Products and services must be delivered before billing can commence. At no time may the Service Provider invoice before July 1, 2018.
- f. Prices must be held firm for the duration of the associated E-rate Funding Year(s) or until all work associated with the project is complete (including any contract and USAC approved extensions).
- g. Goods and services provided shall be clearly designated as "E-rate Eligible". Non-eligible goods and services shall be clearly called out as 100% non-eligible or shall be "cost allocated" to show the percentage of eligible costs per SLD guidelines.
- h. Service Providers must have a valid USAC Form 473 on file for the entire E-Rate funding year 2016, 2017 and 2018
- i. **Within one (1) week of award, the awarded Service Provider must provide the District a bill of materials using a completed USAC "Item 21 Template". Subsequent schedules of values and invoices for each site must match Item 21 Attachment or subsequent service substitutions.**
- j. In the event of questions during an E-rate pre-commitment review, post-commitment review and/or audit inquiry, the awarded Service Provider is expected to reply within 3 days to questions associated with its proposal.
- k. The awarded Service Provider is required to send copies of all forms and invoices to the District prior to invoicing USAC for pre-approval. Failure to comply with this requirement may result in the District placing the vendor on an "Invoice Check" with the USAC
<http://www.usac.org/sl/applicants/step06/invoice-check.aspx>

Services providers must comply with the FCC rules for Lowest Corresponding Price ("LCP"). Further details on LCP may be obtained at USAC's website: <http://www.usac.org/sl/service-providers/step02/lowest-corresponding-price.aspx>

3) SERVICE PROVIDER ACKNOWLEDGEMENTS

- a. The Service Provider acknowledges that no change in the products and/or services specified in this document will be allowed without prior written approval from the district and a USAC service substitution approval with the exception of a Global Service Substitutions.
- b. The Service Provider acknowledges that all pricing and technology infrastructure information in its bid shall be considered as public and non-confidential pursuant to §54.504 (2)(i)(ii).
- c. The Service Provider acknowledges that its offer is considered to be the lowest corresponding price pursuant to § 54.511(b). Should it not be the lowest corresponding price, the service provider must disclose the conditions leading to the applicant being charged in excess of lowest corresponding price.
- d. This offer is in full compliance with USAC's Free Services Advisory <http://www.usac.org/sl/applicants/step02/free-services-advisory.aspx>. There are no free services offered that would predicate an artificial discount and preclude the applicant from paying its proportionate non-discounted share of costs. The service provider agrees to provide substantiating documentation to support this assertion should the applicant, USAC, or the FCC request it.

4) STARTING SERVICES/ADVANCE INSTALLATION


The annual E-rate Funding Year begins on July 1 and expires on June 30 of each calendar year. Regardless of the contract "effective date", E-rate eligible goods and/or services requested in this RFP shall be delivered no earlier than the start of the 2018 funding year (July 1, 2018). If Category 1 services (Telecommunication Services and Internet access) will begin on or shortly after July 1 of a funding year, the service provider, in some cases, may need to undertake some construction and installation work prior to the beginning of that funding year. Within the limitations indicated below, the infrastructure costs of a service provider can be deemed to be delivered at the same time that the associated Category 1 services begin. That is, if services begin on July 1, then the delivery of service provider infrastructure necessary for those services can be considered as also delivered on July 1.

EARLY FUNDING CONDITIONS

Category 1

There are four conditions that must be met in order for USAC to provide support in a funding year for Category 1 infrastructure costs incurred prior to that funding year.

- *Initiation of installation cannot take place before selection of the service provider pursuant to a posted Form 470 and in any event no earlier than six months prior to July 1 of the funding year.*
- *The Category 1 service must depend on the installation of the infrastructure.*
- *The underlying Category 1 service cannot have a service start date prior to July 1 of the funding year.*
- *No invoices can be submitted to USAC for reimbursement prior to July 1 of the funding year.*

For more information, please refer to the FCC Order involving the Nassau County Board of Cooperative Educational Services (DA 02-3365 , released December 6, 2002). This FCC decision only applies to Priority 1 services (telecommunications services and Internet access).


The complete text can be found at the following URL:

<http://www.usac.org/sl/applicants/step05/installation.aspx>

Category 2

There is one condition that allows USAC to provide support in a funding year for Category 2 installation costs incurred prior to that funding year.

- *We also amend our rules for category two non-recurring services to permit applicants to seek support for category two eligible services purchased on or after April 1, three months prior to the start of funding year on July 1. This will provide schools with the flexibility to purchase equipment in preparation for the summer recess and provide the maximum amount of time during the summer to install these critical networks.*

For more information, please refer to the FCC Report and Order and Further Notice of Proposed Rulemaking ([FCC 14-99](#) , released July 23, 2014). This FCC decision only applies to Category 2 services (Internal Connections).

5) INVOICING

- a. The Service Provider agrees to bill and receive a portion of the payment for the provisions of goods and services described herein directly from USAC via the Form 474 Service Provider Invoice (SPI). The District will only be responsible for paying its non-discounted share of costs and does not intend to use the BEAR process (Form 472). The maximum percentage the District will be liable for is the pre-discount amount minus the funded amount as shown on the FCC Form 471 Block 5 and any identified ineligible costs. Upon the successful receipt or posting of a Funding Commitment Decision Letter from the SLD and submission and certification of Form 486, the District shall pay only the discounted amount beginning with the billing cycle immediately following said approval. Alternatively, should the District decide that it is in the best interest of the District to file a Form 472, the District will inform the Service Provider of its intent.
- b. All Service Provider invoicing to USAC must be completed within 120 days from the last day of service. Should the Service Provider fail to invoice USAC in a timely manner, the District will only be responsible for paying its non-discounted share.

6) FCC/SLD AUDITABILITY

The E-rate program requires that all records be retained for at least ten (10) years from the last date of service provided on a particular funding request. Respondent hereby agrees to retain all books, records, and other documents relative to any Agreement resulting from this RFP for ten (10) years after final payment. The District, its authorized agents, and/or auditors reserves the right to perform or have performed an audit of the records of the Respondent and therefore shall have full access to and the right to examine any of said materials within a reasonable period of time during said period.

7) PROCUREMENT OF ADDITIONAL GOODS AND/OR SERVICES/COTERMINOUS EXPIRATION

During the term of any Agreement resulting from this RFP, the District may elect to procure additional or like goods and/or services offered by the Respondent. Such services shall be negotiated and obtained via an official amendment to this Agreement and approval by the District's Governing Board. All terms, conditions, warranties, obligations, maintenance and support of said goods or services shall have a coterminous expiration date with the original date of this Agreement. The District shall not enter into a separate Agreement for said goods or services. Respondents must state in their proposal that they acknowledge, accept and are in agreement with coterminous expiration conditions.

I, the undersigned, as an authorized agent of _____
(Service Provider Name), hereby certify that I have read the E-rate Supplemental
Terms and Conditions, am fully compliant and intend to cooperate with the E-rate
process as outlined above.

Signature: _____

Title: _____

Phone Number: _____

Email: _____

Service Provider Name:

NONCOLLUSION DECLARATION TO BE EXECUTED BY AND SUBMITTED WITH PROPOSAL**ALBANY UNIFIED**

**RFP No. 2018-WAN
Multi-Year Contract for
E-rate Eligible
Wide Area Network (WAN) Services**

I, _____, declare that I am the party making the foregoing proposal, that the proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the proposal is genuine and not collusive or sham; that the proponent has not directly or indirectly induced or solicited any other proponent to put in a false or sham proposal and has not directly or indirectly colluded, conspired, connived, or agreed with any proponent or anyone else to put in a sham proposal, or that anyone shall refrain from responding; that the proponent has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix any overhead, profit, or cost element of the proposal price, or of that of any other proponent, or to secure any advantage against the public body awarding the Contract of anyone interested in proposed Contract; that all statements contained in the proposal are true, and, further, that the proponent has not, directly or indirectly, submitted his or her proposal price of any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date

Name of Vendor

Printed name of Authorized Company Representative

Signature of Authorized Company Representative

RFP No. 2018-WAN

**Multi-Year Contract for
E-rate Eligible
Wide Area Network (WAN) Services**

Proposal Submitted by:

To be signed by authorized company agent.

Name of Company

Address

Signature

City State Zip Code

Print Name

Phone Number Fax Number

Title

Email Address

Federal Tax ID No.

SPIN No

RFP No. 2018-WAN

**Multi-Year Contract for
E-rate Eligible
Wide Area Network (WAN) Services**

PRIME POINT OF CONTACT

Name of Company

Address

Signature

City State Zip Code

Print Name

Phone Number Fax Number

Title

Email Address

REQUEST FOR REFERENCES

TO BE EXECUTED AND SUBMITTED WITH BID

All Proposers shall submit with their proposal at least three (3) previous jobs of similar scope and size in the last five years. They must include a contact name and phone number for verification purposes. Failure to provide reference may result in your bid being determined non-responsive.

1.			
	Name of Reference		Contact Person
	Address		Phone/Fax
	Contract Period		
	Scope of Work		
2.			
	Name of Reference		Contact Person
	Address		Phone/Fax
	Contract Period		
	Scope of Work		
3.			
	Name of Reference		Contact Person
	Address		Phone/Fax
	Contract Period		

REQUESTED SERVICES AND DISTRICT TOPOGRAPHY

ALBANY UNIFIED SCHOOL DISTRICT (“AUSD”) is soliciting proposals for private (non-shared) Wide Area Network (WAN) services, specifically a fiber-connected metro-area layer 2 backbone network. AUSD currently has a WAN with seven (7) school sites and facilities connected through a Sunesys fiber network. The requested WAN services will terminate at Albany High School located at 603 Key Route Boulevard, Albany, CA 94706 and provide connectivity for all AUSD school sites and facilities except for the District Office. A list of these sites, street addresses and required Committed Information Rates (“CIR”) appear in “**Appendix A**” of this RFP.

This project may be contingent upon approved project funding from the federal E-rate program (Schools and Libraries Division, or “SLD”). AUSD may or may not undertake this project at its sole discretion. In addition, AUSD will require that the awarded service provider ensure that all eligible components of service are filed with the California Public Utilities Commission (CPUC) and are eligible for the California Teleconnect Fund (CTF) discount.

Vendors will bid only eligible products and services as described in the following links;

1. To view the USACs overall eligibility requirements for all Categories of Services please use this link:
https://apps.fcc.gov/edocs_public/attachmatch/DA-16-1023A1.pdf
2. For additional USAC eligible services information related to recent USAC maintenance decisions please use this link:
https://apps.fcc.gov/edocs_public/attachmatch/DA-11-1600A1.doc

WAN REQUIREMENTS

Service must be capable of delivering a minimum (CIR) of 1000 Mbits/second (“Mbps”) using Layer 2 Ethernet protocol over fiber between each site and Albany High School.

- a. **EXAMPLE** The District Data Center located at Albany High School located at: 603 Key Route Blvd., Albany, CA 94706 is to serve as the termination point for the network. At present, 6 AUSD sites are connected via 1000 Mbits/second service connections.
- b. All seven (7) AUSD school sites and facilities shall have a minimum data connection CIR of 1000 Mbps full-duplex.
- c. AUSD desires the ability to vary bandwidth in the future to meet demand. Proposals may include rates for higher bandwidth connections and should describe the vendor’s ability to scale the proposed solution to meet greater bandwidth demands.
- d. The Contractor/Carrier shall deliver the requested CIR at full bandwidth at each school directly to the District Data Center located at Albany High School on a full availability basis, 24/7.
- e. The service handoff at each site will be 1000base-T Ethernet, delivered to each site’s Main Distribution Facility (“MDF”). The handoff must use standards-compliant category 6 twisted pair copper cabling, single-mode, or multi-mode fiber as applicable.
- f. The service hand-off at all sites shall terminate on an RJ45 standard Ethernet jack with a 1 Gigabit full duplex handoff, or fiber equivalent compatible with LC-style GBIC connectors. The precise site location of the MPOE or DEMARC, or “handoff point” shall be determined by AUSD Network staff at the sites listed in **Appendix “A”** of this RFP.
- g. The network will require a minimum aggregated bandwidth of six thousand (6,000) Megabits per second into the WAN Network to simultaneously support all sites maximum access rates.
- h. The District will need to be able to differentiate between the various campuses in terms of traffic flow. This could be accomplished by multiple point-to-point physical links between the campuses or MPLS or some other “partitioning” scheme. The Vendor is directed to describe in detail how this will work in their proposal.
- i. The vendor shall specify that this network is a managed solution and the vendor will provide all necessary hardware and software accordingly. As part of the proposal, the vendor will make known the space requirements for installed

equipment at sites. Network outage resolution should be coordinated with AUSD technical staff.

- j. The vendor must provide easy access to help desk and repair services. A clear, documented procedure must be defined for severe problem escalation with appropriate response times delineated in proposal. The vendor will provide critical alerts to AUSD Technical Contacts via email, and notification of service outages via telephone to AUSD Technical Contacts along with status and estimated time of restoral (ETR). This alert service will be maintained for the duration of the contract.
- k. The circuits shall be capable of carrying multiple protocols such as IP Data, Voice over IP (VoIP) telephony, streaming digital video, teleconferencing, etc. Jitter and latency shall be within industry accepted limits for typical services of these types. The WAN must support the transmission of QoS (“Quality of Service”) tags implemented by AUSD between endpoints.
- l. All equipment including but not limited to switches, cabling, connectors, etc. necessary to provide this connectivity shall be provided by the vendor. All installed equipment shall operate with the electrical capacity provided by a dedicated 20 AMP service per equipment rack. Each endpoint must be capable of operating for a minimum of 30 minutes in the event of local power failure. Specifically, the equipment providing the WAN handoff at each site must be protected by a suitably sized uninterruptable power supply (“UPS”). Where appropriate, vendor to provide spare equipment so district staff can replace faulty/broken hardware quickly without waiting for vendor to send technician to site.
- m. Currently AUSD’s MDF’s have two-post racks in each location with a minimum of 3U available space for vendor equipment. Vendor is responsible for providing any additional racks or hardware for mounting vendor equipment.
- n. The network must be fully operational by **November 30, 2018**. The term “fully operational” is defined as error free network connectivity at the specified CIRs, delivered to all sites without failures for at least 72 hours. Vendor must provide certification reports of CIR, jitter, latency, and interface error metrics for each endpoint.
- o. Contract must provide cancellation of services without financial penalties if a school is closed. District may cancel services to a school without penalties after a 30-day notice to vendor.

QUALIFICATIONS

All vendors submitting proposals must demonstrate the ability to participate in the E-rate Program (i.e. must possess a SPIN number). The Vendor must demonstrate to AUSD’s satisfaction that both the Vendor and the manufacturer(s) of the proposed systems are financially sound and are likely to remain strongly committed to the data communications field and the Alameda, CA area for the next ten (10) years. Vendor

must submit, with the proposal, a copy of their most recent annual report. If Vendor is not a public corporation or has no annual report available, verifiable financial information of a comparable nature to an annual report must be provided.

CONTRACT TERM

The District wishes to receive vendor proposals covering the period of Three years and Seven Months plus One (1)- One Year Optional extension from December 1, 2018 to June 30, 2022. Funding for this project will be Priority 1 E-rate Funding at the District discount rate. Any installation costs associated with the service delivery must be amortized over initial term and is to be included within the monthly service cost.

Winning vendor(s) will NOT submit any billing or perform any work BEFORE July 1, 2018, and not without the prior written acceptance of AUSD.

SUBMITTAL - REQUEST FOR PROPOSAL - TECHNICAL REQUIREMENTS

SUBMITTAL INFORMATION

1. **Submittal** – Each firm submitting a proposal shall submit a signed original proposal plus **3** copies of said proposal in a sealed envelope prominently marked with the Request for Proposal number, title, the due date, time, and the name of the organization submitting the response. **Responses shall be on 8-1/2" x 11" paper and USB format.**
2. The **“Cost Proposal”** shall be provided within the response in a separate sealed envelope with the same identifying information and wording **“Cost Proposal”** prominently displayed on the exterior. **Responses shall be on 8-1/2" x 11" paper and USB format.**
3. **Proposal Deadline** – Proposals shall be submitted to the BUSINESS DEPARTMENT, **1051 Monroe Street, Albany, CA 94706, prior to 3:01 PM on Thursday, NOVEMBER 9, 2017.** Proposals received later than the aforementioned date and time will be returned to the sender unopened. Facsimile (fax) copies of submittals will **not** be accepted.
4. **Authorized Signatures** – Proposals must be signed by an individual or officer of the firm authorized to legally bind Vendor when submitting the proposal. Unsigned proposals will not be accepted.
5. **Withdrawal** – Responses may be withdrawn by the firm submitting the information at any time prior to the closing date and time for receipt of responses, but may not be withdrawn for a period of one hundred and twenty (120) calendar days after the due date and time for receipt thereof. A proponent may withdraw their offer by submitting a written notification of its withdrawal signed by the proponent or authorized agent. Proponent may, thereafter, submit a new or modified offer prior to the designated submission time. Modification offered in any other manner, oral, or written, will not be considered. Final offers cannot be changed or withdrawn after the date and time designated for receipt.
6. **Information Request(s)** – In order to control information disseminated regarding this Request for Proposal, organizations interested in submitting responses are directed not to make personal contact with members of the governing Board, District Administration, or staff with the exception and permission of the individual listed below. All questions regarding this RFP are to be addressed to the individual listed below. Submit all questions via email only.

Dax Kajiwara, Director of Technology
dkajiwara@ausdk12.org

Submit your company, contact name and email address to the person listed above to be listed for any addenda's as needed.

7. **Right to Accept or Reject** – The Board of Education of the ALBANY UNIFIED SCHOOL DISTRICT reserves the right to accept or reject any or all proposals in their entirety or any portions(s) thereof and to waive any informality or irregularity in the Request for Proposal. As the District is applying for “E-rate ” funding, the final decision to award or reject may be linked to the approval of the “E-rate ” application and granting of maximum funding commitment allowed by the Universal Service Fund through the “E-rate ” program. Proponents shall be responsible for any and all expenses they may incur in preparing proposals. All proposals submitted to the District shall remain the property thereof.
8. **Forms of Agreement** – The District reserves the right to incorporate standard contractual provisions into any agreement executed in response to this request and to require indemnification from hard and such insurance as may be stipulated by the District. In addition, the District shall require any contract awarded as a result of this RFP to incorporate the General Terms and Conditions.
9. **Availability of Funds** – The District’s obligation herein is contingent upon receipt by ALBANY UNIFIED of the maximum funding commitment allowed by the Universal Service Fund through the “E-rate ” program. No legal liability on the part of the District for payment of any money shall arise unless and until funds are made available for this procurement through the “E-rate ” Program. The District may award a contract for all requirements outlined in the RFP, or any portion thereof, contingent upon the level of funding provided by the Schools and Libraries Division.
10. **Equal Opportunity** – It is the policy of the ALBANY UNIFIED SCHOOL DISTRICT Board of Education that in connection with all work performed under Purchasing Contracts there shall be no discrimination against any prospective or active employee engaged in work because of race, color, ancestry, national origin, sex, or religious creed. Therefore, the proponent(s) agrees to comply with applicable Federal and California laws including, but not limited to, the California Fair Employment & Housing Act. In addition, the successful proponent(s) agrees to require like compliance by all subcontractors employed on the job by him/her.
11. **Selection** – In accordance with the Public Contract Code of the State of California Section 20118.1, the governing board of any school district may contract with an acceptable party who is one of the three lowest responsible proponents for the procurement or maintenance, or both, of electrical data processing systems and supporting software in any manner the board deems appropriate. The District will determine which proposal, taken as a whole, is in the sole opinion of the District deemed to serve best the current needs and future expansion of the District’s requirements. Accordingly, it shall be understood by all proponents that price is not necessarily the sole criterion to be used in the evaluation and selection process, and that if the lowest cost alternative is not of sufficient quality or if there is not sufficient assurance or evidence of sufficient quality to meet stated requirements, the District reserves the right to select another alternative of the same or a different proponents.

Proponents' past performance, equipment, and ability to perform and complete the intended contract and to render the maintenance and other support services described in this RFP throughout the life of the contract will be important elements, along with the proposed cost (Submittal II), in providing the basis for evaluation and selection. In all these matters, the decision of the District regarding the final selection of the successful proponents and the proposed solution, service, equipment and in awarding of a contract shall be final.

12. **Quality of The Response** – The Quality of the response(s) submitted will be evaluated on the following:

- A. Completeness
- B. Thoroughness
- C. Accuracy
- D. Compliance with Proposal Instructions
- E. The organization and conciseness of descriptive text material
- F. Ability to Participate in the "E-rate " program

13. **Compliance** – Responses that do not comply with instructions and forms may be eliminated from further selection.

Basis of Selection

No commitment will be made to select a proponent's system(s) solely on the basis of cost. Selection will be made on a combination of factors including technical bid submittal, Service, Maintenance & Training. Proponent experience and references, Implementation Plan, Price and other customer satisfaction, customer references, and conformance to the specifications contained in this Request for Proposal.

The process that will be used by the district in selecting the firm to perform services outlined in the Request for Proposal will be as follows:

- A. **Screening & Selection** – The screening and selection will be performed by District Staff. All proposals submitted by firms will be reviewed. The committee will then formulate a recommendation to the Board of Education. The criterion to be used by the committee in the evaluation process is as follows:

Responses will be evaluated according to the following weighting:

No.	Factor	Total Points Available
1	Cost of eligible products and/or services	30
2	Provisions for upgradeability during contract	10
3	Design and Technical Bid Submittal	5
4	Implementation Cost	15
5	Vendor References	5
6	Experience with district	10
7	Ability to deliver service at start of contract	15
8	Uptime SLA	5
9	Financial stability	5
Total Points		100

14. **General** – Failure to obtain the RFP following prescribed procedures or obtaining the RFP with insufficient time to adequately respond will not be accepted as a mitigating circumstance and will not result in the granting of special considerations or waivers of any kind. Failure to execute all enclosed forms as required may result in disqualification. The proposal submitted must describe a system where elements are currently available.

15. **Addenda** – In the event revisions to this document become necessary, addendum will be provided to all proponents receiving the RFP from the issuing office, following established procedures.
16. **News Release** – News released pertaining to the award resulting from this RFP shall not be made without prior written approval of the Purchasing Agent.
17. **Disposition of Response** – All materials submitted in response to this request will become the property of the District and will be returned only at the District's option and at the proponent's expense. The master copy shall be retained for official files and will become a public record. However, confidential financial information submitted in support of the requirement to show proponent's responsibility and proprietary information will not be made public and will be returned upon request. Confidential and proprietary information must be identified as such.
18. The successful proponent must be able to fully participate in the E-rate program billing requirements and expect to receive reimbursement from the School and Libraries Division (E-rate) for the District's E-rate funding commitment. Awarded vendor will be required to utilize FCC Form 474 (Service Provider Invoice Process). AUSD will not participate in the FCC Form 472 (Billed Entity Applicant Reimbursement) process.
19. All pricing submitted shall be firm for a period of 120 calendar days from the proposal due date.

VENDOR BACKGROUND: Please respond to each of the Items listed below:

- How large is your current client base? _____
- Would we have a dedicated account team assigned to the District?
- Describe the members of the team and each person's responsibilities.
- How many customers does this account team handle?
- Would the account team be local?
- Provide an escalation list for the account team, with names, telephone numbers, and email addresses.
- For routine orders and changes, whom do we contact?
- Do you have your own service staff? If so, how many local technicians do you have?
- What is the location of the service staff?
- Are the technicians subcontractors?
- What hours are the technicians available?
- Describe how the technicians can be reached.
- How many technicians do you have on call?
- Who will be responsible for coordination of the installation?
- What are your SLAs for uptime and response time for outages?
- What is your policy if SLAs are not met? Is there a grievance procedure?
- What ongoing, preventive maintenance and monitoring do you perform after the service is installed in order to ensure SLA targets?

Appendix A**Site Location and CIR**

Site Name	Street Address	Required CIR	GROWTH
Albany High School	603 Key Route Blvd. Albany, CA 94706	1,000 Megabits/Second	10,000 Megabits/Second
Albany Middle School	1259 Brighton Ave. Albany CA 94706	1,000 Megabits/Second	10,000 Megabits/Second
Albany Middle School Annex	601 San Gabriel Ave. Albany, CA 94706	1,000 Megabits/Second	10,000 Megabits/Second
Cornell Elementary School	920 Talbot Ave. Albany, CA 94706	1,000 Megabits/Second	10,000 Megabits/Second
Marin Elementary School	1001 Santa Fe Ave. Albany, CA 94706	1,000 Megabits/Second	10,000 Megabits/Second
Ocean View Elementary School	1000 Jackson St. Albany, CA 94706	1,000 Megabits/Second	10,000 Megabits/Second
Albany Children's Center	720 Jackson St. Albany, CA 94706	1,000 Megabits/Second	10,000 Megabits/Second

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP**

Regular Meeting of January 23, 2018

ITEM: AGREEMENT WITH SUNESYS FOR WIDE AREA NETWORK (WAN) SERVICES

PREPARED BY: ALLAN GARDE, CHIEF BUSINESS OFFICIAL

TYPE OF ITEM: REVIEW AND ACTION

PURPOSE: To approve the contract for the fiber optic connections that form the AUSD Wide Area Network (WAN).

BACKGROUND INFORMATION: All AUSD sites have access to the Internet via a single fiber optic connection from the Albany High School to the Alameda County Office of Education. The AUSD WAN consists of fiber optic lines connecting all other AUSD school sites to AHS so that the school sites can communicate with other sites and access the Internet.

The current contract for WAN services with Sunesys LLC expires 11/2018. A new contract is necessary at this time in order to apply for E-rate funding for next year.

AUSD prepared and published an RFP in October 2017. Bids were due on November 9, 2017. Two bids were received by the deadline and were evaluated for cost and other considerations. The Sunesys bid was the low bid and was selected to continue to provide WAN services. An Intent to Award the bid to Sunesys was posted on the AUSD website on 11/11/17.

DETAILS: The Sunesys contract will start next school year and will run through June 30, 2022. A optional one year extension is available after the main term of the contract expires. Sunesys will provide the fiber optic connections between all school sites (excepting the District Office) and Albany High School with a data rate of 1 Gbps (gigabit per second). A provision to increase the data rate is included in the contract in the event that AUSD has increased data needs during the term of the contract.

The Master License Agreement and Fiber License with Sunesys has been reviewed by legal counsel.

KEY QUESTIONS/ANSWERS:

1. How does this cost compare to the current agreement for WAN services?
 - a. The cost in this proposal is virtually the same.

FINANCIAL INFORMATION:

This contract will cost \$4,710/month over the term of the contract.

STRATEGIC GOALS ADDRESSED:

Objective #3: Communicate and Lead Together.

Goal: All stakeholders will collaborate and communicate about decisions that guide the sites and district.

RECOMMENDATION: Approve the contract with Sunesys to provide WAN services

MASTER LICENSE AGREEMENT

THIS MASTER LICENSE AGREEMENT (“**Agreement**”), dated as of December 21, 2017, between Sunesys, LLC (“**Company**”) and the customer identified below (“**Licensee**”), sets forth the terms and conditions under which Company, and one or more of its “Affiliates” (as defined below), may issue licenses to Licensee to use (1) Company’s SunE™ switched Ethernet, SunEP™ managed private Ethernet, and SunWave™ private wavelength (collectively, “**Lit Fiber**”); (2) Company’s SunColo™ collocation space (“**Collocation**”); (3) Company’s SunDF™ dark fiber (“**Dark Fiber**”), and/or (4) Company’s SunIP™ Internet access (“**Internet Access**”), each as more fully described in the applicable Facility Guide. Lit Fiber, Collocation, Dark Fiber and Internet Access are sometimes individually referred to below as a “**Facility**” and collectively as the “**Facilities.**” The Facility Guides attached to this Agreement only apply to the extent that Licensee has entered into a License to use the Facility described in the applicable Facility Guide. To the extent that Facility Guides pertaining to certain of the Facilities offered by Company are not made a part of this Agreement as of the Effective Date, they may be added by amendment, when and if the Licensee elects to license one of those Facilities. Company and Licensee may be referred to as the “**Parties**” or individually as a “**Party.**” “**Affiliate**” means, with respect to a Party to this Agreement or a License, any person or entity which directly or indirectly controls, is controlled by or is under common control with the referenced Party.

This Agreement consists of this cover page (“**Cover Page**”), the General Terms and Conditions attached hereto (“**Terms and Conditions**”), any written amendments executed by the Parties (“**Amendments**”), the Facility Guides attached hereto or subsequently added by way of an Amendment (each a “**Facility Guide**”) and any and all licenses (each a “**License**”) executed by the Parties. This Agreement is effective the date it is countersigned by Company as indicated below (the “**Effective Date**”).

Licensee:
Albany Unified School District
 1051 Monroe St
 Albany, CA 94706

Authorized Contact:
 Telephone:
 Email:

Dax Kajiwarra
 (510) 558-8195
 dkajiwarra@ausdk12.org

Licensee’s use of Facilities is also subject to Company’s Acceptable Use Policy, Company’s Privacy Policy and such other policies (collectively the “**Policies**”) posted at Company’s website located at <http://sunesys.com>. Facilities may not be transferred.

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THROUGH THE SIGNATURES OF THEIR DULY AUTHORIZED REPRESENTATIVES BELOW, THE PARTIES AGREE TO THE TERMS AND CONDITIONS OF THIS AGREEMENT.

SUNESYS, LLC

ALBANY UNIFIED SCHOOL DISTRICT

Authorized Signature

Authorized Signature

Printed Name and Title

Printed Name and Title

Effective Date

Date

Applicable Attachments:

Attachment 1: General Terms and Conditions
Attachment 2: Lit Fiber Facility Guide

Attachment 3: Internet Access Facility Guide
Attachments 4(A) & 4(B): License Forms

Facilities provided in the states below will be provided either by Company or the Affiliate of Company designated below:

Fiber Technologies Networks, L.L.C.
Fibernet Direct Florida LLC.
Fibernet Direct Texas LLC.
Access Fiber Group, Inc.
Wilshire Connection, LLC
Lighttower Fiber Networks II, LLC

-Indiana, Kentucky, Michigan, Ohio, West Virginia, Wisconsin
-Florida , Georgia
-Louisiana, Oklahoma, Texas
-Alabama, Missouri, Tennessee
-California
-Connecticut, Delaware, District of Columbia, Illinois, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, Vermont, Virginia

ATTACHMENT 1
GENERAL TERMS AND CONDITIONS

1. SCOPE OF AGREEMENT.

1.1 General. In accordance with the terms and conditions of this Agreement, Company shall provide the use of certain Facilities to Licensee as specified in one or more Licenses executed and delivered by the Parties.

1.2 Agreement Term. The initial term of this Agreement (“**Initial Term**”) shall begin as of the Effective Date and shall continue in effect until June 30, 2022, unless earlier terminated in accordance with this Agreement. After the expiration of the Initial Term, this Agreement shall be automatically renewed for additional one (1) year terms (each a “**Renewal Term**” and collectively with the Initial Term, the “**Term**”) unless either Party gives the other notice of intention not to renew this Agreement at least thirty (30) days prior to expiration of the Initial Term or Renewal Term then in effect. The terms and conditions of this Agreement shall continue to apply to each License executed and delivered hereunder, notwithstanding the earlier termination or expiration of this Agreement, until the expiration or earlier termination of the last License Term (as defined in Section 2.4 below).

2. LICENSE PROCESS.

2.1 License Contents. Licenses shall identify at a minimum: (a) the Facility(s) Licensee will use; (b) the Initial License Term (as defined in Section 2.4 below); (c) a requested target delivery date; and (d) applicable non-recurring and recurring charges (together with any other taxes, fees, costs, charges, reimbursements and expenses expressly contemplated in this Agreement, collectively, “**Charges**”) for each Facility. Licenses shall be memorialized using the License form attached hereto or such other form approved by Company from time to time. Unless otherwise provided in a License, Company may choose the equipment or facilities constituting the Facilities and may substitute, change or rearrange any such equipment or facilities at any time or from time to time as long as the Facility quality or type of Facility is not materially impaired or changed.

2.2 Grant of License. Company grants to Licensee and Licensee accepts from Company a license to use each Facility that is the subject of a fully executed License solely on the terms and conditions of this Agreement, including each applicable License. A License shall become binding on the Parties when it is signed and delivered by both Parties. When a License becomes effective it shall be deemed part of, and shall be subject to, this Agreement. Nothing in this Agreement shall be construed to obligate either Party to execute any Licenses.

2.3 Commencement Date. Except as otherwise agreed to in the applicable License, Charges shall begin to accrue on the “**Commencement Date**” as determined consistent with Section 6.1. No failure of performance or delay attributable to Licensee or Licensee’s employees, agents, or contractors (collectively, “**Representatives**”), or any failure, incompatibility, or unavailability of Licensee’s equipment, facilities, or systems not provided by Company, shall delay the Commencement Date or otherwise excuse Licensee from making payment for a Facility at such time as Company would be ready to provide the Facility, regardless of whether Licensee is ready to use the Facility. Company shall not incur liability of any kind for delays or inability to install a Facility based on acts or omissions of Licensee, its Representatives or end users.

2.4 License Term.

(a) The initial term for which Licensee shall pay for and Company shall provide each Facility shall be as indicated in the applicable License (“**Initial License Term**”). The Initial License Term shall commence on the Commencement Date for the applicable Facility (or if more than one Facility is the subject of a License, and the License does not indicate that Facilities have separate License Terms, upon the last Commencement Date for any Facility). Except as otherwise stated in this Agreement (including any applicable Facility Guide or License), upon the expiration of the Initial License Term for any particular Facility, the Initial License Term for each Facility shall automatically renew for additional periods equal in length to the Initial License Term

(each a “**Renewal License Term**”), unless written notice of non-renewal is delivered by either Party to the other at least thirty (30) days before the expiration of the Initial License Term or Renewal License Term then in effect for the Facility. The Initial License Term, together with any Renewal License Terms, shall be referred to collectively as the “**License Term**.”

(b) Upon the expiration or earlier termination of the License Term, Licensee shall cease using the applicable Facility, all of Licensee’s rights in the applicable Facility shall automatically terminate and revert to Company, and neither Licensee nor Company shall have any further obligations relating to that Facility except for any unpaid charges or defaults not cured prior to the expiration or earlier termination of the applicable License Term, and other obligations that expressly survive expiration or other termination of this Agreement or the applicable License.

2.5 Affiliate Licenses. Company’s Affiliates shall be permitted to execute Licenses hereunder. In that case such Company Affiliate executing the License shall be bound by the terms and conditions of this Agreement as if such Affiliate were a signatory hereto for each Facility described in such License and all references to “Company,” “Party” or “Parties” shall be deemed to refer to such Affiliate when reasonably appropriate under the circumstances. In such event, the Company Affiliate executing the License shall be solely responsible for all rights and obligations arising hereunder and thereunder and neither Sunesys, LLC nor any other Company Affiliate shall have any liability whatsoever in connection with any such Company Affiliate License(s).

2.6 Other Users. Nothing in this Agreement shall preclude Company or any Company Affiliate from using Company’s systems or fiber network (collectively, “**System**”) or Company’s other equipment or facilities to provide Facilities to third parties (including through the license of Facilities to other licensees).

3. LICENSEE RESPONSIBILITIES.

3.1 Use of Facilities by Licensee. Licensee shall not, nor permit others to, use any Facility for any unlawful purpose or in any unlawful manner and all use of Facilities by and through Licensee will at all times comply with all applicable laws, regulations, Policies, and Company’s written and electronic instructions for use.

3.2 Licensee Equipment. Licensee shall, at its own expense, procure and configure any Licensee equipment necessary to implement or use the Facilities, unless otherwise set forth in the applicable License. Licensee shall ensure that all such Licensee equipment complies with Company’s specifications for use of Facilities, and do not interfere with or impair the System or any equipment or facilities of Company or of other licensees. Company reserves the right, at its option and without penalty of any kind, to suspend Licensee’s use of any Facilities if any Licensee equipment or facilities do not comply with the foregoing provisions.

3.3 Licensee Facilities.

(a) Licensee shall furnish or arrange to have furnished to Company, at no charge to Company, such environment, space, and/or electrical power within Licensee’s premises as required by Company to install, operate, maintain, repair, replace, and remove any Facility under this Agreement. If Company has reasonably incurred any costs or expenses in installing or preparing to install any Facility that it otherwise would not have incurred, Licensee shall be responsible for all associated reasonable costs and expenses. Licensee shall ensure that Company has such access to Licensee’s premises as necessary for Company to perform its obligations under this Agreement.

(b) As between Company and Licensee, the System and all equipment and facilities provided by Company shall be and remain Company’s property at all times. Licensee shall not tamper with, remove or conceal identifying plates, tags, or labels on the System or any such Company equipment and facilities showing the ownership interest of Company. Licensee shall take no action that directly

or indirectly impairs Company's title to, or that imposes any claim, lien, or encumbrance on, the System or Company's equipment or facilities. Company may remove Company's equipment and facilities from Licensee's premises upon expiration or earlier termination of the applicable License Term.

(c) Licensee shall reimburse Company for any damage to Company's equipment or facilities caused by: (i) the acts or omissions of Licensee, its Representatives or end users; (ii) malfunction of any equipment or facilities not provided by Company and used by Licensee or Licensee's Representatives or end users in connection with any Facility; or (iii) fire, theft or other casualty on the premises of Licensee.

(d) Except as the context otherwise requires, any references to Company's "facilities" or "equipment" in this Agreement shall include, but not be limited to, any facilities, equipment, and other assets (including fiber or any other portion of the System) constituting the Facility licensed hereunder.

(e) Licensee shall at its sole cost and expense promptly remediate any release of a Hazardous Substance resulting from Licensee's activities or operations. "**Hazardous Substances**" shall include any pollutant, toxic substance, element, compound, chemical, waste, or other material (including but not limited to petroleum hydrocarbons, asbestos, lead paint, and radon gas) that is regulated by any federal, state, or local statute, ordinance, order, or action, or that presents a risk to human health or the environment.

3.4 Licensee Authorizations for Use of Facilities. Licensee, at its sole cost and expense, shall obtain and maintain any and all necessary easements, licenses, permits, franchises and other approvals that may be required by any property owner or licensor, or any federal, state, local or tribal law, statute, regulation or ordinance, as the same may now or in the future be applicable to Licensee's use of the Facilities as provided in this Agreement.

3.5 No Unauthorized Access to Company Property. Licensee shall not, nor permit others to, rearrange, disconnect, remove, attempt to maintain, repair or otherwise touch or access any part of the

System or any Company equipment or facilities, without the prior written consent of Company, which consent may be withheld in Company's sole discretion. Any access granted by Company shall be upon the terms and conditions specified by Company including requiring that a Company employee or contractor be present at Licensee's expense. Licensee will indemnify, defend and hold the Company and its Affiliates harmless from any penalties associated with, or damages caused by, any such authorized or unauthorized access to the System, or any Company equipment or facilities.

4. REQUIRED RIGHTS; MAINTENANCE.

4.1 Required Rights. At Company's sole cost and expense, Company will use commercially reasonable efforts to obtain and maintain in full force and effect during the applicable License Term all applicable authorizations, leases, licenses, easements, rights-of-way, franchises, approvals, permits and other governmental and private property rights necessary for Company to lawfully construct, install, maintain and repair the Company's equipment, facilities and System that support Facilities licensed to Licensee (collectively, the "**Required Rights**"). Each License and associated license granted to Licensee is subject to all Required Rights terms, conditions, limitations, restrictions and reservations, and Licensee shall not engage in any activity that impairs or adversely affects any Required Rights.

4.2 Loss of Required Rights. If Company fails to obtain or cause to remain effective throughout the applicable License Term all Required Rights for the Facility, and such failure actually and materially interrupts Licensee's use of a Facility, either Party may terminate the affected Facility upon written notice. In the event of such termination, any Charges for that Facility shall abate from the effective date of termination and any previously paid recurring Charges attributable for any period beyond such date shall be returned to Licensee. So long as Company had used commercially reasonable efforts, Company's failure to obtain or cause to remain effective Required Rights does not constitute a breach of this Agreement or any License.

4.3 Maintenance. Company shall be solely responsible for the maintenance of equipment and facilities owned or otherwise controlled by Company, and Company shall use commercially reasonable efforts to maintain such facilities and equipment in accordance with Company's standard practices (which shall not deviate in any material respect from standard industry practices). All maintenance is included in the Charges set forth in the applicable License, except to the extent that the need for the maintenance or repair was caused by the acts or omissions of Licensee or its Representatives in which case Licensee shall reimburse Company's costs and expenses incurred in performing the same.

5. REGULATORY CHANGES. The Parties agree that in the event of any decision after the Effective Date by a legislative, regulatory or judicial body, including any regulatory or judicial order, rule, regulation, decision in any arbitration or other dispute resolution or other legal or regulatory action that materially affects the provisions of this Agreement or Company's ability to provide Facilities on the terms of this Agreement or the applicable License, Company may, by providing written notice to the Licensee, require that the affected provisions of this Agreement or the applicable License be renegotiated in good faith. If the Parties cannot reach resolution on new Agreement terms, Company may, in its sole discretion, terminate without penalty the affected Facilities, in whole or in part, upon written notice to Licensee.

6. PAYMENT TERMS.

6.1 Charges.

(a) Recurring Charges. Except as otherwise agreed to in the applicable License, the "**Acceptance Date**" shall be as determined under the applicable Facility Guide. Monthly recurring Charges for a Facility are due beginning on the first day of the month following the month in which the Acceptance Date occurs, and on the first day of each subsequent month thereafter (the date that monthly recurring Charges first become due as just provided, the "**Commencement Date**").

(b) Non-Recurring Charges. Non-recurring Charges (e.g., installation charges, construction fees, extended demarcation fees, facility entrance fees, cross-connect fees and/or expedite fees) are due in full as of the Commencement Date, or as otherwise provided in the License.

(c) Certain Payment Terms. Licensee agrees to pay all undisputed Charges on or before the date that is thirty (30) calendar days after receipt of invoice ("**Due Date**"). If payment is not received by Company on, or disputed in good faith by Licensee by, the next business day after the Due Date, the balance due shall be subject to an interest charge on delinquent amounts at the lower of one and one-half percent (1½%) per month, or the highest rate permissible at law, until paid. The amounts due to Company hereunder are due and payable without set off. Partial payment of any bill will be applied to the Licensee's outstanding Charges and accrued interest as determined by Company. No acceptance of partial payment by Company shall constitute a waiver of any rights to collect the full balance owed under this Agreement.

6.2 Pricing Adjustments after Initial Term. Unless a License expressly contemplates one or more Renewal License Terms and associated recurring Charges that would apply during any such renewal(s), effective at any time after the end of the Initial License Term for any Facility and from time to time thereafter, Company may modify the recurring Charges for such Facilities on thirty (30) days prior written notice to Licensee. Licensee will have thirty (30) days from receipt of such notice to cancel the applicable Facility without further liability. Should Licensee fail to cancel within this timeframe, Licensee will be deemed to have accepted the modified Facility pricing.

6.3 Taxes and Surcharges. Any and all applicable federal, state, local or foreign use, excise, sales, gross receipts or privilege taxes, charges or surcharges (however designated), value-added and other taxes, levies, surcharges, duties, fees, state and federal universal service fund surcharges, TRS fund surcharges or other tax-related surcharges, chargeable to or against Company because of

Facilities provided to Licensee, including any charges mandated or imposed on Company by regulatory agencies or others shall be charged to and payable by Licensee in addition to the Charges; provided, however, if Licensee believes it is exempt from any of the foregoing, Licensee will provide Company with an exemption certificate acceptable to Company evidencing such claimed exemption with or prior to Licensee's submission of its initial License and thereafter within thirty (30) days of the Licensee's exemption filing made with the appropriate federal or other regulatory agency. Exemption certificates will not be applied retroactively to Charges billed prior to the date the exemption certificate is received by Company and Company will not refund any payments for taxes and other surcharges made to Company even if Licensee was eligible for an exemption from those taxes or surcharges. Licensee shall indemnify, defend and hold harmless Company against any Liabilities (as defined in Section 9 below) suffered by Company arising out of any exemption claimed by Licensee, including, without limitation, any attachments, fines or penalties.

6.4 Third Party Services. Unless otherwise set forth in a Facility Guide or a License, Licensee is solely responsible for coordination of and payment for all applications, equipment, products and services of whatever nature received by Licensee from a third party ("**Third Party Services**").

6.5 Extraordinary Charges. Company may invoice and Licensee shall be responsible for paying any fees, costs, charges and expenses reasonably incurred by Company beyond those normally associated with the Facilities that are the direct result of: (a) receipt of inaccurate information from Licensee; (b) reinstallation charges following any suspension of Licensee's use of a Facility for cause by Company; or (c) Licensee's request for Company's on-site assistance with respect to Licensee equipment problems or outages if Company determines that the problem or outage was not a result of Company's System, equipment or facilities.

6.6 Disputed Bills. If Licensee disputes in good faith any portion of an invoice, Licensee shall pay the undisputed portion of the invoice and submit a written claim, including all documentation substantiating Licensee's claim, to Company for the disputed amount of the invoice by the Due Date. The Parties shall negotiate in good faith to resolve any billing dispute. In the event that such dispute cannot be resolved, the Parties agree to comply with the Dispute resolution procedures set forth in Section 12 below.

7. **DEFAULT AND REMEDIES.**

7.1 Event of Default. The following shall constitute events of default ("**Default**") under this Agreement:

(a) By Licensee.

(i) Licensee's failure to pay any invoice or other amount due within ten (10) days after Licensee's receipt of notice that a payment is past due (provided, however, that Licensee shall only have the right to cure such late payment one (1) time in any twelve (12) month period); and

(ii) Licensee's breach of any material term of this Agreement or a Policy (other than payment terms) where such breach remains uncured for more than thirty (30) days from the date of Licensee's receipt of notice thereof, provided, however, if such breach is not capable of cure within such thirty (30) day period, if Licensee fails to commence to cure such breach or thereafter diligently pursue completion of such cure; or

(b) By Company. Company's breach of any material term of this Agreement where such breach remains uncured for more than thirty (30) days from the date of Company's receipt of notice thereof provided, however, if such breach is not capable of cure within such thirty (30) day period, if Company fails to commence to cure such breach or thereafter diligently pursue completion of such cure.

7.2 Remedies on Default.

(a) Company's Remedies. Upon any Default by Licensee, Company may, in its sole discretion and without waiving any other rights or remedies available to it, do any or all of the following: (i) suspend or terminate Licensee's use of Facilities (either completely or only with respect to any affected License) and recover reconnection fees and other costs if applicable; (ii) apply or enforce any deposit/payment assurance and/or enforce any security interest provided by Licensee; and/or (iii) pursue any other remedies available at law or in equity not limited by the express terms of this Agreement.

(b) Licensee's Remedies. Upon any Default by Company, unless the Agreement stipulates a remedy as being the sole remedy available to Licensee for the Default in question, Licensee may terminate the affected Facility without further liability to Company.

8. WARRANTIES; LIMITATIONS OF LIABILITY.

8.1 Exclusion of Warranties. THE WARRANTIES EXPRESSLY SET FORTH IN THIS AGREEMENT CONSTITUTE THE ONLY WARRANTIES PROVIDED BY COMPANY WITH RESPECT TO THIS AGREEMENT AND FACILITIES PROVIDED HEREUNDER. TO THE MAXIMUM EXTENT ALLOWED BY LAW, COMPANY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER WRITTEN OR ORAL, STATUTORY OR CONTRACTUAL, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR FOR A PARTICULAR USE AND NON-INFRINGEMENT. NO WARRANTY IS MADE OR PASSED ON WITH RESPECT TO ANY THIRD PARTY SERVICES. Without limiting the generality of the foregoing, and except as expressly otherwise stated in this Agreement, Company does not warrant that the Facilities licensed to Licensee hereunder will be uninterrupted, error-free, or free of latency or delay, that the Facilities will meet

Licensee's requirements, or that the Facilities will prevent unauthorized access by third parties. All Facilities are licensed "as is" and "with all faults" unless otherwise specified in writing.

8.2 Limitations of Liability. Notwithstanding any contrary provision herein, Company's total aggregate liability arising out of any License, including, without limitation, any delays in installation, commencement, or restoration of Licensee's use of a Facility, accidents, omissions, outages or interruptions or errors or defects in transmission shall not exceed three months' monthly recurring Charges for the affected Facility under the applicable License from which the liability arises. Without limiting the generality of the foregoing, Company shall have no obligation to provide alternative routing with respect to any Facility provided pursuant to this Agreement. In no event shall Company be liable in any way to any of Licensee's customers or end users.

8.3 No Consequential Damages. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER OR TO ANY THIRD PARTIES FOR ANY OUTAGES OR INCORRECT OR DEFECTIVE TRANSMISSIONS OR FOR ANY INDIRECT, CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF REVENUES, PROFITS, BUSINESS INTERRUPTIONS OR BUSINESS OPPORTUNITIES OR GOODWILL) RELATING TO OR ARISING FROM LICENSEE'S USE OF FACILITIES UNDER THIS AGREEMENT, OR OTHERWISE RELATING TO THE PERFORMANCE OR NONPERFORMANCE BY EITHER PARTY OF ITS OBLIGATIONS UNDER THIS AGREEMENT, WHETHER OR NOT EITHER PARTY HAD OR SHOULD HAVE HAD ANY KNOWLEDGE, ACTUAL OR CONSTRUCTIVE, THAT SUCH DAMAGES MIGHT BE INCURRED. DAMAGES PAID BY LICENSEE TO ANY THIRD PARTY SHALL BE CONSIDERED INDIRECT DAMAGES FOR THE PURPOSES OF THIS PROVISION. THIS SECTION SHALL SURVIVE FAILURE OF ANY EXCLUSIVE REMEDY AND THE

TERMINATION OF THIS AGREEMENT. In no event shall Company be liable for any loss, damage or claim arising out of or related to: (i) stored, transmitted, or recorded data, files, or software or loss thereof; (ii) any act or omission of Licensee, its Representatives, end users or third parties; (iii) interoperability, interaction or interconnection of the Facilities with Third Party Services; or (iv) loss or destruction of any Licensee hardware, software, files or data resulting from any virus or other harmful feature or from any attempt to remove it. Licensee acknowledges that it has been advised to back up all data, files and software prior to the Commencement Date of each Facility and at regular intervals thereafter.

9. INDEMNIFICATION.

(a) Subject to the terms, conditions and limitations of this Agreement, Company agrees to defend, hold harmless, and indemnify Licensee, its Affiliates, and their respective employees, directors, officers and agents (“**Licensee Indemnitees**”) from and against all claims, actions, damages, and/or liabilities, together with any and all losses, fines, penalties, costs, and expenses, including, without limitation, fines and penalties imposed by governmental entities (collectively, “**Liabilities**”) suffered by any third party and proximately caused by the negligence or willful misconduct of Company, or of Company’s directors, officers, employees, contractors, or agents.

(b) Subject to the terms, conditions and limitations of this Agreement, Licensee agrees to defend, hold harmless, and indemnify Company, its Affiliates, and their respective employees, directors, officers and agents (“**Company Indemnitees**”) from and against all Liabilities suffered by any third party and proximately caused by the negligence or willful misconduct of Licensee, or of Licensee’s directors, officers, employees, contractors, or agents.

(c) Notwithstanding the foregoing, a Party’s obligation to indemnify the other Party and the other Party’s Indemnitees shall be reduced to the extent, and in the proportion, that any such Liabilities have been proximately caused by the negligence or willful

misconduct of the other Party or the other Party’s Indemnitees.

10. INSURANCE.

10.1 General Insurance. During the Term of this Agreement (including the duration of any License in effect after expiration or termination of the Term), both Parties shall, at their own expense, provide and keep in full force and effect the following liability insurance policies (purchased from and maintained with companies rated AX or better by Best’s Key Rating Guide), and each Party shall name the other Party as an additional insured on the commercial general liability and automobile liability policies:

(a) Commercial general liability insurance including coverage for (i) premises/operations, (ii) independent contractors, (iii) products/completed operations, (iv) personal and advertising injury, (v) contractual liability covering the indemnification obligations of this Agreement, and (vi) explosion, collapse, and underground hazards, in each case with combined single limit of at least \$5,000,000.00 each occurrence or its equivalent (which may be met by a combination of primary and excess or umbrella policies);

(b) Worker’s compensation insurance in amounts required by applicable laws and employer’s liability insurance with a limit of at least \$1,000,000.00 each accident; and

(c) Automobile liability insurance, including coverage for owned/leased, non-owned or hired automobiles with combined single limit of at least \$1,000,000.00 for each accident.

10.2 Insurance Cancellation. All such policies will contain a provision that the insurance carrier will provide at least 30 days’ prior written notice of cancellation, except for non-payment of premium, to the other Party, and all such policies will be verified with an insurance certificate furnished promptly after the Effective Date. These insurance obligations will not relieve a Party of any of its obligations under this Agreement.

10.3 Waiver of Subrogation. Except as provided in Sections 3.3(c), 3.5 and 4.3 above, each Party waives all other recovery rights against the other Party and against the other Party's officers, directors, stockholders, partners, joint venturers, employees, agents, customers, invitees, or business visitors, in each case for any loss arising from any cause covered or that could be covered by fire, extended coverage, "all risks," or other insurance required under this Agreement, whether existing now or in the future, irrespective of whether such insurance was required under this Agreement. Each Party will obtain, from the insurance companies providing the coverage required by this Agreement, a waiver of subrogation against the other Party consistent with this subsection.

11. CONFIDENTIALITY.

11.1 Pre-Existing Agreement Controls. If the Parties have executed a non-disclosure or confidentiality agreement and such agreement remains in force, the terms of that agreement shall apply. If the Parties have not executed a non-disclosure or confidentiality agreement or such agreement lapses, terminates or expires, each Party agrees to limit use and prevent disclosure of the other Party's Confidential Information (as defined in Section 11.3 below) in accordance with this section.

11.2 Limitations on Disclosure and Use. All Confidential Information disclosed by a Party (the "Disclosing Party") shall be kept by the receiving Party (the "Receiving Party") in strict confidence and shall not be disclosed to any third party or used for any purpose other than as expressly contemplated in this Agreement without the Disclosing Party's prior express written consent which may be withheld in the Disclosing Party's sole discretion. Notwithstanding the foregoing, such information may be disclosed (a) to the Receiving Party's attorneys, auditors, bankers and similar advisors (collectively, "Advisors") and Representatives who have a need to know for the purpose of performing under this Agreement (provided that in all cases the Receiving Party shall take appropriate measures prior to disclosure to its Advisors and Representatives to assure against unauthorized use or disclosure); or (b) as otherwise

authorized by this Agreement. The Receiving Party agrees to treat the Disclosing Party's Confidential Information in the same manner as the Receiving Party treats its own proprietary information, but in no case using a degree of care less than a reasonable degree of care.

11.3 Definition. "Confidential Information" means all information regarding the Disclosing Party's business which has been marked or is otherwise communicated as being "proprietary" or "confidential" or which reasonably should be known by the Receiving Party to be proprietary or confidential information under the circumstances. Without limiting the generality of the foregoing, Confidential Information shall include, without limitation, even if not marked, this Agreement, all Licenses, proposals, quotes, rate information, discount information, subscriber information, network upgrade information and schedules, and network operation information (including without limitation information about outages and planned maintenance).

11.4 Exceptions. Notwithstanding the foregoing, Receiving Party's confidentiality obligations hereunder shall not apply to information disclosed to it by the Disclosing Party that: (a) is already known to the Receiving Party without a pre-existing restriction as to disclosure and use; (b) is or becomes publicly available without the Disclosing Party's fault; (c) is rightfully obtained by the Receiving Party from a third party without restriction as to disclosure and use; (d) is approved for release by the prior written authorization of a duly authorized representative of the Disclosing Party; (e) is developed independently by the Receiving Party without use of or reference to the Disclosing Party's Confidential Information; or (f) is required to be disclosed by law or regulation in which case the Receiving Party shall provide as much advance notice to the Disclosing Party, unless prohibited by law, as is practical under the circumstances to allow the Disclosing Party an opportunity to take appropriate steps to protect the Confidential Information.

11.5 Remedies. Each Party acknowledges that breach of this Section 11 would cause irreparable harm and damage to the other Party. Accordingly, each Party shall be entitled to seek equitable relief to protect its interests pursuant to this Section 11, including, but not limited to, injunctive relief.

11.6 Survival of Confidentiality Obligations. The obligations of confidentiality and limitation of use described in this Section 11 shall survive the expiration and termination of this Agreement for a period of two (2) years (or such longer period as may be required by law in the case of trade secrets).

12. **DISPUTE RESOLUTION**. Except as otherwise provided herein, any dispute, controversy, or claim (“**Dispute**”) arising out of or related to this Agreement shall be resolved in accordance with the procedures set forth in this Section. Upon the written request of either Party, each of the Parties shall appoint, within five (5) business days after a Party’s receipt of such request, a designated representative who has authority to negotiate settlement of the Dispute, and the Parties shall attempt in good faith to negotiate a resolution of the Dispute. If the Parties are unable to resolve issues related to a Dispute within thirty (30) days, either Party may pursue other remedies available at law or equity not limited by the express terms of this Agreement.

13. NOTICE.

13.1 Notice Addresses. Unless otherwise provided in this Agreement, and except for payments which shall be sent to the address indicated on Company’s invoices, all notices and communications concerning this Agreement shall be in writing and addressed to the other party as follows:

(a) If to Licensee, to Licensee’s address indicated on the Cover Page.

(b) If to Company:

Sunesys, LLC
c/o Crown Castle
2000 Corporate Drive
Canonsburg, PA 15317
Attn: General Counsel – SCN

with a copy to:

Sunesys, LLC
c/o Crown Castle
2000 Corporate Drive
Canonsburg, PA 15317
Attn: SCN Contracts Management

13.2 Notice and Delivery. Unless otherwise provided herein, notices shall be hand delivered, sent by registered or certified U.S. Mail, postage prepaid, return receipt requested, or by commercial overnight delivery service and shall be deemed served or delivered to the addressee when received or refused at the address` for notice specified above (or such other address as a Party might indicate by way of a notice delivered consistent with this Section 13) when hand delivered, two business days after deposit in the U.S. Mail, or on the next business day after being sent by overnight delivery service.

14. BUILDING ENTRY RIGHTS; RELOCATION.

14.1 Building Entry Rights. The Party indicated in a License shall be responsible for obtaining, at no cost to the other, rights to allow Company to: (a) enter buildings where the termination points for the fiber portion of the System will be located, (b) bring fiber from the public right of way into those buildings, and (c) use fiber conduits and risers within any such buildings (collectively, “**Building Entry Rights**”). To the extent that it is necessary to obtain Building Entry Rights, the Parties will assist each other in obtaining the Building Entry Rights and the Party responsible for obtaining such rights will reimburse the assisting Party for any costs which the non-responsible Party reasonably incurs in doing so. Where a License indicates that Company is responsible for obtaining Building Entry Rights, if the Parties elect to execute a License before Company has secured all Building Entry Rights, then any Commencement Date commitment shall be extended as reasonably necessary to reflect any delays in obtaining Building Entry Rights.

14.2 Relocation.

(a) If Company is required (i) by any governmental authority under the power of eminent domain or otherwise, (ii) by the grantor or provider of any Required Right, (iii) by any other person having the authority to so require (each a “**Relocating Authority**”), or (iv) by the occurrence of any Force Majeure Event, to relocate any portion of a System that supports a Facility, Company will have the right to either proceed with such relocation, including the right, in good faith, to reasonably determine the extent and timing of, and methods to be used for, such relocation, or to pay such amounts to the Relocating Authority as are necessary to avoid the need for such relocation. Company will keep Licensee fully informed of determinations made by Company in connection with any such relocation. Company shall endeavor to provide Licensee no less than sixty (60) days’ prior written notice of any relocation, and in any event, as much advance notice as is commercially feasible under the circumstances.

(b) For Lit Fiber Facilities, Company shall pay for the costs of any relocation required by this Section 14.2. For Dark Fiber Facilities, Company, Licensee and any other Company customers using the portion of the System being relocated pursuant to Section 14.2 shall pay their “Pro Rata Share” of the cost of such relocation that is not paid by the Relocating Authority. “**Pro Rata Share**” shall mean a fraction whose numerator is the total number of strands of fiber such person is using in the System portion being relocated, and whose denominator is the total number of strands of fiber included within the System portion being relocated. Notwithstanding the foregoing, if the relocation was the result of the negligent or willful acts or omissions of Licensee or Licensee’s Representatives or end users, or at Licensee’s request, then Licensee shall be solely responsible for the costs of relocation.

(c) Notwithstanding the foregoing, if a relocation would result in the remaining portion of the System being unable to be restored or relocated to a condition suitable for Licensee’s use of the applicable Facility, as determined in Company’s reasonable discretion, Company shall have the right,

without penalty, to terminate the applicable License.

15. **SMALL CELL USE RESTRICTION.**

Facilities provided to Licensee hereunder shall not be used by Licensee, directly or indirectly, to support any Small Cells. For purposes of this Agreement, “**Small Cells**” means one or more discrete, multi-frequency, scalable small cells that transmit and receive wireless communications signals on one or more licensed bands to improve voice and data service quality, coverage, and/or capacity. Company may suspend or terminate without penalty any or all Facilities immediately and/or terminate this Agreement if Licensee fails to comply with this provision.

16. **MISCELLANEOUS PROVISIONS.**

16.1 Force Majeure.

(a) Except for the submission of payment when due, neither Party shall be liable for any failure or delay of performance to the extent that such failure or delay is caused by reason of acts of God, wars, revolution, civil commotion, acts of public enemy, embargo, restraint or hindrance by any governmental or regulatory authority including, without limitation, unfavorable actions or failures to act of or by such authorities, labor difficulties, including without limitation, strikes, slowdowns, picketing or boycotts (involving third parties unrelated to the Party invoking the terms of this Section), or any other circumstances beyond the reasonable control and not involving any fault or negligence of the Delayed Party (each a “**Force Majeure Event**”).

(b) If any such Force Majeure Event occurs, the Party delayed or unable to perform (“**Delayed Party**”), upon giving prompt notice to the other Party, shall be excused from such performance or non-performance, as the case may be, under this Agreement or the impacted License on a day-to-day basis during the continuance of such Force Majeure Event (and the other Party shall likewise be excused from performance of its obligations on a day-to-day basis during the same period); provided, however, that the Party so affected shall use commercially reasonable efforts to avoid or remove such Force Majeure Event, and both Parties shall proceed as quickly as possible under the circumstances with the performance of their obligations under this Agreement or the impacted License whenever such causes are removed or cease.

16.2 Relationship of the Parties. Each Party, in performing their respective obligations hereunder, is acting solely as an independent contractor and not as an agent, employee, partner, or joint venturer of the other Party.

16.3 Interpretation. The singular includes the plural and the plural includes the singular. Except as otherwise provided herein, references to a Section, Attachment or Exhibit mean a Section, Attachment or Exhibit contained in or attached to this Agreement (or to a License), all of which are incorporated herein by reference. The caption headings in this Agreement are for convenience and reference only and do not define, modify or describe the scope or intent of any of the terms of this Agreement. This Agreement will be interpreted and enforced in accordance with its provisions and without the aid of any custom or rule of law requiring or suggesting construction against the party drafting or causing the drafting of the provisions in question. If any one or more of the provisions of this Agreement or the applicability of any such provision to a specific situation, shall be held invalid or unenforceable by a court of competent jurisdiction, such provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of this Agreement and all other applications of any such provision shall not be affected thereby. If any

date herein set forth for the performance of any obligations by either Party or for the delivery of any instrument or notice as herein provided should be on a Saturday, Sunday or legal holiday in Pennsylvania, the compliance with such obligations or delivery shall be deemed acceptable on the next business day. These terms shall have the indicated meaning when used in this Agreement: (a) including shall mean including, without limitation, (b) or shall mean and/or (unless indicated otherwise), and (c) discretion means within the applicable Party’s sole discretion. Further, any reference to statute, act or code shall mean the statute, act or code as amended.

16.4 Insurance. The provisions of Article 10 (Insurance) shall not be construed as limiting the Indemnifying Party’s obligations pursuant to Article 9 (Indemnification) or other provisions of this Agreement.

16.5 No Third-Party Rights. Nothing in this Agreement is intended to provide any legal rights to anyone not an executing party of this Agreement except as provided in Section 2.5 above and under the indemnification provisions.

16.6 Agreement Fully Negotiated. This Agreement has been fully negotiated between and jointly drafted by the Parties.

16.7 Applicable Law. The domestic laws of the State of California, without reference to its choice of law principles, shall exclusively govern this Agreement and any and all Licenses, and they shall be construed in accordance with that law. The application of the UN Convention on Contracts for the International Sale of Goods is specifically excluded from this Agreement.

16.8 Severability. If any term or provision of this Agreement shall, to any extent, be determined to be invalid or unenforceable by a court or body of competent jurisdiction, then (a) this Agreement shall be deemed amended by modifying such provision to the extent necessary to make it valid and enforceable while preserving its intent, and (b) the remainder of this Agreement shall be valid and enforceable.

16.9 Assignment; Sublicensees.

(a) Neither Party will assign or otherwise transfer this Agreement or any Licenses, or any of such Party's rights, obligations or liabilities under this Agreement or any Licenses, without the other Party's prior written consent, which consent will not be unreasonably withheld, conditioned or delayed. However, either Party may assign this Agreement or any License, and/or any of such Party's rights, obligations, or liabilities under this Agreement or any License, to an Affiliate or to an entity that succeeds to all or substantially all of such Party's business, equity, or assets, by sale or merger (a "**Successor**"), without the consent of, but on notice to, the other Party. Subject to the foregoing, the provisions of this Agreement and each License will inure to the benefit of, and be binding upon, the Parties' permitted successors and assigns. Any other attempt by either Party to assign or otherwise transfer this Agreement or any License or any rights, obligations, or liabilities under this Agreement or any License will be void. Notwithstanding the foregoing, Company shall have the right to freely delegate or subcontract its obligations and liabilities under this Agreement or any License, either in whole or in part, without notice, to any of its Affiliates.

(b) Licensee agrees to defend, hold harmless, and indemnify the Company and the Company's Indemnitees from and against all Liabilities suffered by any of them proximately caused by the acts or omissions of Licensee's direct or indirect customers, sublicensees, sublessees or other transferees.

16.10 Integration. This Agreement constitutes the entire and final agreement and understanding between the Parties and supersedes all prior and contemporaneous agreements relating to its subject matter.

16.11 Amendment and Waivers. This Agreement may only be amended, modified, or supplemented by an instrument in writing executed by duly authorized representatives of both Parties. The failure of either Party to enforce any of the provisions of this Agreement, or the waiver thereof in any instance, shall not be construed as a general waiver or relinquishment on its part of any such provision, but

the same shall nevertheless be and remain in full force and effect. A Party's obligations under this Agreement may only be waived in a writing signed by a duly authorized representative of the waiving Party.

16.12 Counterparts. This Agreement and Licenses may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument.

16.13 No Intellectual Property Licenses Granted. No license, under patents or otherwise, is granted by Company to Licensee or shall be implied or arise by estoppel in Licensee's favor with respect to any circuit, apparatus, system or method used by Company in connection with any Facility provided under this Agreement except as reasonably necessary for Licensee to use the Facilities as contemplated in this Agreement under then current Licenses.

16.14 Publicity. Neither Party may use the name, logos, trademarks, service marks or other proprietary identifying symbols of the other Party or its Affiliates in any press release, public statement, advertising, signage, marketing materials or other publicity materials in any medium without the other Party's prior review and written consent, not to be unreasonably withheld.

16.15 No Alteration. No Facility Guide or License shall alter or amend the Parties' obligations under Sections 8, 9, or 10 of this Agreement and any provisions inconsistent with the foregoing shall to that extent be void.

16.16 Survival. The provisions of this Agreement which expressly or by their nature should survive termination or expiration of this Agreement shall survive the termination or expiration of this Agreement.

16.17 REIT Status.

(a) Licensee acknowledges that: (i) Company is directly or indirectly owned in whole or in part by an entity ("**REIT Owner**") that qualifies or intends to qualify as a "real estate investment trust" ("**REIT**") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended (the "**Code**");

and (ii) Company and REIT Owner are therefore subject to operating and other restrictions under the Code.

(b) The Parties intend that this Agreement shall constitute a lease of the Facilities for purposes of Section 856 of the Code, and the Parties shall not take any position on any tax return inconsistent therewith except as required by law.

16.18 Document Hierarchy.

In the event of any conflict or inconsistency among the various documents that make up this Agreement, document precedence will be as follows (from most controlling to least controlling):

- (a) Licenses;
- (b) Amendments;
- (c) the Cover Page;
- (d) the Terms and Conditions; and
- (e) the applicable Facility Guide.

16.19 Non-Discrimination.

Sunesys shall not discriminate on the basis of a person's actual or perceived race, religious creed, color, national origin, ancestry, age, marital status, pregnancy, physical or mental disability, medical condition, genetic information, veteran status, gender, gender identity, gender expression or sexual orientation in employment or performance of its obligations under, or in furtherance of this Agreement.

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ATTACHMENT 2 LIT FIBER FACILITY GUIDE

This Lit Fiber Facility Guide is an attachment to the Agreement and is subject to and is an integral part of the Agreement. Capitalized terms set forth in this Lit Fiber Facility Guide shall have the same meaning as set forth in the Agreement unless otherwise stated herein.

1. **Acceptance Date.** Upon completion of construction or installation of a route, Company shall notify Licensee that the Lit Fiber has been provisioned and is available for Licensee's use (the "**Lit Fiber Completion Notice**"). If Licensee fails to notify Company of its acceptance or rejection of the Lit Fiber Completion Notice within ten (10) business days after Licensee's receipt of the Lit Fiber Completion Notice, Licensee shall be deemed to have accepted the Lit Fiber. However, if, during the ten day period following receipt of the Lit Fiber Completion Notice, Licensee notifies Company of a material deviation from Telcordia GR-2918 and GR-253, where GR-2918 defines the transport mechanism of the DWDM system delivering the wavelength, and GR-253 defines the payload to be carried by the DWDM system and/or ITU-T Standard G.709, Company shall repair the affected portion of the route to such specification and Company shall provide Licensee another Lit Fiber Completion Notice. The foregoing process shall continue in good faith until Licensee accepts or is deemed to have accepted the Lit Fiber. The date of Licensee's acceptance or deemed acceptance of the Lit Fiber shall be the "**Acceptance Date.**"

2. **Third Party Services Requested by Licensee.**
 - (a) Licensee is solely responsible for coordination of all Third Party Services. In such event, Company agrees to promptly provide Licensee with an appropriate letter of agency ("**LOA**") upon request. Licensee shall provide Company with all information reasonably deemed necessary by Company to enable Company to make the necessary cross-connection between the Third Party Service and Company's Lit Fiber or any telecommunications equipment or facilities of Licensee (or of its end users), including, without limitation, circuit facility assignment information and the design layout records ("**DLR(s)**"). Without limiting the foregoing, Licensee will provide Company with a DLR no later than five (5) business days prior to Company's scheduled acceptance test date.

 - (b) If any Licensee-ordered Third Party Service is not ready as of the Commencement Date, Licensee shall nonetheless be obligated to pay applicable Charges for Lit Fiber as of the Commencement Date.

3. **No Route Diversity or Path Protection.** Unless otherwise expressly provided in a License, the Lit Fiber is neither route diverse nor path protected.

4. **Availability Target and Credits.**
 - (a) **Availability Target.** The availability target for Lit Fiber is 99.99% when provisioned as protected and 99.5% when provisioned as unprotected. Lit Fiber is considered unavailable if a port is unable to send or receive traffic. An unavailability event becomes a "**Lit Fiber Outage**" when Licensee opens a trouble ticket with Company's NOC or when Company is notified or becomes aware of the unavailability of the Lit Fiber, whichever first occurs. A Lit Fiber Outage ends when the affected Lit Fiber has been made available and passed all required testing. Lit Fiber Outage notifications must be initiated by contacting Company's NOC by telephone at 1-800-286-6664.

(b) **Outage Credits.** Except as provided in this Subsection and in Section 5 below, Licensee shall be entitled to Lit Fiber Outage credits (“**Lit Fiber Outage Credits**”) based on the cumulative length of the Lit Fiber Outage in a given calendar month as set forth in the tables below, provided Licensee submits a written request to claim a credit allowance within thirty (30) days after the incident:

(i) For Protected Lit Fiber:

Cumulative Length of Lit Fiber Outage (in hrs:mins:secs)	Lit Fiber Outage Credit (as a % of the monthly recurring Charge for the affected Lit Fiber)
00:00:01 – 00:04:22	No Credit
00:04:23 – 00:45:00	5%
00:45:01 – 04:00:00	10%
04:00:01 – 08:00:00	20%
08:00:01 – 12:00:00	30%
12:00:01 – 24:00:00	40%
24:00:01 or greater	50%

(ii) For Unprotected Lit Fiber:

Cumulative Length of Lit Fiber Outage (in hrs:mins:secs)	Lit Fiber Outage Credit (as a % of the monthly recurring Charge for the affected Lit Fiber)
00:00:01 – 03:40:00	No Credit
03:40:01 – 08:00:00	5%
08:00:01 – 12:00:00	10%
12:00:01 – 16:00:00	20%
16:00:01 – 24:00:00	30%
24:00:01 – 36:00:00	40%
36:00:01 or greater	50%

(iii) Lit Fiber Outage Credits shall be calculated by multiplying the applicable percentage by the monthly recurring Charge applicable to the particular Lit Fiber circuit(s) experiencing the Lit Fiber Outage. In the event that the monthly recurring Charge is not broken down to the circuit level, Company shall determine in good faith and on a pro rata basis the portion of the monthly recurring Charge that is applicable to the Lit Fiber circuit experiencing the Lit Fiber Outage.

(iv) Notwithstanding the foregoing or anything to the contrary in this Attachment or the Agreement, where a License indicates that the Lit Fiber is protected and consists of dual paths connecting the same beginning (A-LOC) and end (Z-LOC) points, no Lit Fiber Outage shall be deemed to have occurred and no Lit Fiber Outage Credits shall apply unless both paths are simultaneously unavailable.

5. Limitations

- (a) **Events Excluded from Credit**. No Lit Fiber Outage shall be deemed to occur and no Lit Fiber Outage Credits will be available to Licensee for any Lit Fiber Outage arising from or caused by any of the following events: (i) any acts or omissions of any entity other than Company, including, but not limited to, Licensee, Licensee's Representatives, end users, landlords, Third Party Service providers, or any municipalities, public utilities, power companies, incumbent local exchange carriers, cable companies or similar entities that own or control any infrastructure upon or within which any portion of the System is or would be installed; (ii) Licensee's noncompliance with this Agreement, the applicable License or any Policy; (iii) any routine maintenance; (iv) failure of any service, infrastructure or equipment provided by others (including, without limitation, any non-Company equipment or facilities used in connection with the affected Facility); (v) any period in which Company is not given full access to the System (or any portion thereof) or any of its equipment or facilities for the purpose of investigating and correcting an outage; (vi) any period in which Licensee continues to use the Facility on an impaired basis or releases the underlying Company System, equipment or facilities to Company for maintenance or installation purposes; (vii) outages that are not reported to the Company within thirty (30) days of the date the outage commenced; (viii) any Force Majeure Event(s); and (ix) during any suspension of Licensee's use of a Facility as expressly provided in the Agreement.
- (b) **Cap and Exclusivity of Remedies**. Notwithstanding the foregoing, the maximum credit allowance for all Lit Fiber Outages during any calendar month shall not exceed applicable monthly recurring Charges due Company from Licensee for the Lit Fiber circuit experiencing the Lit Fiber Outage during such calendar month. THE OUTAGE CREDITS REMEDY PROVIDED TO LICENSEE SET FORTH ABOVE IS THE SOLE AND EXCLUSIVE REMEDY PROVIDED TO LICENSEE FOR LIT FIBER OUTAGES AND IS IN LIEU OF ALL OTHER REMEDIES FOR LIT FIBER OUTAGES, REGARDLESS OF WHETHER SUCH REMEDY FAILS OF ITS ESSENTIAL PURPOSE.

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ATTACHMENT 3
INTERNET ACCESS FACILITY GUIDE

1. **Internet Access**. Where so indicated in a License, Company grants Licensee a license to use Company's SunIP™ Internet Access as described in the applicable License.
2. **Commencement Date**. When the Company's SunIP™ Internet Access is ready for Licensee's use, Company shall so notify Licensee. Unless Licensee notifies Company within forty-eight hours of receipt of notice that Internet Access is not available, the date of such notice shall be the "**Acceptance Date**."
3. **Internet Disclaimer**. Licensee acknowledges and agrees that because the flow of data to or from and through the Internet is dependent upon the performance of services and facilities provided or controlled by third parties, Company cannot and does not guarantee that Licensee's use of SunIP™ Internet Access will be uninterrupted. However, Company agrees to use commercially reasonable efforts to remedy impairment or disruption of Licensee's access to the Internet through Company's System, provided however, that any such interruption or impairment is directly attributable to Company's System. Licensee also acknowledges and agrees that the actual transmission speeds for Internet transmissions delivered by Company may vary from the transmission speeds otherwise expected by Licensee based on such factors as the length and gauge of the route used to provide Licensee's service, and other operational characteristics of facilities used by Company and/or Licensee. COMPANY DOES NOT WARRANT THAT SunIP™ INTERNET ACCESS WILL BE UNINTERRUPTED, UNIMPAIRED, ERROR FREE, OR SECURE, AND COMPANY DISCLAIMS ALL WARRANTIES TO THE CONTRARY, WHETHER EXPRESSED OR IMPLIED OR BY OPERATION OF LAW, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
4. **Not a Lease for Section 856 Purposes**. Section 16.17(b) of the Terms and Conditions shall not be applicable to Licenses for SunIP™ Internet Access.

**ALBANY UNIFIED SCHOOL DISTRICT
LIT FIBER LICENSE FORM**

LICENSE No. 2017-01

This License is entered into by and between Sunesys, LLC (the “**Company**”) and Albany Unified School District (the “**Licensee**”) pursuant to, and is governed by, the Master License Agreement by and between the Parties and/or their Affiliates dated December 21, 2017 (the “**Agreement**”), which Agreement contains other terms and conditions that apply to this License. Capitalized terms that are used but not otherwise defined in this License will have the meanings specified in the Agreement.

1. Facilities. Company hereby grants Licensee a license to use the following Facilities (check applicable boxes):

- Lit Fiber* Collocation – SunColo™ Dark Fiber - SunDF™

- * SunE™
 SunEP™
 SunWAVE™
 SunIP™ (see separate Internet Access License)

2. Description of Dark/Lit Fiber Facilities. One (1) Gbps SunEP connections between the Hub location listed below and each of the remote site locations listed on Exhibit A:

A-LOC	Z-LOC
Site Name: Albany High School	Site Name: See Exhibit A
Street Address: 603 Key Route Blvd	Street Address:
Suite/Floor:	Suite/Floor:
City/St/Zip: Albany, CA 94706	City/St/Zip:
Hand-Off Type: 1000Base-LX (SMF)	Hand-Off Type:
Notes:	Notes:
<p><u>Building Entry Rights:</u></p> <p>For this License, the following Party is responsible for Building Entry Rights (see Section 14.1 of the Agreement)(check one box as applicable):</p> <p><input checked="" type="checkbox"/> Licensee <input type="checkbox"/> Company <input type="checkbox"/> Not applicable</p>	<p><u>Building Entry Rights:</u></p> <p>For this License, the following Party is responsible for Building Entry Rights (see Section 14.1 of the Agreement)(check one box as applicable):</p> <p><input checked="" type="checkbox"/> Licensee <input type="checkbox"/> Company <input type="checkbox"/> Not applicable</p>

(a) **Strand Count/Bandwidth Commitment:** [For Dark Fiber indicate # of strands; for Lit Fiber indicate committed bandwidth - check applicable box and complete]:

- Dark Fiber: The Dark Fiber circuit consists of ____ strands of optical fiber.
 Lit Fiber: The committed bandwidth is 1 Gbps.

(b) **Protected/Unprotected** [check applicable boxes; if no boxes are checked, Facility is unprotected]:

- Dark Fiber: Unprotected
 Protected ring
- Lit Fiber: Unprotected
 Protected

3. **Demarcation Point.** The “Demarcation Points” shall be as follows:

- (a) A-LOC: Fiber Distribution Panel Other _____
(b) Z-LOC: Fiber Distribution Panel Other _____

The Demarcation Point delineates where responsibility for the Parties’ respective networks, equipment and/or maintenance obligations begin and end.

4. **Preliminary Route Map / Logical Diagram.**

Not Applicable.

5. **Intrastate Jurisdiction Confirmation (for Lit Fiber Facilities with A/Z in the same state).**

Expected interstate use of the fiber will be ten percent (10%) or less of the total traffic carried across the fiber (check one box as applicable)?

- YES
 NO (if No, Company will collect applicable USF charges)
 N/A (non-transport/interstate/international circuits)

6. **Target Delivery Date.** Sunesys will use reasonable efforts to make the deployment of Licensed Facilities described herein available to Licensee on or about December 1, 2018, which for purposes of this License shall be the “**Commencement Date**”.

7. **Charges.**

- (a) **Non-recurring Charge (NRC).** \$0.00
- (b) **Monthly Recurring Charge (MRC).** Four Thousand Seven Hundred Ten Dollars (\$4,710.00)
- (c) **Payment Timing.** Licensee shall begin paying the MRC, and the NRC shall become payable in full, as of the Commencement Date consistent with Section 6.1 of the Agreement, and Company will invoice Licensee accordingly.
- (d) **Pass-Throughs.** If and to the extent any tariffs, fees or other amounts charged to Company in connection with fulfilling this License are increased, Company reserves the right to pass such increases through to Licensee. Company will notify Licensee of any such increases and the same shall be added to Licensee's invoices as of the date such increases are effective.

8. **License Term.**

- (a) **Initial License Term.** Beginning on the Commencement Date and continuing through June 30, 2022.
- (b) **Renewal License Term.** Upon the expiration of the Initial License Term, Licensee may renew this License for an additional twelve (12) month period by providing Company advance written notice of its intent to renew the License no less than sixty (60) days before the expiration of the Initial License Term.

9. **Additional Terms.**

9.1 As of the Commencement Date, the existing Wide Area Network Agreement between Sunesys and Licensee dated January 29, 2008, as amended (the "Existing WAN Agreement"), shall be superseded and replaced by this License, and neither party shall have further obligations under the Existing WAN Agreement following the Commencement Date, except for any obligations that are intended to survive the expiration or termination of the Existing WAN Agreement.

9.2 During the Initial License Term, Licensee may upgrade the capacity of the Lit Fiber Facilities (e.g. 1 Gbps to 10 Gbps). The price for such upgraded capacity shall be negotiated between Licensee and Sunesys at the time that such upgrade is requested and the upgrade and any modified terms shall be evidenced by a written amendment to this License.

10. **Miscellaneous.** This License, together with the terms and conditions of the Agreement, set forth the complete understanding of the Parties hereto, and supersede all prior and contemporaneous understandings, regarding the subject matter of this License. Any exhibits attached to this License are integral parts hereof and are made a part of this License

by reference. This License may only be amended, modified, or supplemented by an instrument in writing executed by duly authorized representatives of both Parties.

- 11. **Authorized Signatures**. Intending to be legally bound, the authorized representatives of the Parties have signed their names below effective as of the date this License is countersigned by the Company as indicated below (the “**License Effective Date**”).

SUNESYS, LLC

ALBANY UNIFIED SCHOOL DISTRICT

Authorized Signature

Authorized Signature

Printed Name

Printed Name

Printed Title

Printed Title

License Effective Date

Date

Facilities provided in the states below will be provided either by Company or the Affiliate of Company designated below:

Fiber Technologies Networks, L.L.C.
 Fibernet Direct Florida LLC.
 Fibernet Direct Texas LLC.
 Access Fiber Group, Inc.
 Wilshire Connection, LLC
 Lighttower Fiber Networks II, LLC

-Indiana, Kentucky, Michigan, Ohio, West Virginia, Wisconsin
 -Florida , Georgia
 -Louisiana, Oklahoma, Texas
 -Alabama, Missouri, Tennessee
 -California
 -Connecticut, Delaware, District of Columbia, Illinois, Maine,
 Maryland, Massachusetts, New Hampshire, New Jersey, New
 York, North Carolina, Pennsylvania, Rhode Island, Vermont,
 Virginia

**EXHIBIT A
Remote Site List**

One (1) Gbps SunEP connection between the Hub location and each of the remote site locations listed below

**HUB
Albany High School
603 Key Route Blvd
Albany, CA 94706**

Remote Site Locations

B-LOC	C-LOC
Site Name: Albany Middle School	Site Name: Albany Middle School Annex
Street Address: 1259 Brighton Ave	Street Address: 601 San Gabriel Ave
Suite/Floor: MPOE First Floor	Suite/Floor: MPOE First Floor
City/State/Zip: Albany, CA 94706	City/State/Zip: Albany, CA 94706
Hand-Off Type: 1000Base-SX (MMF)	Hand-Off Type: 1000Base-SX (MMF)

D-LOC	E-LOC
Site Name: Cornell Elementary School	Site Name: Marin Elementary School
Street Address: 920 Talbot Ave	Street Address: 1001 Santa Fe Ave
Suite/Floor: MPOE First Floor	Suite/Floor: MPOE First Floor
City/State/Zip: Albany, CA 94706	City/State/Zip: Albany, CA 94706
Hand-Off Type: 1000Base-SX (MMF)	Hand-Off Type: 1000Base-SX (MMF)

F-LOC	G-LOC
Site Name: Ocean View Elementary School	Site Name: Albany Children's Center
Street Address: 1000 Jackson Street	Street Address: 720 Jackson Street
Suite/Floor: MPOE First Floor	Suite/Floor: MPOE First Floor
City/State/Zip: Albany, CA 94706	City/State/Zip: Albany, CA 94706
Hand-Off Type: 1000Base-SX (MMF)	Hand-Off Type: 1000Base-SX (MMF)

** Note: The District Office location at 904 Talbot Avenue, Albany, CA that was previously included as a remote site under the Existing WAN Agreement is intentionally being eliminated from the wide area network and will not be a remote site location under this License. Sunesys shall be granted reasonable access to undertake any work necessary to disconnect that site from the wide area network.

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP**

423

Regular Meeting of January 24, 2017

ITEM: 2017-2018 GOVERNOR'S BUDGET PROPOSAL
PREPARED BY: ALLAN GARDE, CHIEF BUSINESS OFFICIAL
TYPE OF ITEM: REVIEW AND DISCUSSION

PURPOSE: To review and discuss with the Board the projected financial impacts of the Governor's 2018-2019 Budget Proposal.

BACKGROUND INFORMATION: At the [December 5, 2017 Special Board Meeting](#), the Board received an update of the Budget Priorities Process. At the [December 12, 2017 Regular Board Meeting](#), the Board approved the First Interim Financial Report for 2017-2018. On January 10, 2018, the Governor released his initial budget proposal for the 2018-2019 fiscal year.

DETAILS: The Governor's Budget Proposal marks the basis for building the Albany Unified School District budget for the following year. Subsequent steps are required both within the State level and within the District level in order to reasonably project the financials.

State Level:

1. Legislative Budget Subcommittee Meetings
2. Governor's May Revise Budget Proposal
3. Full Legislative Budget Meetings
4. Legislative Vote on Proposed Budget
5. Governor line-item vetoes and approves the budget prior to June 30

District Level:

6. Review enrollment and staffing ratios
7. Review and Discuss financials
8. Review and Discuss staffing and programs
9. Continue Local Control Accountability Plan engagement meetings
10. Review and Discuss the Local Control Accountability Plan and Budget
11. Board approves the Local Control Accountability Plan and Budget prior to June 30

KEY QUESTIONS/ANSWERS:

1. What is the Governor's Budget Proposal?
 - a. The proposal outlines the upcoming goals and priorities set by the Governor for the legislation to review and discuss.
2. How reasonable is it to assume what is proposed by the Governor ends up becoming enacted by June?
 - a. In the 20th Century, the proposal was historically a good indicator of what would end up being approved and enacted by the legislature. So far in the 21st Century, it has not been a reliable indicator of the enacted budget due based on the impacts of the Great Recession, stock market volatility, and the changing priorities of different State/Federal Administrations. Districts use this information provided, but will always need to remain cautious that what is proposed in January does not always become enacted in June.

FINANCIAL INFORMATION:

Albany Unified School District
2018-2019 Governor's Budget Proposal
Combined General Fund

	2017-2018 1st Interim Budget	2018-2019 <i>Projected</i> <i>Budget</i>	2019-2020 <i>Projected</i> <i>Budget</i>	2020-2021 <i>Projected</i> <i>Budget</i>	2021-2022 <i>Projected</i> <i>Budget</i>
Total Revenues	\$45,601,729	\$46,276,054	\$45,927,710	\$46,850,395	\$47,608,053
Total Expenditures	\$46,958,359	\$46,551,752	\$47,812,359	\$48,913,637	\$49,664,391
Net Surplus / (Shortfall)	\$(1,356,630)	\$(275,698)	\$(1,884,649)	\$(2,063,242)	\$(2,056,338)
Total Savings Account - Reserves	6,594,861	6,420,098	4,500,647	2,380,774	291,397
Total Reserves Percentage	14.04%	13.79%	9.41%	4.87%	0.59%

STRATEGIC GOALS ADDRESSED: This Board Item addresses



Objective #3: Communicate and Lead Together.

Goal: All stakeholders will collaborate and communicate about decisions that guide the sites and district.

RECOMMENDATION: Review and Discuss the 2018-2019 Governor's Budget Proposal



GOVERNOR
EDMUND G. BROWN JR.

January 10, 2018

To the members of the Senate and the Assembly of the California Legislature:

In 2011, we faced "a tough budget for tough times." We cut spending, the economy recovered, and voters approved tax increases. The \$27 billion deficit became a solid surplus.

In recent years, I have warned of an inevitable recession lurking in our future, which thankfully has not yet arrived. Nevertheless, we must remain vigilant and not let rosy statistics lull us into believing that economic downturns are a relic of the past. Fiscal restraints are needed more than ever as California approaches the peak of the business cycle.

This budget reflects our collective priorities. As was true in 2011, our Job Number 1 is fixing our state budget and keeping spending in line with revenue. In a volatile and uncertain world, fixing the budget is a perpetual struggle and one we must approach with wisdom.

California has faced ten recessions since World War II and we must prepare for the eleventh. Yes, we have had some very good years and program spending has steadily increased. Let's not blow it now.

I urge you to debate this budget, reflect on the many uncertainties we face and fill the Rainy Day Fund. In this way, we will avoid the drastic cutbacks suffered in previous downturns and keep faith with the people and our state on an even keel.

With respect,

/s/ Edmund G. Brown Jr.

Edmund G. Brown Jr.



ALBANY UNIFIED SCHOOL DISTRICT

Val Williams, Superintendent
1051 Monroe Street, Albany CA 94706

Governor's Budget Update

Board Meeting: January 23, 2018

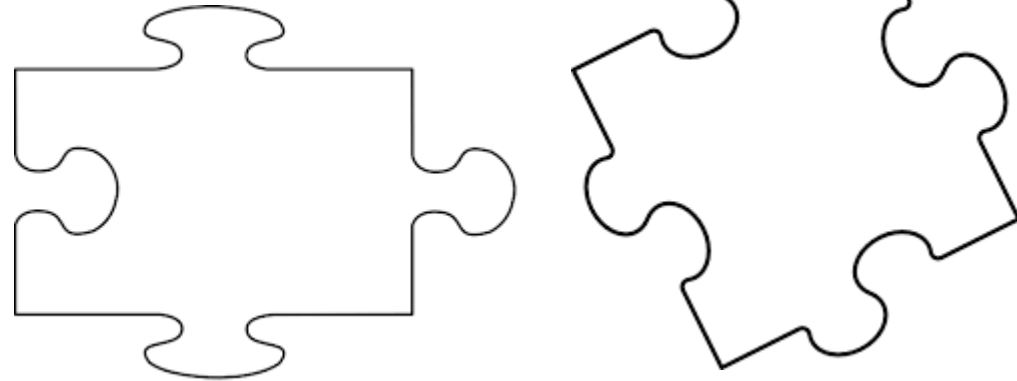
Allan Garde, Chief Business Official



Purpose

Review the Governor's Proposed Budget for 2018/19 and assess the impacts to our own budget

Hint: our budget is still like this



Impact of Governor's Proposed Budget

Cutting to the chase

- 2018/19 - \$1.6M
- 2019/20 - \$0.5M
- 2020/21 - \$0.2M
- 2021/22 – Last year of Measure LL Parcel Tax

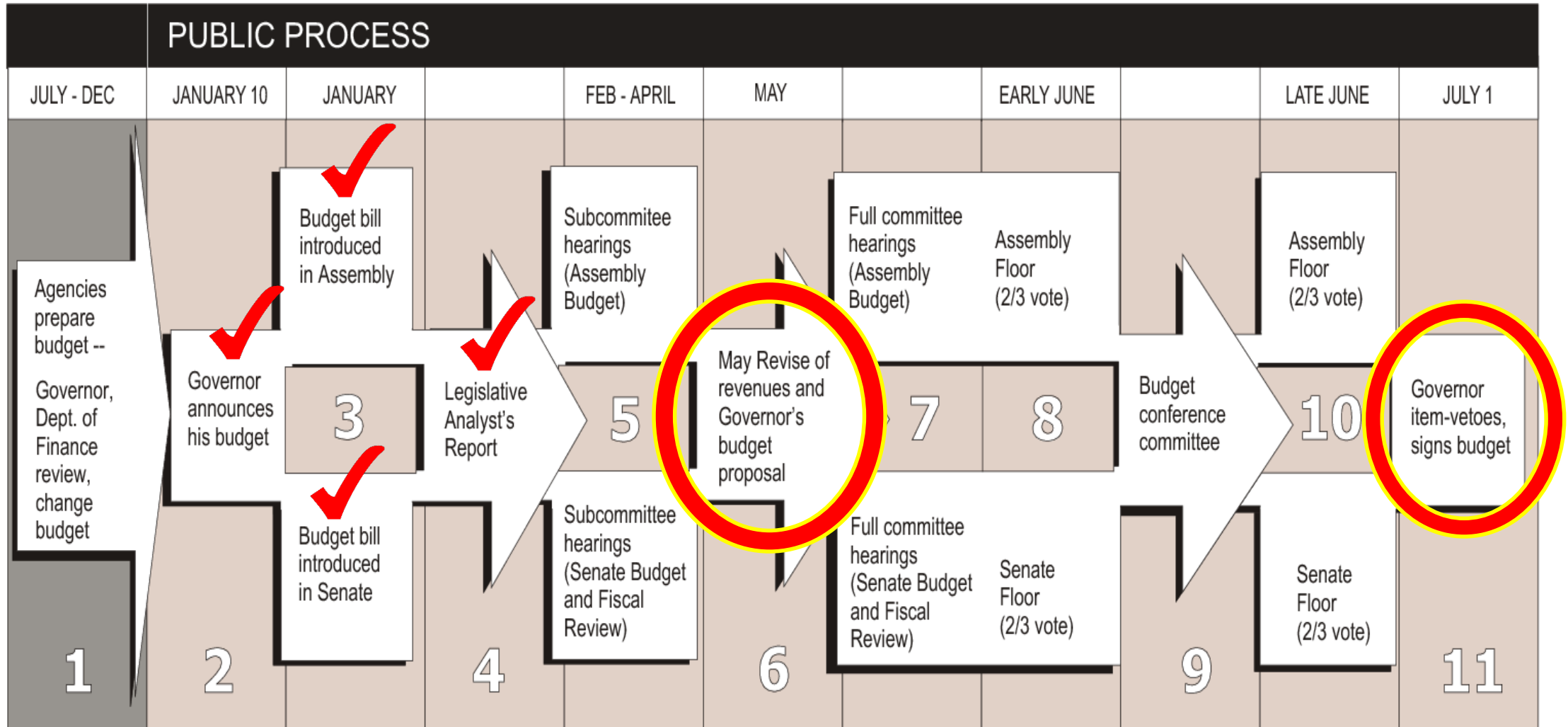
Albany Unified School District 2017-2018 1st Interim Budget Combined General Fund	2017-2018 1st Interim Budget	2018-2019 Projected Budget	2019-2020 Projected Budget	2020-2021 Projected Budget	2021-2022 Projected Budget
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Albany Unified School District
2018-2019 Governor's Budget Proposal
Combined General Fund

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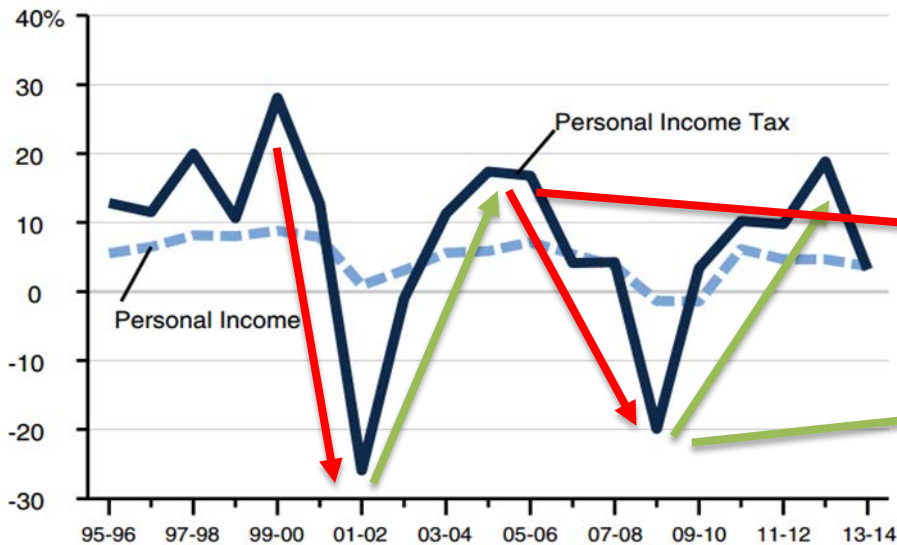


The 11-Step State Budget Process



Personal Income Tax Much More Volatile Than Economy

Percent Change From Prior Year



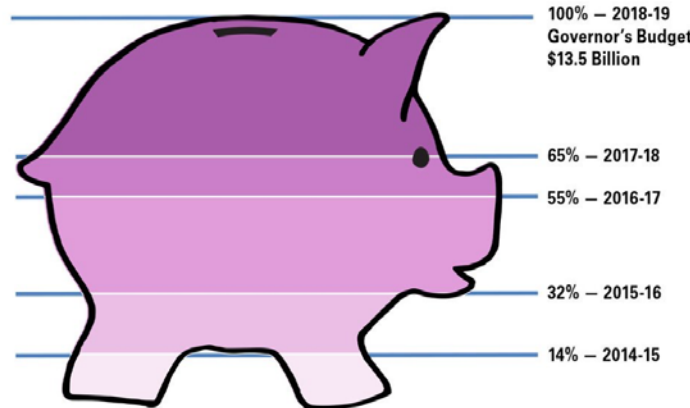
- State = 80% of District Revenues
- \$60B loss in a typical recession
- State “Rainy Day Fund” \$13.5B
- Volatility can be good or bad

Federal tax plan adds new uncertainties to typically uncertain #CABudget projections. For more, see our new Overview publication: lao.ca.gov/Publications/D...

Governor’s #CABudget proposal focuses on building more reserves, which we believe is prudent in light of economic and federal budget uncertainty. lao.ca.gov/Publications/D...

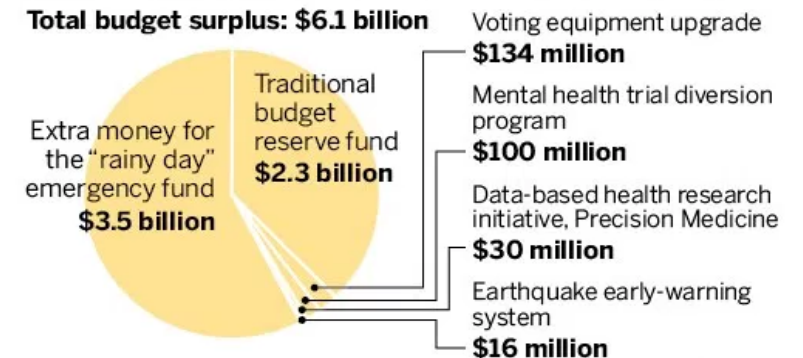
Jerry Brown warns next governor: Spend too much, and you’ll have to raise taxes

Filling Up the Rainy Day Fund Before the Next Recession



NO SPLURGE FOR CALIFORNIA

Gov. Jerry Brown wants to sock away \$5.8 billion — 85 percent — of the state’s projected \$6.1 billion budget surplus to prepare for the next economic downturn — which, he warns, could be imminent.



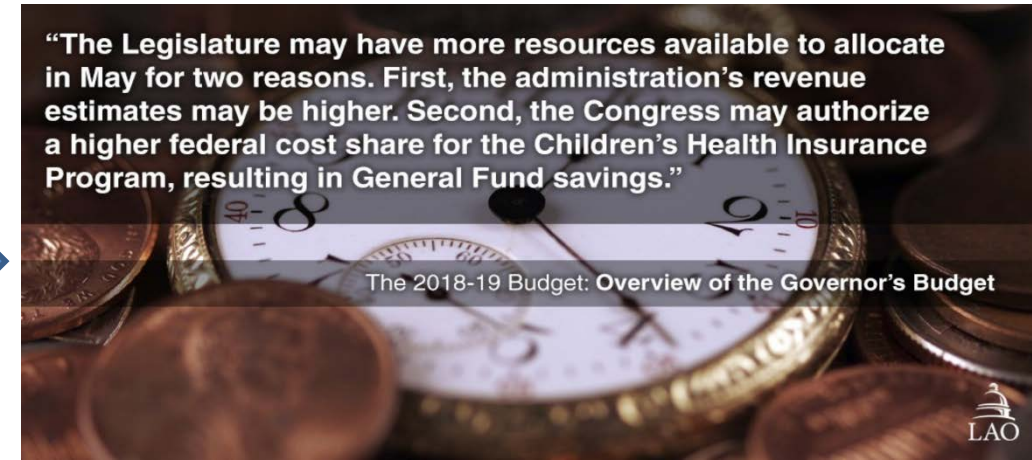
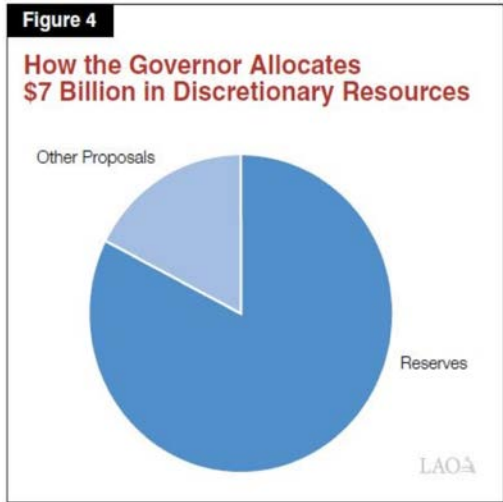
Source: California Department of Finance

BAY AREA NEWS GROUP

This is an election year

- Legislators will focus on: 

So instead of: They will push for:



Our statement on proposed #CABudget: "there's room to strike a better balance between putting funds away for later and boosting state investment now to help more households to make ends meet."

"We need to make college tuition free again in the state of California," @DelaineEastin says, drawing loud applause. Wondering when/if we'll hear about the governor's online community college proposal in recently unveiled #CABudget



#CABudget @First5CA's Camille Maben says, "High-quality child care is the best investment the state budget can make in both the child and the working parent, and access to this care needs to be the first call on revenue increases." #ECE

California State University maxes out, turns away more students than ever sfchronicle.com Unacceptable. All eligible students should have a spot in college. #highered #cabudget



CA is 46th out of 50 states and the District of Columbia in education spending. We applaud Gov Brown for fully financing #LCFF and greatly improving the equity of too small a pie. But students will continue to suffer until we adequately fund public schools



.@JerryBrownGov's Final State Budget Proposal Builds on His Legacy of Commitment to California's Students, Invests in Our Neighborhood Public Schools: cta.org/About-CTA/News...

What was in the Governor's Proposal?

And what can we count on?

- ✓ Fully Fund the Local Control Funding Formula
- ✓ "One-time" general funding – Over \$1M for Albany
- ✓ Permanent and Ongoing funding for Career-Technical Education – “Strong Workforce Program”
- ✓ Special Education Local Plan Area (SELPA) Reporting
- ✓ State Accountability System Upgrades
- ✓ State facilities bond issuance
- ✓ No recession through 2022 – Resulting in the longest period of economic expansion in the State's history

What have we done to prepare for the recession?

Budget Adjustments Since 2014

Budget Adjustments	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total
OPEB Funding Method	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,750,000
Utilities	\$10,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$460,000
Recycling	\$30,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$390,000
Copiers	\$30,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$630,000
Facility-Use Revenues	\$115,000	\$100,000	\$115,000	\$130,000	\$180,000	\$180,000	\$180,000	\$1,000,000
Paper Costs	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$70,000
Director I	-	-	-	\$48,000	\$48,000	\$48,000	\$48,000	\$192,000
M&O Supervisor	-	-	-	\$175,000	\$175,000	\$175,000	\$175,000	\$700,000
District-wide Budgets	-	-	-	\$125,000	\$125,000	\$125,000	\$125,000	\$500,000
Communications Manager	-	-	-	-	\$45,000	\$45,000	\$45,000	\$135,000
Total	\$445,000	\$595,000	\$610,000	\$973,000	\$1,068,000	\$1,068,000	\$1,068,000	\$5,827,000

Impact of Governor's Proposed Budget

Cutting to the chase

- 2018/19 - \$1.6M
- 2019/20 - \$0.5M
- 2020/21 - \$0.2M
- 2021/22 – Last year of Measure LL Parcel Tax

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Total Reserves Percentage	14.04%	13.79%	9.41%	4.87%	0.59%



Next Steps

- March 13, 2018 – 2nd Interim Financial Report
- May 10, 2018 – Governor’s May Revise
- June 12, 2018 – 2018/19 Budget Public Hearing
- June 26, 2018 – 2018/19 Budget Adoption

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP**

Regular Meeting of January 23, 2018

ITEM: **BUDGET COMMITTEE**
PREPARED BY: **ALLAN GARDE, CHIEF BUSINESS OFFICIAL**
TYPE OF ITEM: **REVIEW AND DISCUSSION**

PURPOSE: To review and discuss having a Board appointed Budget Committee or maintaining the current makeup of the Budget Work Group.

BACKGROUND INFORMATION: At the [October 10, 2017 Regular Board Meeting](#), the Board agreed to the creation of an ad-hoc Budget Input Assessment Committee that would meet in November and December and not be a Board appointed committee. At the [December 5, 2017 Special Board Meeting](#), the Board received an update of the Budget Priorities Process and agreed to a longer timeframe for the committee to work through data to develop recommendations.

DETAILS: The overall goal of the committee is to make recommendations that will address the budget shortfall by aligning revenues and expenditures. This can be accomplished through the review of data, develop strategies to receive input, and analyze opportunities to be cost efficient.

The composition goal of the committee is to have:

- Two teachers/counselors from each school site (10)
- One parent/guardian from each school site (5)
- Two school site administrators
- One representative from the Service Employees International Union (SEIU)
- One representative from the California School Employees Association (CSEA)

In attendance:

- Two Board Members
- One Student Board Member
- Superintendent
- Chief Business Official

Committee Total – 24

With the extended timeframe for the committee and shift in deliverables, there are several vacant seats that will need to be filled to maintain the total of 24 committee members.

Factors to consider with a Board appointed committee:

- Board formally approves each member of the committee
 - Advertise and solicit interest to be a member of the committee
 - Member participation will be public
- Meetings adhere to the Brown Act:
 - Post meeting agenda 72 hours in advance
 - Record meeting minutes
- Committee will need to assign:
 - A President to facilitate the meetings
 - A Secretary to record meeting minutes

KEY QUESTIONS/ANSWERS:

1. What time frame would be required to have a Board appointed committee?
 - a. Through the Maddy Act, we publish vacant seats for a minimum of 15 working days. Add time for review, recommendation, and Board action, a Board appointed Budget Committee would take three months from now to begin meeting.

FINANCIAL INFORMATION:

This committee plays an integral part in the structure of our long-term budget. There is no financial cost to assemble the committee.

STRATEGIC GOALS ADDRESSED: This Board Item addresses



Objective #3: Communicate and Lead Together.

Goal: All stakeholders will collaborate and communicate about decisions that guide the sites and district.

RECOMMENDATION: Review and Discuss making the Budget Committee a Board appointed committee

**ALBANY UNIFIED SCHOOL DISTRICT
BOARD AGENDA BACKUP**

Regular Meeting of January 23, 2018

ITEM: **Special Education Review and Discussion**

PREPARED BY: **Diane Marie, Director of Special Education**

TYPE OF ITEM: **Review and Discussion**

PURPOSE:

The purpose of this item is to provide an update on issues raised regarding Special Education staffing.

BACKGROUND INFORMATION:

A Special Education Staff Report was presented at the November 28, 2017 Board Meeting. A request was made to bring this topic back to the Board for continued discussion.

DETAILS:

Special Education teachers and paraeducators shared their concerns, ideas and recommendations to improve the quality of service to students with special needs. Staff will provide an update on these recommendations and scheduled meetings with teachers and paraprofessionals.

KEY QUESTIONS AND ANSWERS:

Q. Has there been input solicited from Special Education teachers and paraprofessionals?

A. The Director of Special Education and Program Specialists met with paraeducators at all sites, with Special Education Round Table, and with Special Education teachers to discuss staffing concerns and potential solutions. A survey was given to paraeducators to gather their input and feedback. In addition, a meeting was held with two Special Education teachers, one general education teacher, and one ATA Co-President to seek clarification on the recommendations presented to the Board at a previous Board meeting. One meeting was held with paraprofessionals at one elementary school. Meetings with Special Education teachers and paraprofessionals at all sites are being scheduled over the next two weeks.

STRATEGIC OBJECTIVES ADDRESSED:



Objective #1: *Assess and Increase Academic Success. Goal: We will provide a comprehensive educational experience with expanded opportunities for engagement, assessment, and academic growth so that all students will achieve their fullest potential.*



Objective #2: *Support the Whole Child.* **Goal:** *We will foster the social and emotional growth of all students, implement an array of strategies to increase student engagement, identify individual socio-emotional and behavioral needs, and apply collaborative appropriate interventions.*

RECOMMENDATION: Discuss Special Education staffing.